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22 August 2024

ASX Announcement

Appendix 4E and 2024 Annual Report

Attached are the following for the year ended 30 June 2024:

- Appendix 4E
- 2024 Annual Report

Authorised for release by:

The Board of Directors, Qube Holdings Limited

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QUBE HOLDINGS LIMITED
(ABN 14 149 723 053)

APPENDIX 4E Full Year Report 30 June 2024

Results for Announcement to the Market

Set out below are the statutory results for Qube Holdings Limited (Qube) and its controlled entities for the year ended 30 June 2024.

The table below highlights that Qube reported a $221.9 million statutory net profit after tax attributable to members for the year, which includes the contribution from the discontinued operations. However, when the earnings from the discontinued operations are excluded, the statutory result from continuing operations is a net profit of $227.0 million.

Statutory Information	**FY 2024 $'m**	**FY 2023 $'m**	**Movement**
Revenue from ordinary activities	**3,357.2**	2,879.7	17%
Revenue from ordinary activities (including discontinued operations[2])	**3,357.2**	2,879.8	17%
EBITDA[1],	**643.2**	551.2	17%
EBITDA[1], (including discontinued operations[2])	**638.0**	543.7	17%
Net profit after tax for the year from continuing operations	**227.0**	174.6	30%
Net profit after tax attributable to members	**221.9**	167.9	32%
Interim dividend per share (fully franked)	**4.00c**	3.75c	7%
Final dividend per share (fully franked)	**5.15c**	4.35c	18%
Total dividend for the year	**9.15c**	8.1c	13%
Basic EPS from continuing operations	**12.9c**	10.0c	29%
Diluted EPS from continuing operations	**12.8c**	10.0c	28%
Basic EPS (including discontinued operations[2])	**12.6c**	9.5c	33%
Diluted EPS (including discontinued operations[2])	**12.5c**	9.5c	32%

[1] EBITDA is statutory net profit before tax adjusted to remove share of profit of associates, net finance costs, depreciation and amortisation.

[2] Discontinued Operations represent the sale of the warehouse and property assets of the Moorebank Logistics Park, refer to Note 24 Discontinued Operations for further information.

FY24 Underlying revenues and expenses are statutory revenues and expenses adjusted to certain discontinued operations and other non-cash and non–recurring items in order to more accurately reflect the underlying performance of Qube. Income tax expense is based on a prima-facie 30% tax charge on profit before tax and associates.

Underlying information*	**FY 2024 $'m**	**FY 2023 $'m**	**Movement**
Underlying Revenue	**3,503.6**	2,989.9	17%
Underlying EBITDA	**534.1**	464.8	15%
Underlying EBITA	**318.4**	280.3	14%
Underlying net profit attributable to members	**258.0**	224.8	15%
Underlying net profit attributable to members pre-amortisation	**271.2**	239.6	13%
Underlying diluted EPS	**14.6c**	12.7c	15%
Underlying diluted EPS pre-amortisation	**15.3c**	13.6c	13%
Full year dividend per share (fully franked)	**9.15c**	8.1c	13%

Further commentary on the performance of Qube and its operating businesses is set out in the financial statements and ASX announcement issued with this Appendix 4E.

* The underlying information excludes certain non-cash and non-recurring items in order to more accurately reflect the underlying financial performance of Qube. References to 'underlying' information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing non-IFRS financial information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review.

A reconciliation of the statutory results to the underlying results for the year ended 30 June 2024 and the prior comparable period is presented below:

	2024 $'m	2023 $'m
Revenue and other income (Statutory)	**3,357.2**	**2,879.8**
Intercompany trading	153.6	112.0
Fair value gains	(7.0)	(1.5)
AASB 16 leasing adjustments	1.2	(0.3)
Other	(1.4)	(0.1)
Underlying revenue	**3,503.6**	**2,989.9**
Net profit before income tax (Statutory)	**292.6**	**234.7**
Share of equity accounted investments (profit)/loss	(67.5)	(35.0)
Net finance cost	105.5	67.4
Depreciation & amortisation	307.4	276.6
EBITDA (Statutory)	**638.0**	**543.7**
Discontinued operations	5.2	7.5
Fair value (gains)/loss (net)	(7.0)	(1.5)
AASB 16 leasing adjustments	(110.0)	(103.6)
Other	7.9	18.7
Underlying EBITDA	**534.1**	**464.8**
Underlying Depreciation	(215.7)	(184.5)
Underlying EBITA	**318.4**	**280.3**
Underlying Amortisation	(6.7)	(8.0)
Underlying EBIT	**311.7**	**272.3**
Underlying interest expense (net)	(59.2)	(26.7)
Underlying share of profit of equity accounted investments	81.2	51.6
Underlying net profit before income tax	**333.7**	**297.2**
Underlying Income tax expense	(75.7)	(73.7)
Underlying net profit for the year	**258.0**	**223.5**
Underlying non-controlling interests	-	1.3
Underlying net profit after tax attributable to members	**258.0**	**224.8**
Underlying net profit after income tax attributable to members pre-amortisation[1]	**271.2**	**239.6**
Underlying diluted earnings per share (cents per share)	**14.6¢**	**12.7¢**
Underlying diluted earnings per share pre-amortisation (cents per share)	**15.3¢**	**13.6¢**

[1] Underlying net profit after tax pre-amortisation, includes an adjustment for Qube's proportionate share of Patrick amortisation expense net of tax.

The table above has been extracted from note 2 of the financial statements but is un-audited.

Dividend Information

	Amount (cents per share)	Record Date
Final dividend - fully franked	5.15c	17 September 2024
Payment date	15 October 2024	

Qube paid a fully franked interim dividend of 4.00 cents per share per share for the half year ended 31 December 2023 on 11 April 2024. A fully franked final dividend of 4.35 cents per share for the year ended 30 June 2023 was paid on 17 October 2023.

Dividend Reinvestment Plan

The DRP has been suspended for the dividends payable on 15 October 2024.

Net Tangible Asset Backing per Share

The net tangible asset backing per share is $1.22 (2023: $1.21 per share).

Additional Information

Additional Appendix 4E disclosures can be found in the notes to the Financial Report.

This Appendix 4E report is based on the 30 June 2024 Financial Report which has been subject to an audit by PwC, with an unqualified opinion.

2024

Annual Report

About This Report

The 2024 Annual Report is a summary of Qube's operations, activities and financial position for the 12 month period to 30 June 2024. Qube Holdings Limited is the parent company of the Qube group of companies. In this report, unless otherwise stated, references to “Qube”, “the Group”, “the Company”, “we”, “our” and “us” refer to Qube Holdings Limited and its controlled entities. In this report, references to the financial year refer to the period 1 July to 30 June unless otherwise stated. All dollar figures are expressed in Australian dollars, unless otherwise stated.

