



3 March 2022

NSX Half Year Profit and Dividend Announcement

STL delivers \$13.8 million H1 FY22 profit

Sugar Terminals Limited (STL, NSX:SUG) today announced a Net Profit after Tax of \$13.8 million for the half year to 31 December 2021 (H1), a 1.3% improvement on H1 FY21 and in line with expectations.

“The result is consistent with STL’s ongoing aim to achieve steady, reliable and sustainable returns to investors, whilst maintaining high standards of service for customers” announced STL Chairman Mark Gray.

Key results

- maintained STL's high customer service levels and kept the team safe despite the ongoing impacts of the COVID-19 pandemic
- STL’s terminals received and outloaded 5.6 million tonnes of raw sugar in the six months to 31 December 2021, 3.1% above last year (2020: 5.4 million tonnes).
- increased STL’s interim dividend by 2.8% to 3.7 cents per share (fully franked)
- completed the roof replacement investment on Shed 2 at the Townsville terminal safely, on time and on budget. Works on Shed 1 will commence on site in March 2022. This project represents the final component of a \$100 million reroofing program that has seen STL rejuvenate its storage and export operations for the long term.
- reached a major milestone with the proposed common user infrastructure project at the Port of Bundaberg, with detailed plans completed and an open tender released to the market.
- commenced discussions with customers on the terms for a new Storage & Handling Agreement to commence from 1 July 2022

<i>Financial indicators</i>	<i>H1 FY22</i>	<i>H1 FY21</i>
Net profit after tax	\$13.8 million	\$13.6 million
Return on assets ⁽¹⁾	7.3%	7.3%
Share price	\$1.015	\$1.020
Interim dividend per share	3.7 cents	3.6 cents



Commentary

Mr Gray commented that following a strategic review, STL has reaffirmed its focus on achieving greater efficiencies in its operations, with the goal of driving down unit costs without compromising the quality of our services.

“We must ensure that STL’s business is sufficiently robust, responsive and adaptive to meet future challenges.”

“With our 10-year roof replacement program coming to an end, we are undertaking a comprehensive review of the condition of our assets. We want to ensure that future capital expenditure plans are focussed squarely on ensuring the reliability and longevity of our assets for the benefit of industry.”

“STL remains committed to improving productivity through commercial and operational best practice and continuing to develop opportunities for complementary storage and handling activities - while maintaining raw sugar as our highest priority” he said.

STL’s Half-year Report for FY22 is available at www.sugarterminals.com.au

Dividend announcement

At its Board meeting today, Directors resolved that a fully franked dividend of 3.7 cents per share (\$13.32 million) will be paid on 31 March 2022 to shareholders whose names are recorded on the register on 11 March 2022.

This dividend represents a 2.8% increase on the interim dividend paid on 31 March 2021 (3.6 cents per share).

The Board noted that STL’s tax payments have been temporarily reduced due to the full expensing provisions implemented by the Federal Government in response to COVID. As a result, future dividends are forecast to be partially franked on a temporary basis.

Enquiries:

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