

CHAIR'S ADDRESS – 2025 ANNUAL GENERAL MEETING

19 November 2025



Sugar Terminals Limited
Annual General Meeting

Chair's Address


Mark Gray
19 November 2025

Today's Annual General Meeting is my ninth and final as the independent Chair of Sugar Terminals Limited, having now served the maximum allowable 3 terms on the STL Board.

In my Address today, I'll outline how your Company continues to make strong progress towards achieving its strategic objectives for the benefit of all industry participants both now and into the future.

OVERVIEW OF CHAIR'S ADDRESS

Overview of Chair's Address



- Current Challenges Facing the Industry
- Summary of STL's Financial Results
- 2025 Storage and Handling Agreement
- Transition to Insourced Operations
- Inactive Growers
- Concluding Comments
- Acknowledgements

In my Address today, I'll cover a variety of key activities, including:


- current challenges facing the industry
- the financial performance of STL over the past 12 months
- the successful finalisation of a new Storage and Handling Agreement and the agreed next steps
- our ongoing transition to an insourced operating environment
- continued focus on eliminating inactive growers.

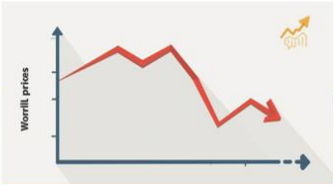
I'd like to conclude with some final observations based on my 9 years as Chair, both looking back at what has been achieved, and looking forward to the challenges ahead.

Following my address our CEO, David Quinn, will provide you with more detail on operational issues, and an overview of key activities that the STL Team is progressing to deliver on the short, medium and longer term strategic priorities of the business.

CHALLENGING MARKET CONDITIONS


Challenging Market Conditions






World Prices

Global sugar prices have been steadily decreasing, squeezing profit margins.



Weather Events

Increasing frequency of extreme weather disrupts sugar cane production.



Farmland Reduction

Urban expansion reduces available land for sugar cane cultivation.

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Challenging global conditions throughout FY25 have again tested the resilience of our industry.

World prices continue to decline due to a variety of factors, placing pressure on the viability of growers and millers, and even greater focus on input costs.

Whilst we were fortunate to have avoided any widespread weather events, flooding in the Herbert Region in January 2025 reached unprecedented levels, with the after-effects still being felt in the current season's crush.

The demise of the Mossman Mill is also an unfortunate setback for the industry.

Whilst many factors are outside of our control, you can be assured that STL continues to have a laser-like focus on managing our costs and demonstrating both value and reliability to our customers and industry more generally.

This approach will not change.

It is also in this context that your Board has undertaken a further review of our 5-year strategic plan through until 2030 centred around our Mission, Values and Strategic Pillars.

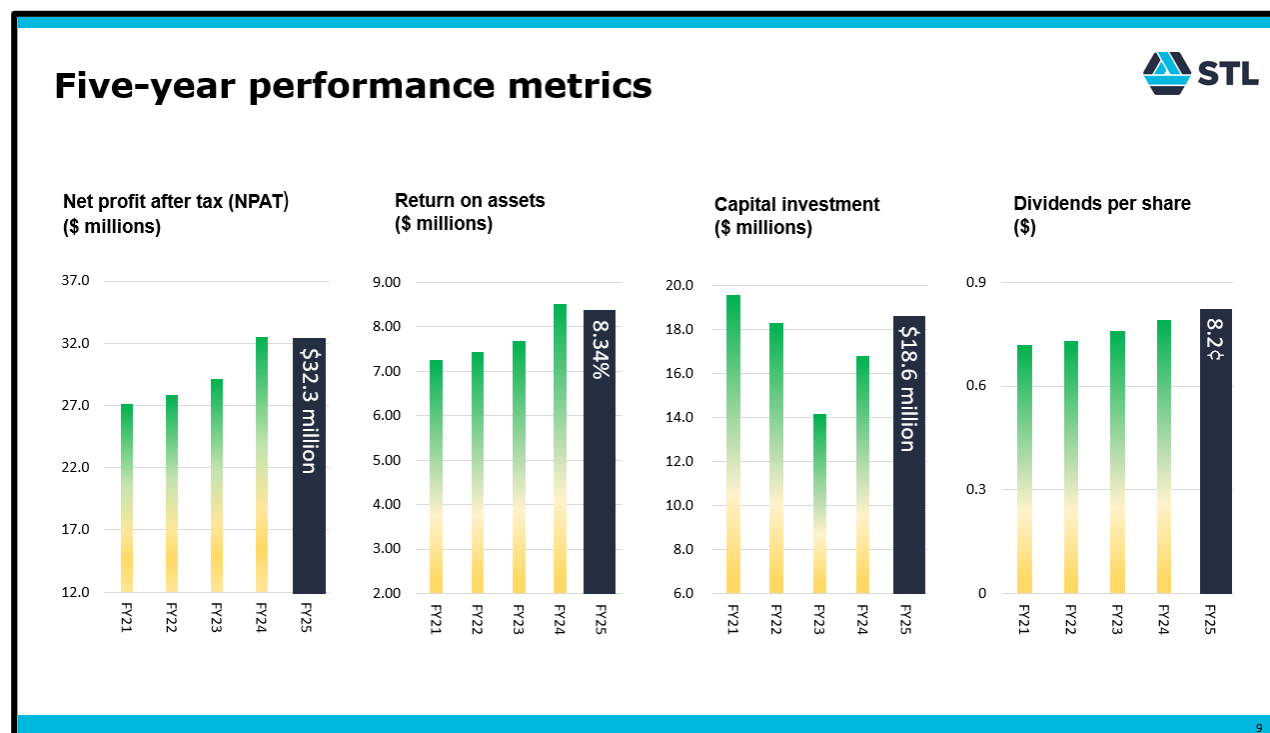


Areas of particular focus during this period will include but are not limited to:

- implementing a sustainable operating business model, with reduced costs
- establishing stable long term commercial agreements
- investing appropriately in our assets
- communicating effectively with our stakeholders
- fostering a unified and high performing culture

It will be the delivery of these and other initiatives which will ensure our long-term relevance and support for the sugar industry.

SUMMARY OF STL's FINANCIAL RESULTS



FY25 has seen another year of solid, stable and consistent performance by STL.

We remain committed to delivering on the promise of doing what we say we are going to do -despite challenges we may face at times.

Net Profit after Tax for FY25 was \$32.3M.

This was slightly down on the prior financial year, due to our decision in September 2024 to rebate \$1.8M in total back to our customers to ease the cost pressures being faced by industry.