Additional information

This report can also be found online via **www.qube.com.au/investors/results/**

Our Corporate Governance Statement, detailing our compliance with the ASX Corporate Governance Council’s “Corporate Governance Principles & Recommendations – 4th edition” can be found online at our website via **www.qube.com.au/about/governance**

Our Sustainability Report, reviewing our environmental, social and economic impact, can be found online via **www.qube.com.au/investors/results/**

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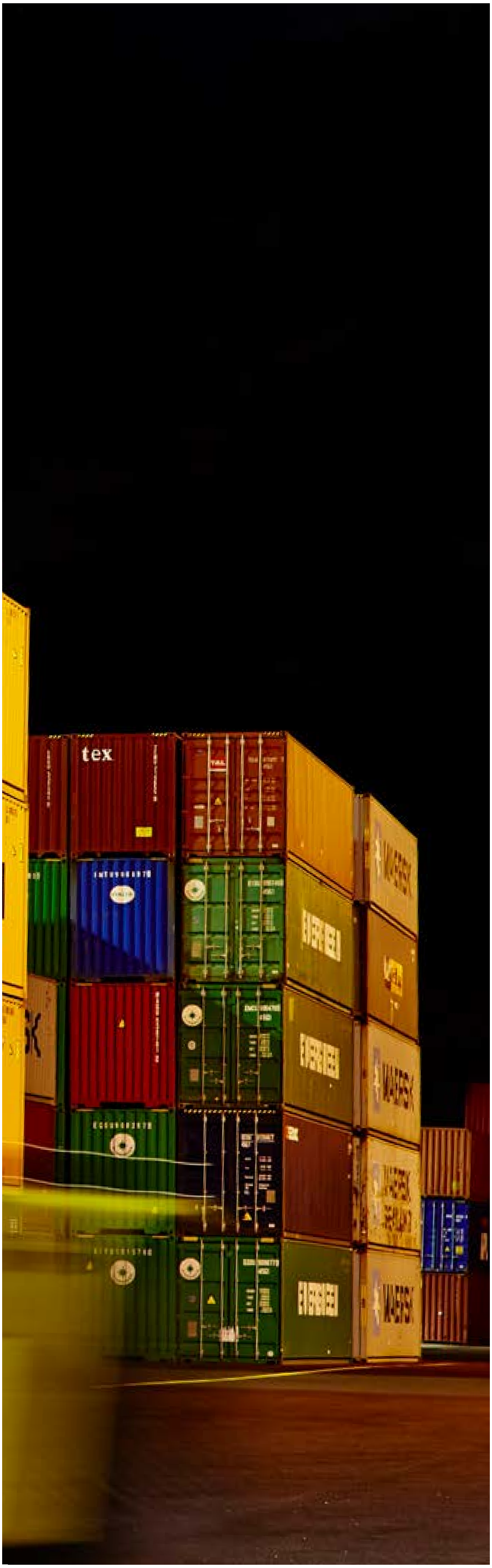


About Qube

Qube is Australia's largest provider of integrated import and export logistics services with a market capitalisation of around $6.5 billion as at 30 June 2024.

We operate in over 200 locations across Australia, New Zealand and South East Asia with a workforce of more than 10,000 employees.

Our purpose is to help our customers, communities, industries and people to Thrive through a relentless focus on our five priorities – Safety, Wellbeing, Planet, Opportunity and Performance.

Our business is comprised of two core divisions: the Operating Division, and Qube's 50 per cent interest in Patrick Terminals, Australia's leading container terminal operator.

The Operating Division comprises two business units: Qube Logistics & Infrastructure, and Qube Ports & Bulk.

Qube Logistics & Infrastructure

Qube Logistics (QL) operates services covering road and rail transport, warehousing and distribution, container parks and related services in Australia and New Zealand, and international freight forwarding services.

Qube Infrastructure includes ownership and operation of key terminals and infrastructure, including:

- Automotive and break-bulk terminals – through Australian Amalgamated Terminals (AAT), Qube provides automotive, general cargo and break-bulk facilities in Brisbane, Port Kembla and Melbourne.
- Grain terminals – through Quattro and Newcastle Agri Terminal, Qube operates multi-user grain storage and handling facilities in New South Wales.
- Rail terminals – the development and operation of metropolitan and regional import-export (IMEX) rail terminals.

Qube Ports & Bulk

Qube Ports provides port solutions and logistics services with bulk and general handling facilities in over 40 Australian, New Zealand and south-east Asian ports. This allows Qube Ports to lead the market in providing purpose-designed solutions for customers handling containers, bulk, automotive and general cargo. Qube Ports manages 25 sites for the forestry industry in Australia and New Zealand and is also the leading provider of supply chain logistics services to the energy sector, supporting onshore wells and rig supply vessels, barges and offshore construction vessels annually. Qube Ports also has operations in Singapore and Indonesia.

Qube Bulk provides customers with the full range of bulk material handling services, including road and rail transport, stockpile management and bulk ship loading. Qube Bulk specialises in large-scale bulk export facilities and bulk material supply chains.

Patrick Terminals

Qube owns a 50 per cent interest in Patrick Terminals with the other 50 per cent owned by Brookfield and its managed funds. Patrick is an established and leading terminal operator, providing container stevedoring services in the Australian market.

Patrick Terminals operates over four kilometres of quay line with 24 cranes and 130 straddles at four strategically located ports around the Australian coastline. The network of terminals is in the ports of Brisbane, Sydney, Melbourne, and Fremantle.

Chairman's Message

I am pleased to present Qube's FY24 Annual Report, on behalf of the Board of Directors.

In FY24, Qube achieved another strong financial performance for the year by continuing to deliver on its vision and strategy to be the leading provider of integrated logistics solutions within the Australasian market.

Underlying revenue grew by around 17.2% to $3.5 billion and underlying earnings (EBITA) grew 13.6% to $318.4 million. Underlying NPATA increased by 13.2% to $271.2 million and underlying earnings per share (pre-amortisation) (EPSA) increased to 15.3 cents - a 13.1% increase over FY23.

Throughout the year, the business continued to expand into new geographies, services, products and customers, while effectively managing ongoing cost pressures and labour shortages in some areas, as well as several adverse weather events that disrupted some operations during the period.

Regrettably this year, the strength of this performance is marred by the tragic death of an employee at our forest harvesting operations in South Australia, and that of an employee of a third-party contractor in an incident at a Victorian level crossing. We again convey our condolences to the family, friends and workmates of these men on their loss.

↑18.4%

Increase in final ordinary dividend

↑$3.5b

Increase of 17.2% in Qube underlying revenue over FY23

↑41%

LTIFR improvement: a significant decrease from 0.63 at the end of FY23 to 0.37

↑13.2%

Increase in underlying NPATA

Qube fully cooperated with SafeWork SA in the investigation that followed this terrible event. While the safety regulator did not identify any failings in Qube's work, health, and safety obligations under South Australian law, as part of our commitment to continuous improvement, additional controls have been implemented within Qube's forestry operations, including the installation of additional in-cab cameras and investments to create an industry first digital communications network to increase monitoring of these remote operations.

Operating division and Patrick performance

High volumes of container-related activities (including road and rail haulage and container parks) in the Logistics & Infrastructure business, along with continued high automotive volumes (AAT), and a partial period's contribution from the acquisitions completed in the first half of FY24, were among the key drivers of our financial performance for the year.

The Logistics & Infrastructure business unit delivered strong underlying revenue, up 15.3% to over $1.5 billion, although earnings growth (EBITA) was lower, up 6.3% to $238.6 million, resulting in EBITA margins declining from 16.7% to 15.4%. This was mainly due to the commencement of grain trading activities in the period, as the nature of these activities are high revenue generating but low margin, which is discussed in the Review of Operations.

The Ports & Bulk business unit generated strong earnings growth with most activities delivering growth in line with or ahead of internal expectations, while the result also benefitted from the full year contribution from the Kalari acquisition.

Underlying revenue for the business unit increased by 18.5% to almost $2.0 billion. Underlying EBITDA increased by 21.1% to $308.2 million and underlying EBITA increased by 24.6% to $166.1 million.

At the same time, the business benefited from higher NPATA contributions from all of Qube's Associates compared to FY23, with the largest dollar contribution from Qube's investment in Patrick (50%) which delivered a record result due to a very high market share resulting mainly from industrial issues impacting its largest competitor for part of the period.

Patrick delivered strong underlying growth in revenue and EBITDA of around 17.5% and 24.0% to around $917.1 million and $378.9 million, respectively.

Moorebank Logistics Park

Following the successful completion of testing and commissioning, the MLP IMEX Terminal commenced normal automated operations in June 2024. Qube handled around 24,000 TEU through the IMEX in July 2024, slightly below Qube's target annualized run rate of 300,000-350,000. The MLP IMEX generated an EBITDA and EBITA loss in FY24 of $4.4 million and $7.0 million respectively.

