



Sugar Terminals Limited  
ABN 17 084 059 601

T +61 7 3221 7017  
E [info@sugarterminals.com.au](mailto:info@sugarterminals.com.au)  
Level 11, 348 Edward Street  
Brisbane QLD 4000  
GPO Box 1675  
Brisbane QLD 4001

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Dear Shareholder

## SHAREHOLDER UPDATE

In conjunction with your final dividend payment for FY23, I would like to briefly update you on STL's recent activities.

### FINANCIAL PERFORMANCE

STL achieved another solid and consistent performance in FY23. Key metrics include:

- received and outloaded 7.2 million tonnes of raw sugar for the year
- invested a further \$14.1 Million in capital expenditure in these vital industry assets
- achieved a Net Profit after Tax of \$29.2M
- increased dividends paid to shareholders by 4.1% to 7.6 cents per share (fully franked).

For further details, please refer to our Annual Report.

### TRANSITION TO INSOURCED OPERATIONS

Following our decision earlier this year to insource terminal operations, we continue to work diligently to ensure a safe and efficient transition without material disruption to operations. We are now focused on planning for transition, and implementation of a simple and clear business strategy going forward:

- **OPERATING MODEL:** at transition, terminal operations on the ground will remain unchanged
- **COST SAVINGS:** will be achieved by eliminating duplicated Head Office corporate overhead costs
- **PRICING:** will continue to be governed by the pricing mechanism in the Storage and Handling Agreement which will see cost savings passed on to customers
- **DIVERSIFICATION:** Sugar will always be our top priority, but we will look to diversify where there are no adverse effects for sugar, our assets are not degraded and where it makes commercial sense to do so
- **ACCOUNTABILITY:** Insourcing will ensure greater transparency and clear responsibility for STL's performance.

The transition to insourced operations can be achieved in less than 12 months, and any delay beyond that will only deny benefits flowing to the Sugar Industry sooner.

On behalf of my fellow Directors, I would like to thank you for your ongoing support. We are also now issuing an electronic fortnightly update newsletter, so I encourage you to subscribe at [www.sugarterminals.com.au](http://www.sugarterminals.com.au)

Yours sincerely

Mark Gray  
Chair