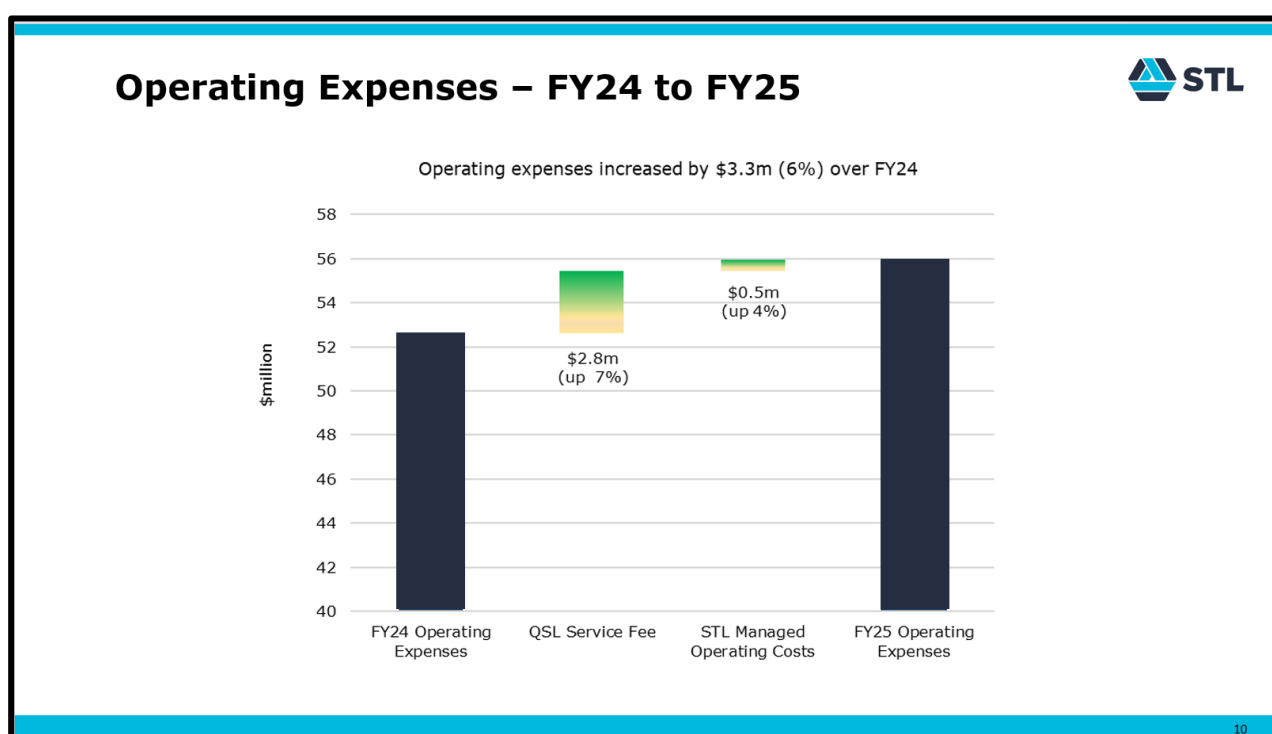
We trust that 'grass root' growers shared in this benefit, but we have no visibility as to the way this might have occurred.

The Board's ongoing focus on costs is a further acknowledgement that many of our stakeholders, in particular growers and millers, continue to experience cost increases well above the rate of inflation.

Looking now in more detail at our costs for FY25, total operating expenses increased by 6.3%, or approximately \$3.3 million as compared to the prior financial year.

Of this, over \$2.8 million, or 85% of the increase, was associated with the service fee paid to our operations contractor.

This is our largest single expense line, and the main driver of cost increases, as shown in the waterfall chart on the screen.



Other key financial metrics for FY25 included:

- an increase of 2.7% in total revenue, with a small but promising contribution made by non-sugar activities. This has been achieved whilst at all times fully supporting the needs of our raw sugar customers.
- importantly, total capital investment in our critical industry assets increased to \$18.6 million across the six terminals, which includes uncompleted work from FY24 and other STL funded capex.

As a Company, I'm also very pleased to report that we remain debt free which provides additional financial flexibility as we pursue our strategic objectives, and face external pressures beyond our control.

Let me now discuss the recently finalised Storage and Handling Agreement.

2025 STORAGE AND HANDLING AGREEMENT



As you will be aware, much of the year was devoted to negotiations with our 6 customers on the terms of a new Storage and Handling Agreement which came into effect on 1 July 2025.

On this occasion, our customers chose to seek, and were granted by the ACCC, the right to collectively negotiate the terms of this key commercial agreement.

STL was supportive of this approach and indicated this to the ACCC.

In our view, any strategy that enabled a more time efficient and less costly negotiation would ultimately be beneficial for all industry participants.

Importantly, STL had hoped that this approach would also facilitate customers negotiating amongst themselves on certain contentious customer-to-customer issues that remained unresolved.

Ultimately, whilst we feel the intent was sound, it is STL's view that some of the expected benefits of this approach were not achieved.

There remain challenges for all parties in finding the best way forward in future negotiations on the terms of the next agreement.

Nevertheless, we finalised a new agreement with 5 of our 6 customers by 30 June 2025 or shortly thereafter.

The terms, including all the benefits of the new agreement, are being applied to all 6 customers - including the one customer who has yet to execute.

Some of the key benefits to be delivered for our customers under this agreement include:

- a progressive reduction of the Availability Charges over the 2-year term in order to achieve a return on assets of 7.1%. This is consistent with the return STL recorded when the current operating model came into effect in 2017
- capping some of the Activity Charges
- STL absorbing a material portion of insourcing transition costs, instead of passing these on to customers under cost pass-through arrangements.

These changes alone will result in cost reductions of greater than 10% - delivering a significant benefit for the industry.

As with last year's rebate, we trust that an appropriate share of these benefits will flow back to growers

Another key undertaking as part of finalising the new SHA is a commitment by STL to conduct a full, independent review of the Pricing Model which underpins all of the charges levied under this agreement.

This review will be conducted during 2026, and scoping work has already commenced.

STL remains very cognisant of the importance of keeping all of our stakeholders informed through this process, particularly in light of our obligations as a listed Company.

At this point, I do need to comment on the oft-repeated claim of monopoly pricing by STL.

Firstly, I would note that monopolies are a common feature in the provision of large-scale infrastructure, as evidenced in areas such as airports, rail, ports, water, and parts of the energy network.

It makes no sense to duplicate such infrastructure.

Secondly, there are regulatory structures and protections in place to guard against any attempts at monopoly pricing by large-scale infrastructure providers such as STL.

As our own safeguard, STL has run a shadow regulatory pricing model in the background, to ensure that we set prices on a responsible basis and remain well within contemporary regulatory pricing parameters.

If there remain residual concerns about our alleged monopoly pricing, STL is more than happy to have our pricing practices scrutinised by the Queensland Competition Authority, as the independent economic regulator.

It's only natural that customers always want lower prices.

However, this needs to be balanced with our responsibility to ensure adequate capital investment in upgrading and replacing our vital industry supply chain assets and ensuring an appropriate return for shareholders.

There have also been some comments that STL's returns are too high.

As I indicated earlier, to address some of these concerns, we have wound back our returns to the levels of 2017, when the first Storage and Handling Agreement was put in place.

It must be noted, however, that returns are being measured on a very low valuation of assets.

Terminal assets are valued at some \$342 million, based on historic costs.

This is well under replacement value.

In fact, these are highly valuable assets, with a full replacement value of approximately \$3 billion, and a depreciated optimised replacement value of around \$1.5 billion.

There is no doubt an economic regulator would assess a Regulated Asset Base (RAB) much higher than the existing book value of these assets.

Applying a more realistic current valuation of assets, STL's returns are much more modest and, to reiterate, well within regulatory parameters.

STL will be considering whether to update the basis of its asset valuation in future financial reporting.

Moreover, dividend yields are distorted by a share price adversely impacted by the illiquidity of G Class shares.