At current volumes, the MLP IMEX is generating positive cashflow and is expected to be profitable on a run rate basis by June 25.

Pleasingly, the construction of the MLP Interstate Terminal (Stage 1a) was also largely completed during the year. The Terminal was officially opened by the Prime Minister in April and has now been handed over to the Joint Development Model (JDM) to undertake the ongoing management. The total cost to complete Stage 1a is expected to be around $186.0 million which is line with Qube's previous estimate.

Dividend

Reflecting Qube's record underlying earnings in FY24 and positive outlook, the Board has increased the final ordinary dividend by around 18.4% to 5.15 cents per share (fully franked). This brings the full year dividend to 9.15 cents per share (fully franked), an increase of 13.0% over the full year dividend in FY23. It equates to a 60% dividend payout ratio of Qube's FY24 underlying EPSA (being the upper end of Qube's targeted payout range and consistent with the payout ratio in the prior year).

Board renewal

Ensuring the right mix of skills and experience is a constant area of focus for the Board, and during FY24 we were pleased to welcome two new non-executive directors to Qube.

Jill Hoffmann was appointed in December 2023 and brings more than 30 years' experience in the energy sector and across a broad range of roles including shipping, operations, supply chain and renewables to the Board.

James Fazzino joined the Board in February 2024 and brings extensive experience in senior leadership roles across agribusiness, mining, manufacturing and chemical industries.

We also farewelled two directors: Nicole Hollows who resigned in November 2023, and Ross Burney who retired in February 2024 after 13 years on the Qube Board. I would again like to thank them both for their service.

Outlook

While the economic outlook remains uncertain and inflationary pressures are still present across the economy, Qube is optimistic about the outlook for FY25 and our ability to continue to execute on our strategy for growth.

Subject to overall economic conditions and those in Qube's key markets, Qube expects to deliver continued underlying earnings growth in FY25 (EBITA), with both the Logistics & Infrastructure and Ports & Bulk business units expected to deliver higher earnings.

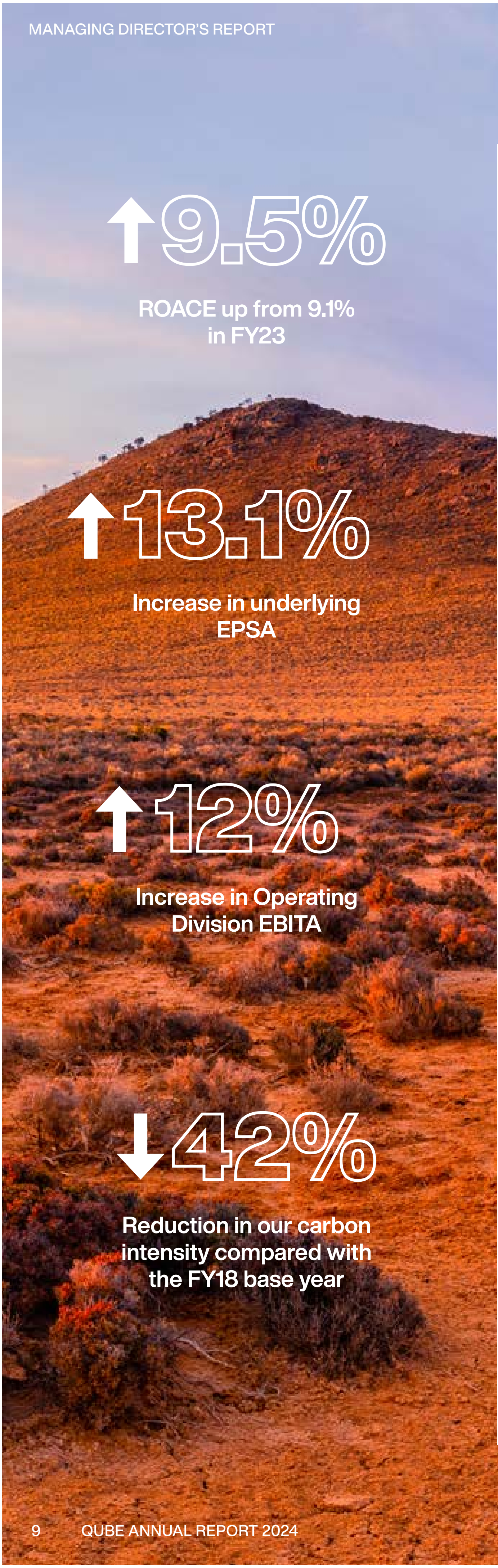
Conclusion

I would like to take this opportunity to thank my Board colleagues for their contributions to Qube during FY24 and to acknowledge the hard work and commitment of the Qube leadership in delivering another good result for the business.

I also extend my thanks to our team of more than 10,000 people across Australia, New Zealand and south-east Asia who are the life blood of our business.

Finally, thank you to our customers for allowing Qube to play a vital role in your supply chain, and to our shareholders for your ongoing support of Qube.

Mr Allan Davies OAM
Chairman



Up 9.5%

ROACE up from 9.1% in FY23

Up 13.1%

Increase in underlying EPSA

Up 12%

Increase in Operating Division EBITA

Down 42%

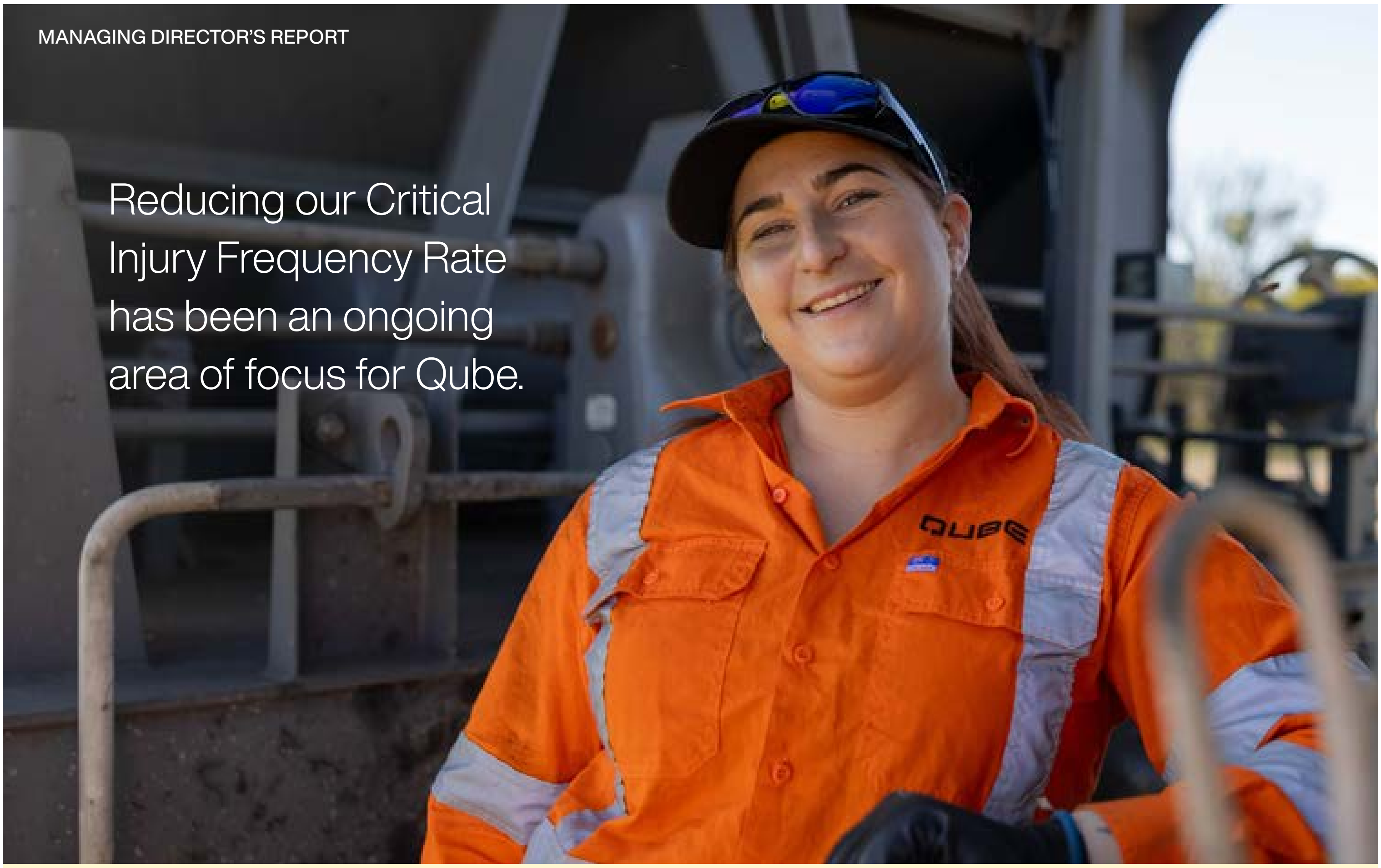
Reduction in our carbon intensity compared with the FY18 base year

