



31 March 2026

Dear Shareholder,

### Reflecting on the First Six Months

Since my appointment as Chair, the Board has placed a strong emphasis on achieving a more co-operative and low risk approach to insourcing of terminal operations together with listening to, and engaging with, the many stakeholders that make up our industry, from growers, millers, customers to industry bodies. These discussions have reinforced the importance of transparency, collaboration and a shared focus on the long-term sustainability of the sugar industry. This engagement has been invaluable in shaping the Board's thinking as we progress a number of significant initiatives.

### Financial Performance

STL delivered a solid but slightly lower financial result for the first half of the financial year, in line with expectations.

Key financial outcomes for the half year are summarised below:

<b>Financial indicators</b>	<b>H1 FY26</b>	<b>H1 FY25</b>
Net profit after tax	\$14.7 million	\$15.7 million
Return on assets <sup>(1)</sup>	7.5%	8.1%
Share price (as at 31 Dec)	\$0.97	\$1.04
Interim dividend per share	3.3 cents	4.1 cents

The Board remains focused on balancing the delivery of sustainable returns to shareholders with the need to fund essential capital investment and support the strategic insourcing transition which is underway. Dividend decisions continue to be considered in the context of STL's overall financial position, future capital requirements and prevailing industry conditions.

### Strategic Focus Areas

The Board continues to focus on a small number of clearly defined strategic priorities that are fundamental to STL's future operating model and long-term competitiveness.

#### Transition to Insourced Operations

Progress continues toward fully insourced terminal operations and we continue to engage with QSL to achieve a low-risk outcome that is in the best interests of the industry.

The Board is overseeing this transition closely to ensure it is delivered in a safe, orderly and efficient manner.

I want to once again take this opportunity to recognise the tremendous foundation QSL has set for STL to integrate operations into our business and look forward to working with the QSL operations team in the future.

### Pricing Review

In parallel, the Board is progressing its review of storage and handling pricing as was foreshadowed following the finalisation of the 1 July 2025 Storage and Handling Agreement. This work will be undertaken with a strong focus on engagement, recognising the importance of pricing outcomes for both shareholders and customers.

This review is a critical step in ensuring pricing outcomes remain equitable, transparent and sustainable over the long term.

### Inactive Growers

Addressing inactive grower holdings remains an important governance and equity issue. Progress has been made through direct engagement with shareholders and improved information on the register. Members of the STL team have also commenced engagement with the Canegrowers organisation to support regional discussions and help progress this work in a more proactive way.

### **Looking Ahead**

Looking forward, the remainder of the financial year will see continued focus on integration of operations into STL's business, the progression of the pricing review and further action on inactive grower matters.

The Board remains confident that these priorities, supported by ongoing engagement across the industry, will position STL well for the future and enable the company to continue delivering value to shareholders and industry participants alike.

Thank you for your continued support of Sugar Terminals Limited.

Yours sincerely



Peter Trimble  
**Chair**  
**Sugar Terminals Limited**