The question that will need to be addressed further as part of the forthcoming Pricing Review is what is an appropriate return for STL, having regard to industry conditions, which can vary markedly from year to year.


Other relevant factors are that STL shares have a significant investment value for many of our shareholders, and represent compensation for the initial investment by industry in funding the terminal assets.

Obviously, I'll be out of the picture as this Pricing Review takes place, but I look forward to hearing about the outcomes, which will set the scene for pricing arrangements post-insourcing.

Let me now turn to our insourcing transition activities, which are ramping up rapidly as we head towards handover of operations on 1 July 2026.

TRANSITION TO INSOURCED OPERATIONS

Transition to Insourced Operations



- QSL Operations employees briefed by STL executive on transition plans
- Agreement on purchase price for Assets (front end loaders, excavators, etc)
- Environmental Authorities agreed to be transferred before transition occurs
- Regular transition working group meetings between STL and QSL Executive
- STL committed to negotiating in good faith

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It's hard to believe that it's almost 3 years since STL made the important decision to insource operations.

We are now only slightly over 7 months away from completing this task.

As we have stated consistently, the key reasons for making this change - which is designed to provide lasting ongoing benefits for industry – are to:

- remove duplication of corporate overhead costs embedded in an outsourced model. These are unnecessary and avoidable costs hidden in the fee paid to QSL for its services and which add a deadweight burden to our underlying cost structure.
- eliminate the inherent conflict of interest in the customer/operator model, especially where there is a competitive market with multiple customers trying to gain an advantage over each other.
- enables STL to better manage the increased legal obligations that are imposed on us as Directors and Key Management Personnel of a listed public company – obligations that simply cannot be delegated or ‘contracted out’ to a third party operator, without leaving us with a substantial risk exposure over which we have limited control.

These factors are supported by a compelling business case, with a base case IRR of around 25%, and an upside case with an even higher IRR, reflecting greater ongoing benefits.

Even the downside business case has an IRR in excess of benchmark investment hurdle rates commonly and widely adopted by many commercial enterprises in assessing the merits or profitability of an investment.

I’m pleased to report we remain on track to achieve these 3 key insourcing objectives.

A significant level of planning and negotiating has been completed - with some of the notable achievements to date including:

- site and head office briefing of all QSL operations employees, where we outlined our plans – including making offers of employment to all such operational staff in February 2026 on the same terms and conditions as they currently enjoy, with a commencement date of 1 July 2026.

These sessions were well attended, and the feedback was overwhelmingly positive.

I reiterate that we have the highest regard for terminal employees. We value their work, and their jobs are secure.

There will be no disadvantage for these employees.

Insourcing is about removing a duplicated layer of management in head office.

This will not only reduce costs, but provide greater clarity for terminal staff by streamlining operations and simplifying internal approval processes.

- Agreement with our Operations Contractor regarding the purchase price of assets, including key items such as front-end loaders and excavators
- Planning for the transfer of Environmental Authorities and similar approvals so that this all occurs well in advance of the 1 July 2026 commencement date
- Leave and superannuation provisions for employees will be treated in accordance with standard commercial practice.

Regular Transition Working Group meetings involving the CEOs of STL and QSL as well as members of both Executives are now being held to progress outstanding issues.

Not surprisingly, as with any commercial transition of this nature, there remain some areas of unresolved issues between the parties.

This is only natural and to be expected at this stage of the transition process.

However, STL is committed to negotiating in good faith and implementing the transition arrangements as contractually agreed and documented in the Operating Agreement with QSL back in 2017.

These arrangements include an obligation to provide information and a duty to cooperate on the part of QSL.

In many respects, this is a far simpler process than many corporate transactions as it is being progressed on an 'as is where is' basis - which should ensure we avoid some of the more contentious issues that often beset such transactions.

Depending on the extent of progress in settling unresolved issues in the coming months, there may be some additional but totally unnecessary transition costs, but we have made adequate provision for contingencies, and these are well covered in our downside business case.

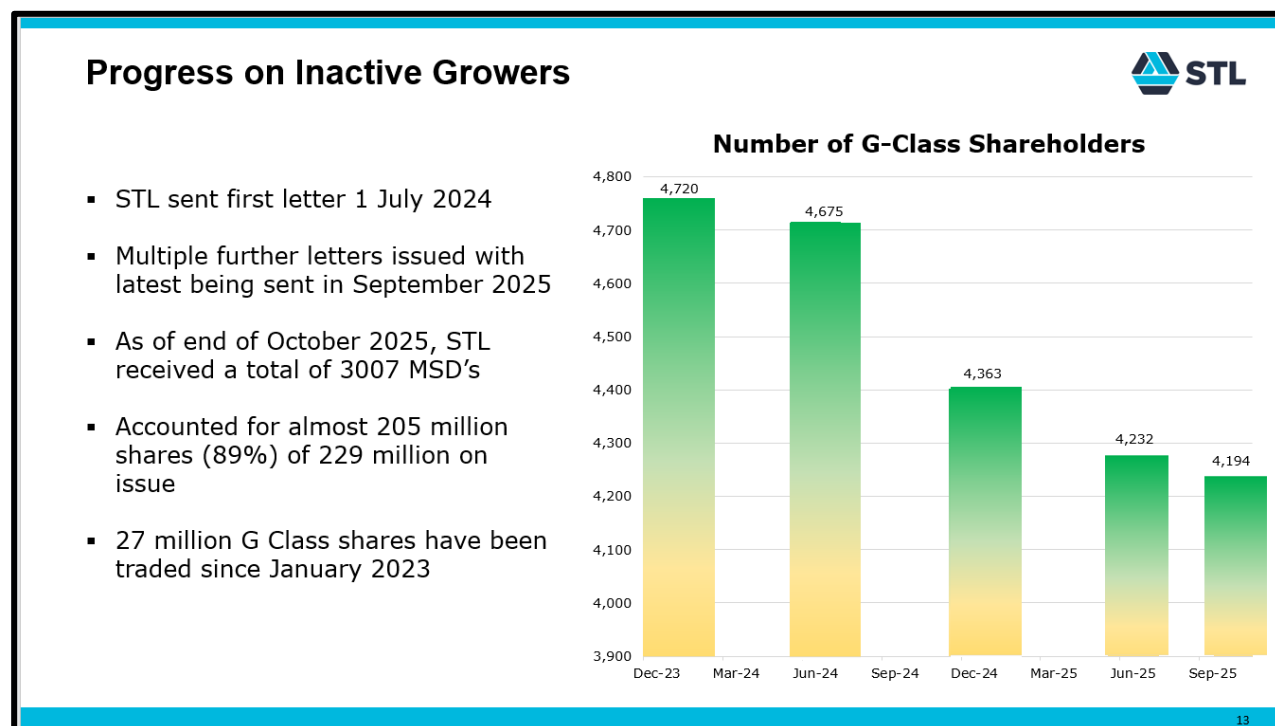
Our investigations to date have shown that, whilst the current operational systems are functioning adequately, there are opportunities to make further investments to modernise these systems – investments that will need to be undertaken in due course anyway.

We may well decide to invest in certain system upgrades, by bringing forward planned capital replacement expenditure, to provide more efficient operations and a better working environment for terminal employees.

There will be regular updates to ensure all of our diverse stakeholders are kept fully informed as we approach the final stages of this transition, and assume full responsibility for terminal operations as from the handover date of 1 July 2026.