Managing Director's Report

Qube's financial performance in FY24 was another clear demonstration of the resilience of the business and the multiple organic and inorganic growth opportunities available across our core markets.

Consistent with our strategy to diversify by geography and market, Qube continued to undertake strategic acquisitions in the period. These included the acquisitions of the agri rail terminal, storage and handling facility at Narrabri (NSW) in September 2023. In November 2023, we acquired the remaining 50% of Pinnacle (NZ) and we also acquired 100% of Stevenson Logistics, an established container transport and logistics operator located in the port precinct of North Fremantle. This transaction expands Qube's capabilities and exposure to the hay/agri export market in Western Australia.

In May 2024, Qube also entered into a binding agreement (subject to a small number of conditions) to acquire the Melbourne International RoRo & Automotive Terminal (MIRRAT). MIRRAT is the only dedicated roll-on, roll-off terminal servicing the Victorian market. It spans around 35 hectares, features three berths, a 120 tonne gantry crane, 8000 sqm of undercover storage and two quarantine wash bays. It also holds a 6 Star rating from the Green Building Council of Australia. The acquisition is expected to complete in H1-FY25.



Reducing our Critical Injury Frequency Rate has been an ongoing area of focus for Qube.

These acquisitions provide further diversity and quality to Qube's business. This diversification is a key area of strength for us and, when combined with the quality of our assets, people and systems, it is a significant differentiator for us in the market. It means we are resilient to cyclical downturns and economic headwinds, and this was key to our ability to deliver double digit growth in FY24, despite the inflationary pressures and other economic challenges at play.

Pleasingly, all of the acquisitions we have announced during the period are expected to contribute to both earnings growth in FY25 and beyond, and continued improvement in Qube's return on average capital employed (ROACE).

Qube's performance against this metric increased from 9.1% in FY23 to 9.5% in FY24 and this means we remain on track to meet our target ROACE of at least 10.0%.

Safety

As the Chairman has acknowledged, the tragic death of a colleague in our South Australian forestry operations and that of an employee of a third-party contractor in an incident at a Victorian level crossing during FY24, weighs heavily on us all at Qube.

While we acknowledge SafeWork SA's findings that there were no failings in Qube's work, health, and safety obligations, with safety risks inherent in many of our operations, we will always maintain a laser-like focus on the safety and wellbeing of our people and the strong culture that underpins everything we do.

In FY24, our Total Recordable Injury Frequency Rate decreased by 11.1%, from 8.8 at the end of FY23 to 7.8 at 30 June 2024. Our Lost Time Injury Frequency Rate also experienced a substantial decrease in FY24, from 0.63 at the end of FY23 to 0.37 at 30 June 2024. This was a 41% improvement compared to FY23.

Reducing our Critical Injury Frequency Rate has been an ongoing area of focus for Qube. This measure refers to events with actual or potential for one or more fatalities. In FY24, Qube's CIFR decreased by 38%, from 1.0 to 0.62. Our strengthened focus on critical risk verifications, as part of the critical risk review program, was a key contributor to this improvement.

Our Plan to Thrive

In FY24, we continued efforts to embed our Plan to Thrive which is built around our three core values of Integrity, Reliability and Inclusion. In November, we held our first 'Qubies' awards night, to recognise and celebrate members of the Qube team who were nominated by their peers as exemplars of those values in action.

More than 130 people were nominated for a Qubie in 2023 and the awards were such a success that they will now form an enduring part of the Qube calendar, including the addition of a Safety Leadership award in 2024 to recognise an individual who has gone above and beyond in bringing Qube's commitment to a safe workplace to life.

By investing to strengthen our culture, we are investing in our future.

Throughout the year we continued efforts to enhance the diversity of our workforce and saw the proportion of women in management roles in Australia increase by 36% from 9.0% last year to 12.2% in FY24. We also made further incremental progress towards our modest goal of 15% female participation by 2025.

As we near our 2025 target, we took a range of steps to further bolster female participation in our business. These include expanding our Cadet Program, which aims to create pathways for recent graduates and high school leavers to join the business with a focus on encouraging female participation. We invested in line manager training programs and we actively participated in education sponsorships and partnerships, as well as leveraging all available channels including LinkedIn, Facebook and Instagram, to attract a diverse pool of job applicants to roles at Qube.

Decarbonisation also remains a key area of focus for the business, recognising that we operate in a hard to abate sector. In FY24 we achieved an 18% improvement in our carbon intensity compared with FY23 (from 141.0 $tCO_2e/\$M$ in FY23 to 115.1 $tCO_2e/\$M$ in FY24) and a 42% reduction in our carbon intensity compared with the FY18 base year.

Through our technology investments and focus on productivity, we avoided around 13,496t CO_2e, which is the equivalent of around 3% of our total realised GHG emissions in FY24, and we continued to expand the rollout of renewable energy across our sites with 5% of electricity now generated by rooftop solar and battery applications.

Supporting our customers to reduce their carbon emissions is also a key area of focus, and with the opening of the Moorebank Interstate Terminal as well as the opening of the Tamworth Intermodal and our other investments in rail infrastructure, we are actively working with our customers to encourage the shift from road to rail to unlock emissions savings.

Outlook

Having achieved another strong financial performance in FY24, we are well placed to navigate the economic and geopolitical uncertainties ahead and to continue delivering earnings growth for our shareholders in FY25 and beyond.

The diversification of our business is key to our strength and we continue to see both organic and inorganic opportunities for growth across our key markets and geographies.

I would like to thank the Board for their support and acknowledge the hard work and dedication of my executive management team on a strong performance in FY24.

I also want to thank our entire workforce of more than 10,000 people for their commitment every day to making Qube Thrive.

Mr Paul Digney
Managing Director

Directors' Report

Directors' Report

Your Directors present their report on the consolidated entity consisting of Qube Holdings Limited and the entities it controlled ('Group' or 'Qube') at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Qube Holdings Limited during the financial year and up to the date of this report, unless otherwise stated, as detailed below:

Name	Position	Appointed	Ceased
Allan Davies	Chairman	26 August 2011	
Sam Kaplan	Deputy Chairman	23 March 2011	
Paul Digney	Managing Director	1 July 2021	
Ross Burney	Non-executive Director	9 September 2011	22 February 2024
Alan Miles	Non-executive Director	1 April 2013	
Steve Mann	Non-executive Director	1 September 2019	
Jackie McArthur	Non-executive Director	17 August 2020	
Nicole Hollows	Non-executive Director	19 October 2020	10 November 2023
Lindsay Ward	Non-executive Director	4 October 2022	
Jill Hoffmann	Non-executive Director	15 December 2023	
James Fazzino	Non-executive Director	22 February 2024	

Principal Activities

During the financial year the principal continuing activities of the Group consisted of providing comprehensive logistics solutions across multiple aspects of the import-export supply chain.

Dividends

Provided or paid by the company on ordinary shares during the financial year:

	Cents per share	Total $M	Franked percentage	Payment date
PAID DURING THE 2024 FINANCIAL YEAR				
2023 Final Dividend	4.35	76.9	100%	17 October 2023
2024 Interim Dividend	4.00	70.7	100%	11 April 2024
PAID DURING THE 2023 FINANCIAL YEAR				
2022 Final Dividend	3.30	58.3	100%	18 October 2022
2022 Special Dividend	0.70	12.3	100%	18 October 2022
2023 Interim Dividend	3.75	66.2	100%	13 April 2023
DIVIDENDS DECLARED BY THE COMPANY AFTER YEAR END				
2024 Final Dividend	5.15	91.0	100%	15 October 2024

Loans to directors and executives

There are no loans made during the year or outstanding to directors and executives as at 30 June 2024.

Information on directors and senior management

Information on directors and senior management including meetings of directors is set out on pages 16 to 21 and forms part of this Directors' Report.

Review of Operations

The Review of Operations on pages 22 to 43 forms part of this Directors' Report.

Auditor

PwC continues in office in accordance with section 327 of the *Corporations Act 2001.*

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 75.

Non-audit services

During the year PricewaterhouseCoopers, Qube's auditor, has performed other services in addition to their statutory duties. Details of the amounts paid to the auditor, which includes amounts paid for non-audit services and other assurance services, are set out in note 33 to the financial statements.

The Board of Directors has considered the position and, in accordance with advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

Remuneration Report

The Remuneration Report is set out on pages 47 to 74 and forms part of the Directors' Report for the financial year ended 30 June 2024.

Insurance of officers

During the financial year, Qube Holdings Limited paid a premium to insure the directors and secretaries of the Company and its Australian based controlled entities, and the general managers of each of the divisions of the Group against liabilities that are permitted to be covered by section 199B of the *Corporations Act 2001*. It is a condition on the insurance contract that its limits of indemnity, the nature of the liability and the amount of the premium not be disclosed.

Indemnity of auditors

The Company has not indemnified the auditor under certain circumstances as permitted in the *Corporations Act 2001*.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Matters subsequent to the end of the financial year

On the 21st of August 2024, Qube acquired the Colemans business and freehold properties (Colemans) from its private owners. Colemans is an integrated transport, logistics and storage business with a portfolio of specialised licensed infrastructure supporting the Security Sensitive Ammonium Nitrate1 (SSAN) supply chain in Western Australia. The total consideration for the acquisition was approximately $119 million (exclusive of stamp duty and other costs) and has been funded from Qube's available, undrawn debt facilities.

Controlled entities within the Group are and become parties to various legal actions in the ordinary course of business and from time to time. The Directors consider that any liabilities arising from this type of legal action are unlikely to have a material adverse effect on the Group.

No other matters or circumstances have arisen since 30 June 2024 that significantly affect Qube's operations, results or state of affairs, or may do so in future years.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Report) Instruments 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that ASIC Corporations Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.

Allan Davies, Director
Sydney, 22 August 2024

Information on Directors and Key Management Personnel

Allan Davies OAM

Chairman
Non-Executive Director

Directorships of other listed companies held during the last three years

Nil

Special responsibilities for Qube

Chairman of the Board of Directors

Member of the Nomination and Remuneration Committee

Experience and expertise

Mr Davies has over 50 years of mining experience in the Australian and international coal and metalliferous mining industries having worked in operational roles up to executive Director.

From 2000 until early 2006, Mr Davies also worked for Patrick Corporation Limited as Director Operations. This position included responsibility for Patrick's interest in Pacific National, Patrick Shipping, Patrick General Stevedoring and Patrick Autocare.

Mr Davies was a Director of Pacific National from its initial acquisition by Toll and Patrick in 2001 until 2006. Mr Davies was also a Director of Queensland Rail and then QR National (predecessor to Aurizon) from 1 October 2008 until 13 December 2011.

Mr Davies was appointed a Director of Qube on 26 August 2011 and Chairman on 23 June 2017. Mr Davies is also a Non-executive Director of Patrick Terminals.

Mr Davies holds a Bachelor of Engineering (Mining, Hons) from the University of Queensland.

On 12 June 2023, Mr Davies was awarded the Medal of the Order of Australia (OAM) for service to the community through charitable organisations.

Paul Digney

Managing Director

Directorships of other listed companies held during the last three years

Nil

Special responsibilities for Qube

Managing Director

Member of the Safety, Health and Sustainability Committee

Non-Executive Director and alternate Chair of Patrick Terminals, as Qube's lead representative on the Patrick Board

Experience and expertise

Mr Digney has over 30 years' executive management experience in supply chain and port logistics roles across Australia.

During the 1990s, Mr Digney established Liberty Cargo Systems and provided port logistics and international freight forwarding services. Patrick Corporation Limited acquired the company in 1999 and it became the platform for the Patrick Port Services Division. As General Manager, Mr Digney rapidly expanded the new division through growth and acquisitions which became Patrick Logistics Division. Mr Digney headed this division until 2006 when Toll acquired Patrick Corporation.

In 2007, together with other former Patrick executives, Mr Digney led an investment consortium to acquire management control and ownership of the former P&O Trans Australia, now Qube Logistics & Infrastructure.

Mr Digney held the position of Managing Director of Qube Logistics from 2007 to 2016. Mr Digney was appointed to the role of Chief Operating Officer of the Qube group in 2016, which included responsibility for oversight of Qube's interest in Patrick Terminals. Mr Digney was subsequently appointed Managing Director of Qube on 1 July 2021.

Sam Kaplan

Deputy Chairman
Non-Executive Director

Directorships of other listed companies held during the last three years

Ironbark Capital Limited
(appointed on 15 December 2021)

Special responsibilities for Qube

Deputy Chairman of the Board of Directors

Member of the Audit and Risk Management Committee
(ceased on 22 February 2024)

Experience and expertise

Mr Kaplan is Managing Director of Kaplan Funds Management Pty Limited, the investment manager of Qube from its establishment in 2006 until the Qube restructure in September 2011.

Mr Kaplan was one of the founders of Patrick Corporation Limited and was involved in strategic planning with the company. During his tenure at Patrick Corporation Limited, Mr Kaplan was involved in a number of acquisitions including Pacific National and Virgin Blue.

Mr Kaplan was appointed a Director of Qube on 23 March 2011.

Alan Miles

Non-Executive Director

Directorships of other listed companies held during the last three years

Nil

Special responsibilities for Qube

Chair of the Safety, Health and Sustainability Committee

Experience and expertise

Mr Miles is Managing Director of "K" Line (Australia) Pty Limited. Mr Miles has more than 40 years of experience in the Australian shipping industry, including management roles in bulk, liner and PCC shipping.

Mr Miles is also the Chairman of Prixcar Services Pty Limited and a Director of Kawasaki Australia. He is also a Director of other affiliated Kawasaki companies in Australia and a member of the Policy Council of Shipping Australia.

Mr Miles was appointed as a Director of Qube on 1 April 2013.

Steve Mann

Non-Executive Director

Directorships of other listed companies held during the last three years

Nil

Special responsibilities for Qube

Chair of the Audit and Risk Management Committee

Experience and expertise

Mr Mann has over 25 years of senior executive experience across multiple industries including transport and logistics, rail, aviation, infrastructure, manufacturing and resources in organisations which include Aurizon, TNT, Qantas, BlueScope Steel and Western Sydney Airport.