I'd now like to provide you with an update on the issue of Inactive Growers.

INACTIVE GROWERS



Throughout FY25, STL has continued to actively promote the requirement to dispose of shares once a grower has become inactive.

There has been regular commentary in letters from the Board, Annual Reports, Notice of Meeting and further targeted correspondence issued as recently as September 2025 which was aimed at persons who had failed to respond to earlier requests.

As part of the process, we now have far more detailed Member Status Declaration Forms that provide STL with the ability to validate with the Mill that a current Cane Supply Agreement exists.

In addition, we now have updated contact details including many email addresses to facilitate more timely and direct communications.

As a result, we have now accounted for almost 205 million of the 229 million G Class Shares on issue. This equates to approximately 89% of all G Class Shares on issue.

However, the residual will not all be inactive growers, as there will be others who have simply failed to respond for a variety of reasons.

Whilst this demonstrates our genuine and ongoing attempt to address this issue, the job is still not done.

We will continue to pursue actions to tidy up the residual group not yet accounted for, recognising that this is confounded by the normal market activity of growers buying and selling properties, entering and leaving the industry, and changing family and/or financial arrangements.

As a further reference point, I would also highlight the way in which the number of individual shareholdings on our Share Register has progressively declined, consistent with our rolling campaign.

Since December 2023, the total number of shareholders on our share register has reduced from 4,720 to 4,194 as at the end of October 2025.

Nevertheless, as a related point, it is of some concern that consolidation of shareholdings beyond a certain point is at odds with the spirit and intent of the STL Constitution, and may well be questionable from a legal perspective.

To date, we have chosen not to test this, largely because of the costs involved.

Before finishing, I'd like to make some concluding comments and observations, reflecting on what has been achieved, and contemplating what is yet to be achieved.

CONCLUDING COMMENTS

Over the Years





Roof Replacement



12km Conveyor Belt



Electrical Substations



CUI Bundaberg



Lucinda Jetty & Wharf Refurbishment



Ship Loader Anti-Collision Systems

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As I acknowledged in this year's Annual Report and on various other occasions over the journey, it's been a great honour to have chaired STL for the past 9 years.

I've often said that, as Directors, we are simply custodians or stewards of assets which form a vital part of the supply chain for the benefit of the sugar industry.

It's our responsibility to ensure that when we leave our roles, these assets are in a better condition than when we started.

I can confidently state that this is the case.

Over the period of Sam's and my tenure on the Board, some of the notable achievements include:

- Completion of the \$100 million roof replacement program
- Replacement of the 40-year-old 12 km conveyor belt at Lucinda
- Anti-collision systems fitted to all ship loaders

- Major electrical substation upgrades at Bundaberg, Mackay, Cairns, Lucinda and Townsville
- Delivery of some \$30 million in new common user infrastructure at Bundaberg with a modest investment by STL of about \$3 million, thanks to the support of the Federal and State Governments. This will assist our business diversification aspirations for the region.

In total, some \$130 million in capital investment has been undertaken since Sam and I joined the Board in 2017, with a further \$25 million approved to be spent in FY26.

This represents almost half the current book value of STL's terminal assets and is a legacy of which we are justly proud.

Moreover, STL instituted the first comprehensive 'State of the Assets' review, which provides a detailed condition assessment of each and every item on the asset register.

This provides an essential roadmap – much like a sinking fund - to guide future capital expenditure priorities and investment decisions to ensure the longevity of these assets.

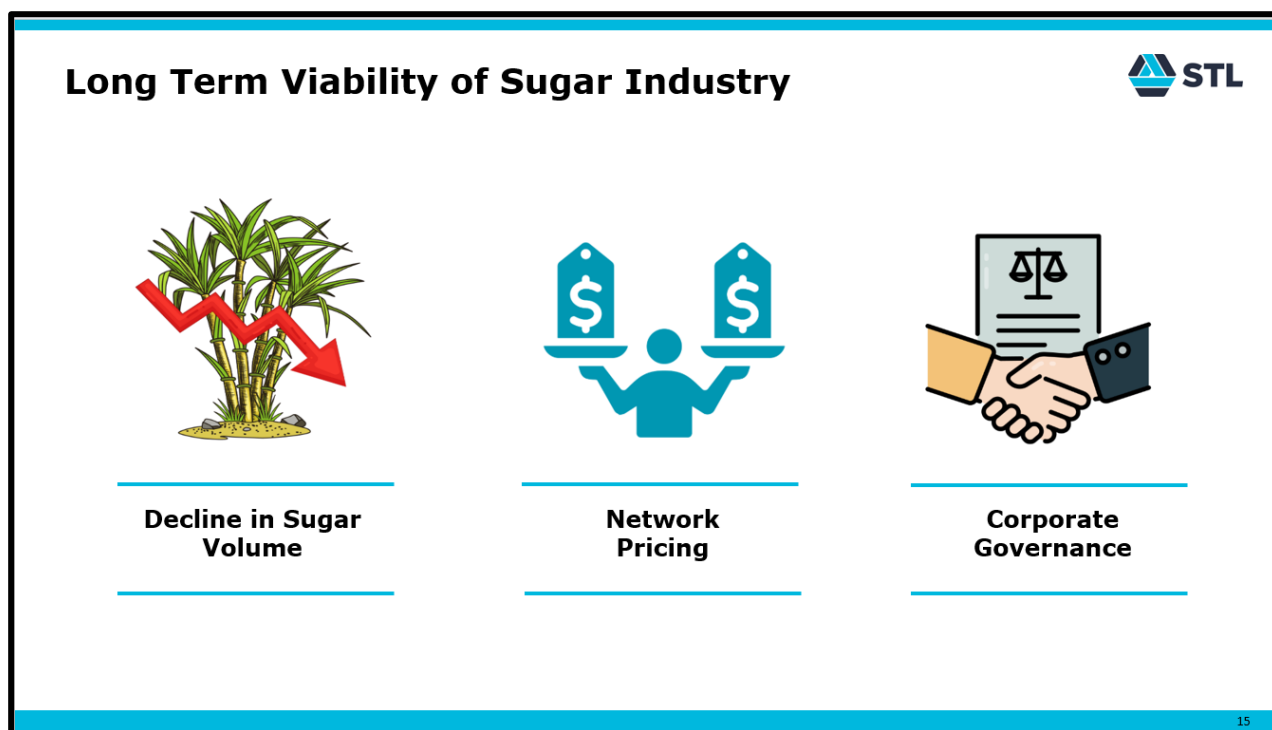
It is a tool which should have been in place for many years, as part of good operating practice, but has only been instigated in the last few years at STL's explicit initiative.

Of course, the other significant initiative has been the insourcing of terminal operations, which I've already mentioned in some detail.

Much has changed over the course of the last 9 years, mostly for the better, but there have been plenty of challenges along the way, including COVID, higher-than-expected inflation, natural disasters and global economic and political instability.

There is no shortage of future challenges - with growers leaving the industry, mills under cost pressure, conversion of cane land to other uses, and increased international competition.

Looking into my crystal ball, some of the key strategic challenges for STL and the broader industry we serve are as follows:



1. Ongoing declining cane volumes in all areas is a threat to the long term viability of the sugar industry in Australia.