Mr Mann is currently Deputy Chair of Australia Post and chairs the People Committee. He was previously a Non-Executive Director with AWE Ltd and Novus Petroleum Ltd. He is also an executive mentor with Stephenson Mansell Group. Mr Mann began his career as an engineer in the oil industry in Norway. He holds a BASc Engineering Science and an MBA with Distinction from INSEAD.

Mr Mann was appointed as a Director of Qube on 1 September 2019.

Jackie McArthur

Non-Executive Director

Directorships of other listed companies held during the last three years

Kelsian Group Limited
(appointed on 15 January 2024)

Cleanaway Waste Management Limited
(appointed on 1 September 2022)

Inghams Group Limited
(ceased on 7 November 2023)

Tassal Group Limited
(ceased on 22 November 2022)

Special responsibilities for Qube

Chair of the Nomination and Remuneration Committee

Member of the Safety, Health and Sustainability Committee
(appointed on 24 November 2023)

Experience and expertise

Ms McArthur has more than 20 years' experience at executive and board level roles in general management and strategy, supply chain and logistics, operations, food and packaging manufacturing, emerging brand issues and crisis management, corporate social responsibility, governance, engineering and information technology.

Ms McArthur has held various Senior Executive positions including Managing Director of Martin-Brower ANZ, a global leading distributor and supply chain services provider. She has also held various Senior Executive positions with McDonald's, both in Australia and overseas, including Vice President of Supply Chain for Asia Pacific, Middle East and Africa.

Ms McArthur is a Non-Executive Director of Cleanaway Waste Management Ltd and Kelsian Group Limited. She is a former Non-Executive Director of Inghams Group Ltd, Tassal Group Ltd, Blackmores Ltd and Invocare Ltd. She is a current member of the Australian Institute of Company Directors.

Ms McArthur was the 2016 Telstra NSW Businesswoman of the Year and overall 2016 Telstra Businesswomen's Awards – Corporate and Private National Winner.

Ms McArthur was appointed as a Director of Qube on 17 August 2020.

Lindsay Ward

Non-Executive Director

Directorships of other listed companies held during the last three years

Whitehaven Coal Limited
(ceased on 31 December 2022)

Special responsibilities for Qube

Member of the Safety, Health and Sustainability Committee

Experience and expertise

Mr Ward has more than 35 years' experience in the ports, logistics, rail haulage, resources, renewables, agriculture, waste management and data centre industries, in both Senior Executive and Non-Executive Director roles. He is currently a Non-Executive Director and Chair of the Port of Portland and Blueleaf Energy and was previously a Non-Executive Director of ASX-listed Whitehaven Coal, ASX-Listed Metro Mining, Quantum Bulk Liquid Storage, Global Renewables and Waterloo Wind Farm.

He has worked in Senior Executive roles including CEO, Managing Director and President with companies including Palisade Investment Partners, Asciano, Toll Holdings, Yallourn Energy, BHP and Iris Energy.

Mr Ward holds a Bachelor of Applied Science (Geology) and a Graduate Diploma in Business Management. He is also a Fellow of the Australian Institute of Company Directors.

Mr Ward was appointed as a Director of Qube on 4 October 2022.

Jill Hoffmann

Non-Executive Director

Directorships of other listed companies held during the last three years

Strike Energy Limited
(appointed on 1 May 2023)

Special responsibilities for Qube

Member of the Audit and Risk Management Committee (appointed on 5 February 2024)

Member of the Nomination and Remuneration Committee (appointed on 5 February 2024)

Experience and expertise

Ms Hoffmann has more than 30 years' experience in the energy sector and across a broad range of roles including shipping, operations, supply chain, renewables, crisis management, corporate social responsibility, environment and heritage, marketing and trading.

She has worked in Senior Executive roles at Woodside Energy and internationally and is currently a Non-Executive Director at Strike Energy. She is a former Chair of Fremantle Ports, where she was also Chair of the Audit and Risk Committee.

Ms Hoffmann holds a Master of Business Administration from Henley Management College, England and a Bachelor of Business from Massey University, New Zealand. She is also a Fellow of the Australian Institute of Company Directors.

Ms Hoffmann was appointed as a Director of Qube on 15 December 2023.

James Fazzino

Non-Executive Director

Directorships of other public companies held during the last three years

APA Group (appointed on 21 February 2019)

Rabobank Australia Limited
(appointed on 11 May 2020)

Special responsibilities for Qube

Member of the Audit and Risk Management Committee (appointed on 22 February 2024)

Experience and expertise

Mr Fazzino has had an extensive executive career in agribusiness, mining, manufacturing and chemical industries working in senior roles across a diverse range of organisations. In particular, James was Chief Financial Officer, Chief Executive Officer and Managing Director at industrial chemicals manufacturer Incitec Pivot Limited where he led the successful globalisation of the business including the construction of two large chemical plants in Australia and the United States.

Mr Fazzino is a Non-Executive Director of energy infrastructure business APA Group and Chair of its Sustainability Committee. He is also a Non-Executive Director and Chair of Rabobank Australia Limited, Chair of Manufacturing Australia and a former Chair of Tassal Limited.

Mr Fazzino graduated from La Trobe University with a Bachelor of Economics (Hons). He is a Vice-Chancellor's Fellow of La Trobe University, a fellow of CPA Australia and co-convenor of three Champions of Change Coalition groups.

He was appointed as a Director of Qube on 22 February 2024.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year and the number of meetings each Director attended were:

	Board		Audit and Risk Management		Nomination and Remuneration		Safety, Health and Sustainability	
	9 meetings held		5 meetings held		4 meetings held		5 meetings held	
	A	B	A	B	A	B	A	B
Allan Davies[1]	9	9	5	5	4	4	5	5
Sam Kaplan	9	9	4	4				
Paul Digney[2]	9	9	5	5	4	4	5	5
Ross Burney	9	9	2	2	1	1		
Alan Miles	9	8					5	5
Steve Mann	9	9	5	5				1
Jackie McArthur	9	9		1	4	4	2	3
Nicole Hollows	9	9	2	2			3	3
Lindsay Ward	9	9					5	5
Jill Hoffmann	5	5	2	2	3	3		
James Fazzino	4	4	1	1				

Notes

A Number of meetings held during the time the Director held office (including acting as an alternate Director) for Board meetings, or was a member of a committee for committee meetings, during the year.

B Number of meetings attended.

1 Chairman

2 Executive Director

Not a member of the committee during the entire year

Member of the committee for part of the year

During the year the following Board and Board committee appointments and cessations occurred:

- Nicole Hollows ceased as a Non-Executive Director and as a member of the Audit and Risk Management Committee and as a member of the Safety, Health and Sustainability Committee on 10 November 2023.
- Ross Burney was appointed as a member of the Audit and Risk Management Committee on 24 November 2023.
- Jackie McArthur was appointed as a member of the Safety, Health and Sustainability Committee on 24 November 2023.
- Jill Hoffmann was appointed as a Non-Executive Director on 15 December 2023 and as a member of the Audit and Risk Management Committee and the Nomination and of the Remuneration Committee on 5 February 2024.
- Ross Burney ceased as a Non-Executive Director and as a member of the Audit and Risk Management Committee and the Nomination and Remuneration Committee on 22 February 2024.
- Sam Kaplan ceased as a member of the Audit and Risk Management Committee on 22 February 2024.
- James Fazzino was appointed as a Non-Executive Director on 22 February 2024 and as a member of the Audit and Risk Management Committee on 22 February 2024.

In addition to the above formal, annually scheduled meetings, a number of informal meetings were held as required.

Strategy and briefing sessions and operating site tours were also held for directors during the year.