Whilst much good work has been done to date, like the Australian economy in general, the drive for improved productivity must continue, or there is the risk of long-term stagnation and decline, particularly given the competition from low cost international producers.

2. Network pricing or 'postage stamp pricing' – where there are uniform prices for all customers across all terminals - has long been an article of faith in the sugar industry.

It may seem to be the most equitable way of ensuring a level playing field.

However, it is no secret that costs vary markedly between terminals.

There may well come a point where network pricing in its current form becomes unsustainable and adjustments are required.

How this may unfold is unclear, but tough decisions may need to be made after careful consideration of options, including the possibility of some form of at least limited terminal-by-terminal pricing, or a hybrid solution with variations to the current network pricing model.

The alternative is to do nothing and then face the risk that the decision may be taken out of our hands by our competitors and customers.

3. Managing the tensions and conflicts inherent in STL's corporate structure as a listed entity with direct industry representation on its Board and a restricted share register.

To my knowledge, no other listed corporate entity in Australia operates under similar conditions.

This presents some unique challenges from a corporate governance perspective, but the focus must remain on enhancing the quality of our assets and ensuring efficient, cost-effective storage and handling services for our customers.

There needs to be unity of purpose and direction if we are to achieve the best outcomes for industry.

Both the Industry Directors and the Independent Directors have complementary roles to play here, in providing differing perspectives, blending differing skill sets and balancing differing interests.

These are simply 3 issues which I have singled out for attention, but there are many others.

As in all fields of endeavour, it's necessary to challenge the *status quo* and embrace change.

Standing still or doing nothing in a rapidly changing world actually means going backwards, and is a slippery slide to ruin.

For its part, STL has a role to play, with the levers at our disposal, but there is a limit to the impact we can have.

I am satisfied that STL is more than pulling its weight in difficult conditions, and I have no doubt we will continue to do so well into the future.

ACKNOWLEDGEMENTS

Sam Bonanno Retirement



Sam Bonanno
STL Independent Director - 2017-2025

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Finally, I'd now like to take the opportunity to extend my thanks and acknowledgement to the many fellow directors, growers, millers, shareholders, industry associations and other stakeholders with whom I've engaged during my tenure in this role.

While we've not necessarily agreed on all matters, we've all sought in our own ways to advance the cause of the sugar industry.

It's always risky to call out particular individuals, however, I would like to expressly thank my fellow Director, Sam Bonanno, who commenced his journey with me 9 years ago on the very same day and will also finish with me today.

Sam has made an invaluable contribution to the STL Board not only due to his extensive operational experience, his wise counsel and his steadfast support, but also his deep knowledge of the industry, his strategic insights and his calm rational thinking.

He has also diligently chaired the Safety, Risk and Sustainability Committee, with an obsessive focus on safety issues, and he has constantly and vigorously championed the need for better long term capital planning and investment.

We'll also miss his colourful turns of phrase, which often added a touch of levity in times of stress.

In all, Sam has worked tirelessly and fearlessly for the benefit of STL, its shareholders and industry.

I'd also like to especially recognise those Directors who contributed to the original decision to insource terminal operations.

This will deliver lasting benefits for industry well beyond current time horizons when all of us in this meeting today have moved on.

In particular, special mention needs to be made of the great personal sacrifices made by Stephen Calcagno and Tony Bartolo as Grower Directors who have paid a heavy price for backing their own judgement.

Their departures from the Board were unfortunate and regrettable, but they walked away with their heads held high, and their integrity intact.

To the STL Executive led by our CEO, David Quinn, I sincerely thank each of you for the sterling, earnest support you have provided to me and my fellow Directors over the journey.

The small team has been dedicated, focussed and unwavering, often in the face of demanding circumstances.

We have expected a lot from them, but their commitment to 'getting the job done' has been above and beyond all reasonable expectations, and a testament to their unshakeable determination.

To Peter Trimble, the incoming Chair, I extend my best wishes and trust that his tenure in the role will be as rewarding and satisfying as it has been for me.

I encourage Peter to remain resolute and focused on the company's strategic objectives, as there will be times when it's necessary to make unpopular decisions that will nevertheless deliver longer term benefits for industry.

I'm disappointed to be leaving STL before insourcing has been completed, but I know that Peter is totally committed to seeing this through to a successful conclusion, given he was one of the key architects of the original Operating Agreement, including the termination and transition provisions.

From my perspective, I leave STL as a strong purposeful company with a clear strategic direction and significant opportunities, albeit with some challenges ahead.

That concludes my formal address.

I'll now hand over to David for his address.

A handwritten signature in black ink that reads "Mark Gray". The signature is stylized with a large, sweeping underline that extends to the right.

Mark Gray

Chair | Brisbane | 19 November 2025

CEO's Report – 2025 Annual General Meeting

19 November 2025

Sugar Terminals Limited
Annual General Meeting

Chief Executive Officer's Report

David Quinn

19 November 2025



Thank you Mark for the introduction and my acknowledgement to the Shareholders who have sacrificed their time today to be here in person or online.

It is most appreciated and reflects the level of interest and importance that Industry attaches to STL and the critical role we play.

As Mark has already foreshadowed, there are a number of matters which he raised during his address that I will provide further detail on during the course of my report today.

OVERVIEW

Overview of CEO Report



- Safety and Environment
- Operational Performance
- Investing in our Terminals
- Future Terminal Operations
- Income Diversification Opportunities
- Consultation & Stakeholder Engagement
- Acknowledgements & Thanks

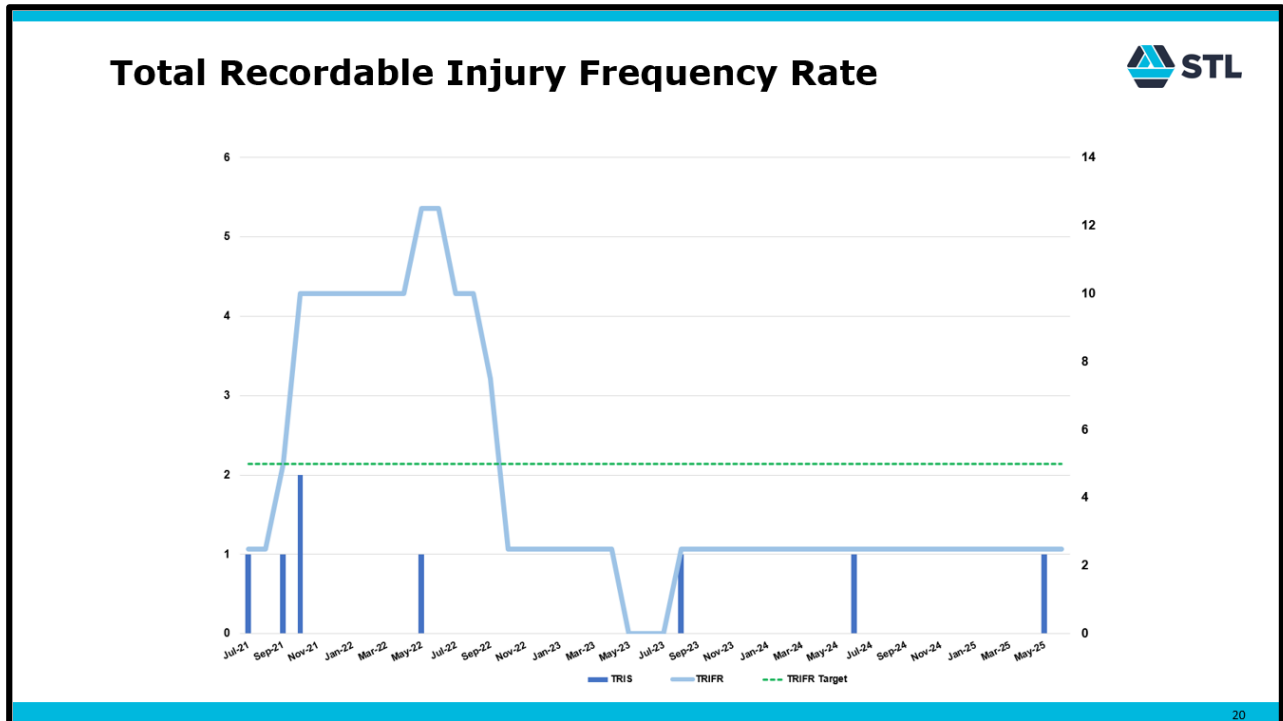
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The items that I will specifically cover off on are naturally more granular and operationally focussed and will include:

- Safety and Protecting our Environment
- Operational Performance
- Investing in our Terminals
- Future Terminal Operations
- Ongoing Income Diversification opportunities
- Consultation and Stakeholder Engagement
- Acknowledgements and Thanks

Let me start with Safety.

SAFETY AND ENVIRONMENT



The safety of our employees and contractors is ultimately our highest priority when it comes to operating the terminals.

If we cannot operate safely, we should not be operating.

My consistently communicated position on safety is that it is a race that we will never finish, no matter how safe we believe our operations are, how positive the injury statistics may be, we must always strive to do better.

This mindset must be at the forefront of everything we do.

It is simply critical that every employee or Contractor leaves the site at the end of each shift in the same condition that they arrived.


I have no doubt this sentiment is shared by all of the current Operations team, and I look forward to working with them to build upon this for the future.


With these thoughts in mind, it is pleasing that the Recordable Injury Frequency Rate which is displayed on screen sits below the target set. This is a very good result and my thanks to the operational teams that have achieved this, but we must always avoid complacency that can naturally creep in.

It cannot be denied that we have an ageing and very capable workforce, often operating in challenging weather conditions in a 24 x 7 environment and as such, we must continue to investigate ways to further reduce the risks that they face each day.

In order to assist in achieving this objective, STL continues to invest in solutions that will reduce this risk and displayed on screen are just a number of the new or ongoing measures that we have introduced.

Making our Terminals Safer for the Team






LIFTING GEAR

Small hoists installed inside the top of sugar sheds to avoid equipment being manually carried up stairs.

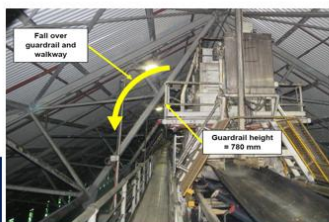
Mourilyan shed hoist completed in FY25



CONVEYOR GUARDING

Ongoing program to complete the installation of guarding to conveyors and other rotating equipment.

Guarding is installed in lightweight panels to enable safe handling when removed for conveyor maintenance



TRIPPER ACCESS IMPROVEMENTS

Trippers on sugar shed apex conveyors do not comply with modern safety standards.

Access improvements being implemented across all terminals to prevent falling from height

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It should be noted that these measures are simply a snapshot of the many and varied initiatives that are being applied across all Terminals.

Specifically, the past year has seen:

- Lifting Gear modifications to reduce manual handling risks

- Ongoing conveyor guarding measures at all Sites to reduce entanglement and crush injuries
- Tripper access improvements to reduce fall risks


These 3 initiatives that are funded by STL are designed to 'lift the safety bar' and reduce risk.


STL is not interested in just 'talking about safety' but rather we want to be able to demonstrate what concrete actions we taking to protect both people and plant.

Let's now move onto the environment.

PROTECTING OUR ENVIRONMENT

Protecting Our Environment





Deliver environmental stewardship through environmentally safe practices and reducing our environmental footprint

FOCUS AREAS

- Environmental Stewardship
- Environmental Footprint
- Water Management
- Renewable Energy Transition
- Risk Management and Compliance

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The clear expectations of the communities within which we operate is that we must reduce our impact on the environment.

For those of you who are Growers and Millers, you do this every day in your operations not only because it benefits the environment but also because it reflects long-term commercial realities.

All of us do this on a daily basis in our personal lives as we consider future generations.

STL has also long adopted this mindset and as shareholders, you should be confident that we are doing our part.

As you will have also noted, we have in this year's Annual Report published for the first time our Sustainability Report a key pillar of which is the "Environment".

This further demonstrates the importance that we place on being good environmental citizens in everything we do. As you can see on the slide displayed, we have highlighted our key focus areas and expect that industry holds us accountable to 'deliver on the promise'.

Despite our best efforts, as referenced in our Annual Report we did sustain one minor Environmental Incident in Cairns associated with an oil spill from the Ship loader.

The positive from this spill was that the leak was quickly contained and whilst we were required to report this through to the Regulator, we understand no further action is to be taken.

Environmental Initiatives



SWEETWATER IRRIGATION SYSTEMS

Washdown water becomes contaminated with sugar - known as "sweetwater".

Sweetwater discharge to waters is being mitigated by onsite collection tanks and irrigation systems



PORT OF MACKAY SOLAR POWER PRECINCT

STL is the lead participant in NQBP's Port of Mackay Solar Power Study

Concept includes rooftop and ground-based solar power generation, battery storage and local offtake agreements



OIL SEPARATION UNITS

Oil from receiving stations and workshops floors is separated from washdown water and disposed appropriately

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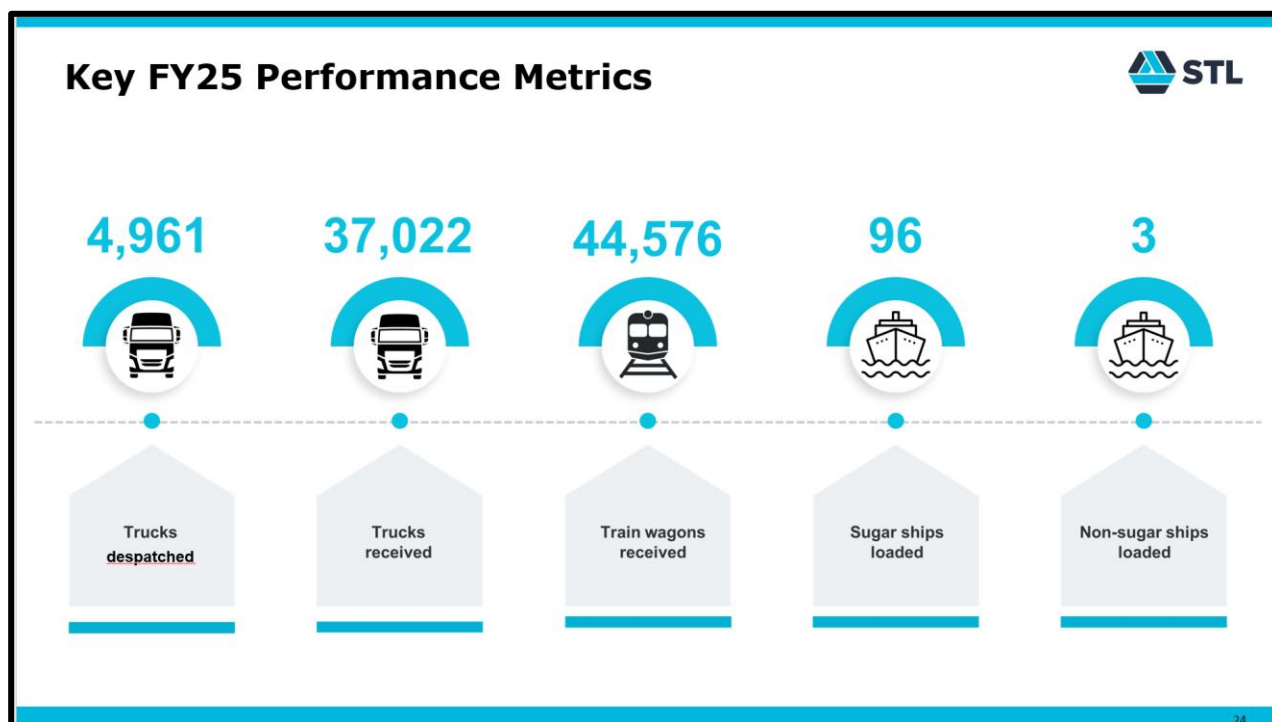
In terms of tangible activities already underway in this area, I simply highlight 3 specific initiatives namely:

1. Ongoing Sweetwater Management Systems
2. Participation in a study with North Queensland Bulk Ports on a Solar Power Generation Project
3. Oil Separation Units

We must continue to minimise the impact we have on the pristine environment in which we operate and explore commercially responsible and sustainable ways that will benefit us both now and long into the future.

Let me know move onto Operational Performance.

OPERATIONAL PERFORMANCE



Demand for raw sugar has remained strong during the financial year and this was reflected in generally low volumes in the sheds as we approached the start of the 2025 season.

As at the end of June 2025 for instance, already well into the 2025 Crushing Season, total utilisation was at only 21% of our available capacity of almost 2.5 million tonnes.

This however only tells half the story as challenging growing and harvesting conditions particularly in the far North and also challenges faced by the Millers did result in total throughput for the year being materially down as compared to prior years.

We are also closely monitoring the 2025 crush noting the flooding event that beset the Ingham Region earlier this year.

Displayed on screen are just a number of key operational metrics which we track on an annual basis.

Whilst operationally we aim to achieve uninterrupted receiving and shipping of Customers product during the year, we regrettably did incur 2 material outages that impacted our Customers at both Lucinda and Townsville during the period.

Both incidents were mechanical in nature, however as a learning organisation focussed on continuous improvement, we worked with our Operations Contractor to ensure a robust investigation was undertaken and steps put in place to avoid a repeat.

We are confident that there should be no recurrence.

Ultimately our task is to ensure that if the Mills are crushing our gates are open and when a customer books a ship, we load it safely, efficiently and in compliance with their requirements.

As discussed in the Chair's address, you can be assured that we continue to closely monitor our costs and actively explore ways to achieve a 'value for money outcome' as we face the same inflationary pressures that all businesses have been incurring for some years now.

These cost pressures naturally extend into the investments we make in our in our Terminals, an area that I will now discuss.

INVESTING IN INDUSTRY ASSETS

Capital Investment Highlights FY25





**TOWNSVILLE
NO.1 SUBSTATION**

Another major electrical substation upgrade to replace legacy equipment

Safety improvements with HV separated from LV switchboards and remote switching

\$2.0M investment



**LUCINDA
JETTY RAMP
RECONSTRUCTION**

Concrete girders forming the ramp to the Lucinda jetty were degraded and needed replacement

Contract awarded to Townsville-based contractor

\$9M investment



**MOURILYAN
SHIPLOADER BOOM
REFURBISHMENT**

Replacement of the boom conveyor belt and head chute, and remediation of corroded steel framing

Works completed in shipping shutdown

\$0.4M investment

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STL acknowledges the importance of these legacy assets that we have been entrusted with and how fundamental they are to aiding the competitiveness of the Australian Sugar Industry.

Inherent in this is the reliability and productivity of the terminals and the need to ensure that through targeted and prudent investments these objectives are maintained.

Over the past year, over \$8M has been invested in major maintenance activities across all Terminals covering a wide variety of items including:

- Shed floor coatings
- Fire system maintenance
- Wharf trestle repairs at Bundaberg
- Gallery corrosion wrapping at Lucinda

Much of this may not necessarily be highly visible, but in many senses that reinforces the need to ensure it is identified and when the opportunity presents, the job gets done.

With any operating asset you want to avoid going into a maintenance deficit that can be very hard to recover from.

In parallel with these maintenance activities, during last financial year we also saw just under \$19M being invested in capital improvements again across all sites. This work covered a wide variety of projects including:

- **Upgrade to Townsville No 1 Substation** to not only ensure reliability of power supply but arguably more importantly reduce Arc Flash risks to the site electrical trades
- **The Lucinda Jetty Ramp Reconstruction** all completed without disruption to our Customers Shipping requirements
- **Mourilyan Shiploader Boom Refurbishment** which again was completed after significant consultation with Customers to ensure their operations were not adversely impacted

Whilst we are very appreciative of the work that has been done and the time and effort of the whole team has put in to achieve this, we have still underspent the approved budget, due to delays in some projects, something that we must continually challenge going forward.

Unfortunately, as we all know, delays typically result in a higher capital cost being incurred in subsequent years.

Capital Investment – FY26



LUCINDA JETTY CONVEYOR FLOOR STRENGTHENING

Concrete girders below the conveyor are degraded by seawater splash

Innovative solution to strengthen the girders without dismantling the building and conveyor

\$3M budget



LUCINDA JETTY REFURBISHMENT

4-Year, \$25M contract to complete the remediation of the steel piles and headstocks

Awarded to a consortium of NQ contractors



TOWNSVILLE AMENITIES BLOCK UPGRADE

Complete demolition and reconfiguration of the amenities block to cater for female staff.

Scope includes toilets, showers, change rooms and upstairs crib room

\$0.7M budget

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As we are already well into the current financial year, some of the important projects that are scheduled to either complete or continue throughout the year ahead include:

- Conveyor floor strengthening at Lucinda
- A \$25M multi year Program of Works to refurbish the Lucinda Jetty awarded to a locally based Ingham Contractor
- Refurbishment of existing amenities at Townsville to ensure that they are legally compliant and fit for purpose particularly to assist in attracting and retaining female employees, both trades and operators

These projects represent just 3 of 120 projects approved for the current year with an STL approved budget of \$25M.

Let's now move onto transition planning for Insourced Operations which is now imminent.

FUTURE TERMINAL OPERATIONS



It is now almost 3 years since STL announced its decision to insource operations.

A lot has occurred during this period and whilst change always creates some challenges, we are making steady progress as it's a clear non-negotiable that we can operate safely and in full compliance with our obligations to our customers from day one - 1 July 2026.