Key Management Personnel

Managing Director

The Managing Director is Mr Paul Digney who was appointed on 1 July 2021. Prior to this appointment, Mr Digney was the Chief Operating Officer (COO) of Qube, primarily overseeing the management and integration of the businesses in Qube's Operating Division. Mr Digney has over 30 years' Executive management experience in supply chain and port logistics roles across Australia. He is also a Non-Executive Director and alternate Chair of Patrick Terminals, as Qube's lead representative on the Patrick Board.

Chief Financial Officer

The Chief Financial Officer (CFO) is Mr Mark Wratten. Mr Wratten has more than 30 years of experience in financial and operational management across Australia, the USA and UK with significant experience in the logistics sector. He has held various Senior Executive positions including Chief Financial Officer of Brambles (Industrial Services and Cleanaway divisions), Global Chief Financial Officer of Recall Holdings Limited and Global Chief Financial Officer of Vocus Group Limited.

General Counsel and Company Secretary

The General Counsel and Company Secretary is Mr William Hara. Prior to joining Qube in January 2013, Mr Hara worked as General Counsel and Company Secretary at Patrick Corporation Limited for 10 years and Group General Counsel and Company Secretary at Lendlease for six years.

Business Unit Directors

Director – Logistics & Infrastructure

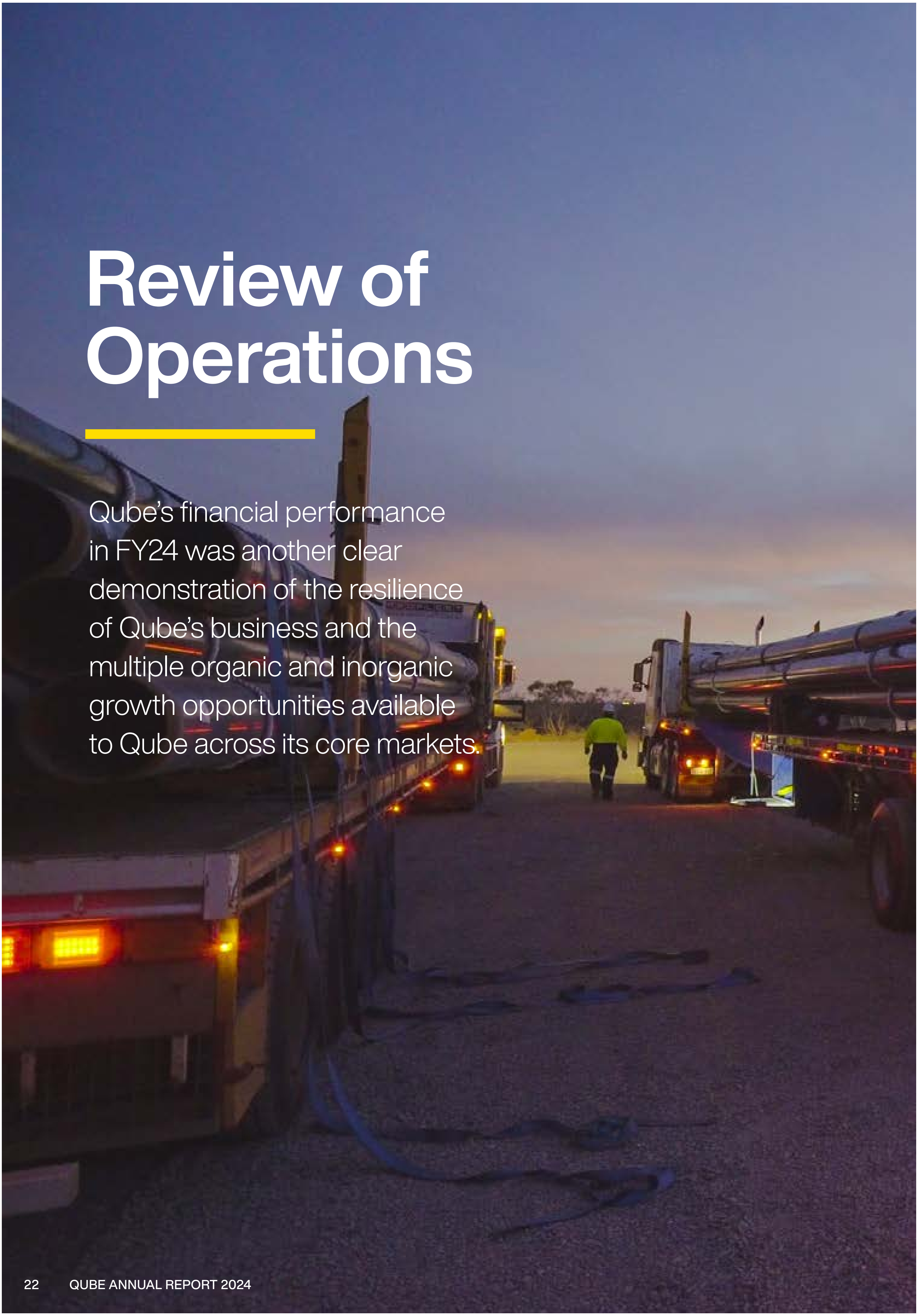
The Director – Logistics & Infrastructure is Mr John Digney who was appointed to this role in June 2016. Mr Digney brings more than 30 years of transportation and supply chain management experience to the Qube group, with roles including Director of Operations and, prior to joining Qube, National Operations Manager at Patrick Corporation.

Director – Ports

The Director – Ports is Mr Michael Sousa. Mr Sousa has more than 28 years of experience in maritime and supply chain logistics. He has held several Executive roles, including General Manager – Commercial and General Manager – Operations with the Ports business unit, before being appointed to his current role in 2009 where he leads the strategic vision of connecting ports to their supply chains to drive efficiencies and port operating optimisation.

Director – Bulk

The Director – Bulk is Mr Todd Emmert. Mr Emmert has more than 25 years of experience as a supply chain and logistics specialist. He has worked in Senior roles across all aspects of the supply chain, including overseas postings with an international shipping line, intra/interstate rail, port and stevedoring, and heavy on and off road haulage roles.



Review of Operations

Qube's financial performance in FY24 was another clear demonstration of the resilience of Qube's business and the multiple organic and inorganic growth opportunities available to Qube across its core markets.

Overview

Qube's financial performance in FY24 was another clear demonstration of the resilience of Qube's business and the multiple organic and inorganic growth opportunities available to Qube across its core markets.

Qube continued to deliver on its vision and strategy to be the leading provider of integrated logistics solutions within the Australasian market. This included expansion into new geographies, services, products and customers, and an ongoing focus on ensuring that Qube continues to provide safe, reliable and valued logistics services for its diverse customer base.

The successful delivery of Qube's strategy in FY24 enabled Qube to deliver underlying revenue growth of around 17.2% to $3.5 billion and underlying EBITA growth of 13.6% to $318.4 million. Underlying NPATA increased by 13.2% to $271.2 million and underlying earnings per share (pre-amortisation) (EPSA) increased to 15.3 cents, a 13.1% increase over FY23 and the fourth consecutive year of double digit underlying EPSA growth.

The key drivers of this record result were:

- The Logistics & Infrastructure business unit which experienced high volumes of container related activities (including road and rail haulage and container parks), continued high automotive volumes (AAT), and a partial period's contribution from the acquisitions completed in H1-FY24. This was partly offset by much weaker agri volumes for most of the period and increased MLP terminal losses while volumes are ramping up;
- The Ports & Bulk business unit which generated strong earnings growth with most activities delivering growth in line with or ahead of internal expectations. The result also benefitted from the full year contribution from the Kalari acquisition completed in FY23; and
- Higher NPATA contributions from all of Qube's Associates compared to FY23, with the largest dollar contribution from Qube's investment in Patrick (50%) which delivered a record result due to a very high market share mainly resulting from industrial issues impacting its largest competitor for part of the period.