Important progress has been achieved in areas like:

- Employee Communication where STL has been able to directly brief all employees at all 6 Terminals and Head Office on our plans which was positively received and gave STL the chance to reinforce the value we place on this workforce and the opportunities for the future
- Constructive discussions with QSL around the purchase of key assets including yellow plant and equipment

- Commenced the process of making applications to transfer the Environmental Authorities covering all sites to STL

There are however some challenges which we currently are planning for and expect to resolve through the recreation of key systems and processes.

However, we note that the resultant additional cost and time requirements to do so could be significantly mitigated through a more co-operative engagement with QSL to find commercial solutions.

Consequently, I will take this opportunity to reinforce at this AGM that STL remains readily available at any time to progress these matters with QSL should it wish to.

It should also be pointed out that with a more co-operative approach, we should expect to deliver a better overall outcome for our stakeholders plus it will make life far smoother for the Terminal and Corporate Head Office Employees, as the transition progresses.

Let me however be clear we will be ready to operate safely and in full compliance with our contractual obligations to our customers from 1 July 2026.

The team is working very hard to deliver on this promise and I am confident we will.

INCOME DIVERSIFICATION OPPORTUNITIES

Income Diversification





WOOD PELLETS

Ongoing shipments 3 x 24,000 tonnes p.a.

STL currently negotiating long-term contract including capital commitment to improve load rate and process



SILICA SANDS

Bundaberg CUI commissioning shipment in March 2024
22,000 tonnes shipped

Second successful shipment with increased load rates in September 2024
30,000 tonnes shipped



OTHER COMMODITIES

Ongoing enquiries for storing and shipping other products

Kaolin, Ilmenite, Bauxite in Bundaberg

Chickpeas in Bundaberg and Mackay

Woodchip in Lucinda

Silica Sand in Mourilyan

Whilst STL continues to examine viable income diversification opportunities, our starting point will always be that receiving, storing and shipping Raw Sugar remains our key priority.

Whilst the 2024 harvest was again a further stark reminder of the challenges facing the Sugar Industry in some areas this is unlikely to change.

Even more recently the apparent conclusion of talks between MSF and Growers in the Mossman Region was obviously a disappointing outcome and we can only hope a way forward can be found which will benefit all parties.

As I have previously indicated, whilst we get many approached from many parties seeking to utilise our facilities for alternate products, we are very conscious that often they may not be commercially viable or are simply products that would compromise our Sugar Industry obligations.

One long standing non sugar product that we regularly handle each year is Wood Pellets through Bundaberg.

This remains a steady trade with approximately 3 ships per year loading these pellets at our Bundaberg Facility for export to various French Territories including Reunion Island.

The next loading is scheduled in December.

We are currently in the process of settling the terms of a longer-term handling and loading agreement and as part of this, we are looking for the Customer to fund some capital upgrades to both improve loading rates and also reduce dust generation, the benefits of which will also flow through to the operations team.


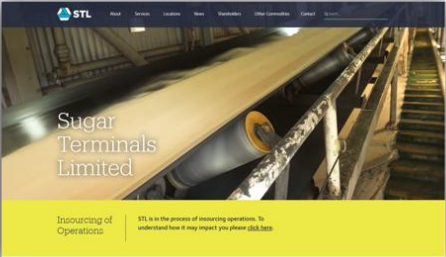
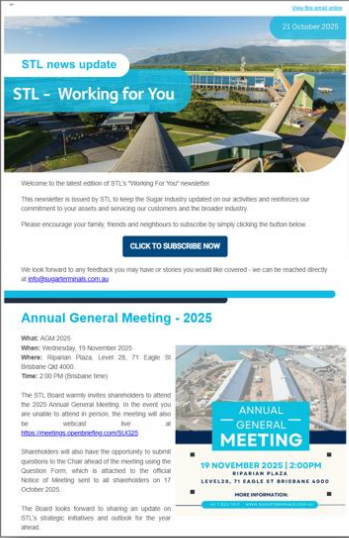


Other opportunities that we continue to consider include:

- Silica Sand through the Bundaberg CUI
- Bauxite, Kaolin and Ilmenite also through the Bundaberg CUI
- Chick Peas through Mackay
- Silica Sand through Mourilyan

The final topic I would like to address before some brief acknowledgements is Stakeholder Engagement

CONSULTATION & STAKEHOLDER ENGAGEMENT

Shareholder and Stakeholder Engagement



To subscribe to STL News Update, simply visit STL website at:
www.sugarterminals.com.au

An area that I particularly enjoy as part of my role is engaging with Shareholders and the Sugar Industry more generally.

Like any business you can be consumed by what is happening in your own sphere of responsibilities without fully appreciating the opportunities and challenges being faced in the broader industry.

Whilst STL is a small team we have continued to actively engage and consult with a wide variety of stakeholders all the way up and down the Coast.

This has included everything from individual Growers on the headlands, Millers during crushing season, Customers during commercial negotiations or the many Industry Associations and Branches that request regular updates on STL activities.

It is good to obtain a variety of perspectives and whilst admittedly I may engage with people who may not always necessarily share my views on some matters, I have found that all

are respectful, prepared to give you the opportunity to articulate your position and question with respect.

Whilst 'face to face' is always preferred I also acknowledge that this is naturally challenging so STL continues to use other mediums including:

- Our monthly online newsletter
- Linked in Posts on key events
- Twice yearly updates provided in QCGO Magazine
- Regular NSX Releases on issues

One of the benefits of our recent Inactive Growers activities that the Chair discussed is that we are progressively improving the quality of our Shareholder contact details with many shareholders now electing to receive much of their material electronically.

Unfortunately, due to the requirement to provide an MSD for matters like the AGM, this process is still paper based.

We will continue to look at ways to improve how we communicate not only with our Shareholders but whole of Industry and of course we welcome any feedback or suggestions.

Let me know turn to some final acknowledgements

THANKS & ACKNOWLEDGEMENTS

Acknowledgements & Thanks



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Firstly, can I thank Andrew Hay and the Clayton Utz team who have provided their valuable support throughout the year and agreed again to host us for today's meeting.

Also, to our auditors BDO and to Beeyen and the team at MUFG Market Services who manage our share register, thank you all for your efforts.

Can I thank the STL Board who, in what has been a challenging year have consistently provided constructive feedback, sound counsel and ongoing support. The decisions that the Board makes, and which Management ultimately needs to implement are not always easy but are done to ultimately benefit all stakeholders in this Industry.

To the small STL team, your support of myself has been greatly appreciated and is never taken for granted. We do a lot with a little which I think is reflective of the industry we serve more generally.

Can I also acknowledge the QSL Operations Team, our Contractors and various Suppliers who again provide the necessary support to ensure we are able to deliver despite challenging circumstances.

I would also like to call out Adam Viertel who shortly leaves QSL Operations to pursue other opportunities, I wish him all the best in his new role.

Finally, to Mark Gray our Chair and Sam Bonanno, my sincere appreciation for all of the support, guidance, strategizing and constructive feedback that you have provided me with over my STL journey to date.

You have both acted with the highest level of integrity and professionalism and have simply focussed on finding the right solution as opposed to the easy solution.

I look forward to working with Peter and the new Directors who will shortly join, and I am confident that the foundations that Mark and Sam have laid will serve us well into the future.

I will now hand back to our Chair Mark Gray.



David Quinn

A handwritten signature in black ink, appearing to read "D. Quinn", with a horizontal line underneath.

CEO | Brisbane | 19 November 2022