A summary of key financial metrics is presented below.

	Underlying Information		Statutory Information (including discontinued operations)[1]	
	$M	Change (from prior corresponding period)	$M	Change (from prior corresponding period)
Revenue	3,503.6	17.2%	3,357.2	16.6%
EBITA	318.4	13.6%	337.4	23.2%
NPAT	258.0	14.8%	221.9	32.2%
NPATA	271.2	13.2%	235.2	29.4%
EPSA[2] (cents)	15.3	13.1%	13.3	29.2%
DPS (cents)	9.15	13.0%	9.15	13.0%

[1] As a result of the sale of the Moorebank warehousing related assets, the earnings associated with these assets were classified under discontinued operations in the FY23 and FY24 financial statements. Excluding discontinued operations, FY24 revenue remained at $3,357.2 million while EBITA was $342.6 million.

[2] EPSA is NPATA divided by the fully diluted weighted average number of shares outstanding.

In achieving this strong financial performance, Qube was able to effectively manage ongoing cost pressures and labour shortages in some parts of its business as well as several adverse weather events that disrupted some operations during the period.

The NPATA and EPSA growth was particularly pleasing as it was achieved despite net interest costs increasing by around $32.5 million in the period (up 122%), mainly due to higher base interest rates and higher average net debt as well as reduced capitalisation of interest costs relating to the construction of the MLP IMEX and Interstate terminals.

Qube continued to undertake strategic acquisitions in the period, including the acquisitions of the agri rail terminal, storage and handling facility at Narrabri (NSW) in September 2023 and the other 50% of Pinnacle (NZ) and 100% of Stevenson Logistics in November 2023. In May 2024, Qube entered into a binding agreement (subject to a small number of conditions) to acquire the Melbourne International RoRo & Automotive Terminal (MIRRAT) and this acquisition is expected to complete in H1-FY25.

These acquisitions provide further diversity and quality to Qube's business and are expected to contribute to earnings growth in FY25 and beyond.

Pleasingly, Qube's return on average capital employed (ROACE) increased from 9.1% in FY23 to 9.5% in FY24 and remains on track to meet Qube's target ROACE of at least 10.0%. The overall group ROACE being achieved is being impacted by around $718 million of capital as at 30 June 2024 that is not currently generating target run-rate earnings for reasons including assets under construction or in early ramp-up phase. This provides a meaningful driver of future earnings growth as this capital achieves target earnings in future years.

Other highlights in the period included the opening of the Moorebank Logistics Park (MLP) Interstate terminal in May 24 and the automated MLP IMEX terminal in June 24.

Statutory revenue increased by 16.6% to approximately $3.4 billion and statutory profit after tax attributable (NPAT) to shareholders increased by 32.2% to $221.9 million. Statutory diluted earnings per share pre-amortisation increased by 29.2% to 13.3 cents per share.

The FY24 statutory earnings include the impact of the lease accounting standard, AASB 16, which has reduced statutory net profit after tax by around $26.8 million (inclusive of the impact of AASB 16 on Qube's share of Patrick's statutory net profit after tax). The corresponding reduction in Qube's statutory net profit after tax in FY23 was $32.1 million.

Post the end of the period, Qube acquired the Colemans business and freehold properties for total consideration (excluding stamp duty and other costs) of around $119 million.

Further commentary is set out below.

The underlying information excludes discontinued operations and certain other non-cash and non-recurring items in order to more accurately reflect the underlying financial performance of Qube.

Income tax expense is based on a prima-facie 30% tax charge on profit before tax and associates. References to 'underlying' information are to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing Non-IFRS Financial Information) issued in December 2011. Non-IFRS financial information has not been subject to audit or review. A reconciliation of the statutory results to the underlying results for the full year is presented in the note 2 to the financial statements as well as the 30 June 2024 Appendix 4E.

Dividend

Reflecting Qube's record underlying earnings in FY24 and positive outlook, the Board has increased the final ordinary dividend by around 18.4% to 5.15 cents per share (fully franked). This brings the full year dividend to 9.15 cents per share (fully franked), an increase of 13.0% over the full year dividend in FY23, and equates to a 60% dividend payout ratio of Qube's FY24 underlying EPSA (being the upper end of Qube's targeted payout range and consistent with the payout ratio in the prior year). The dividend reinvestment plan will not apply for the final dividend.

Operating Division

The Operating Division reported another period of strong underlying revenue growth of 17.2% to over $3.5 billion and underlying earnings growth (EBITA) of 12.0% to $357.2 million. Margins (EBITDA / EBITA) declined slightly to 16.3% and 10.2% from 16.8% and 10.7%, respectively in the prior corresponding period.

The main reason for the margin decline was the significant grain trading revenue in the period of around $141.9 million which did not contribute meaningfully directly to earnings but which indirectly contributed to the revenue and earnings across Qube's agri-related rail and terminal facilities. The EBITDA/EBITA loss of the MLP IMEX terminal in the period of $4.4 million and $7.0 million, respectively, while volumes are ramping up, also impacted overall margins.

Adjusting for these two items, EBITDA and EBITA margins would have improved in FY24 to approximately 17.2% and 10.9% respectively.

Operating Division	FY24 $ million	FY23 $ million	Growth $ million	Growth %
Revenue				
Logistics & Infrastructure	1,548.5	1,342.6	205.9	15.3
Ports & Bulk	1,954.5	1,649.0	305.5	18.5
Divisional Corporate	0.1	(1.9)	2.0	n/a
Total Revenue	**3,503.1**	**2,989.7**	**513.4**	**17.2**
EBITA				
Logistics & Infrastructure	238.6	224.5	14.1	6.3
Ports & Bulk	166.1	133.3	32.8	24.6
Divisional Corporate	(47.5)	(38.8)	(8.7)	(22.4)
Total EBITA	**357.2**	**319.0**	**38.2**	**12.0**
EBITA Margin (%)	**10.2**	**10.7**		**(0.5)**
ROACE (%)	**10.3**	**10.5**		**(0.2)**

Organic volumes were strong in most key markets and broadly consistent with the prior year across core activities, with market conditions being as follows:

- Containerised logistics (solid volumes across transport, empty container parks and warehouse activities);
- Automotive (solid volumes of vehicles stevedored and processed as well as elevated volumes of quarantine and storage revenue at Qube's automotive terminals (AAT));
- Energy related logistics (increased activity including commencement of new contracts and increased scope of works);
- Resources (generally stable volumes across most customers with some new contracts starting offset by weakness in some nickel customers towards the end of the period);
- Forestry (slight decline in woodchip and broadly flat NZ log export volumes compared to the prior year but expected to have stabilised at current levels); and
- General and project cargo (volumes were generally lower than the prior year across a number of products including steel, scrap and roll-on, roll-off vehicles).

The result benefited from a full period's contribution from the acquisitions completed in FY23 and a partial period's contribution from the two business acquisitions completed in H1-FY24.

In September 2023, Qube acquired the agri rail terminal, storage and handling facility at Narrabri (NSW). This is an 18-hectare site with seven warehouses and three grain bunkers. This transaction enhances Qube's NSW agri grain network and provides opportunities to service the existing customers with Qube's rail capability. These assets are expected to contribute to Qube's earnings from FY25.

In November 2023, Qube acquired the remaining 50% interest in Pinnacle (NZ) and 100% of Stevenson Logistics.

As previously advised, Pinnacle is a New Zealand based business that operates a range of logistics services including empty container parks, container transport and refrigerated container maintenance and repair services. This acquisition provides Qube with an asset and customer base, along with an experienced management team, to develop a containerised logistics operation in New Zealand. Following Qube's increased ownership to 100%, Qube rebranded Pinnacle as Qube.

Stevenson Logistics is an established container transport and logistics operator located in the port precinct of North Fremantle. This transaction expands Qube's capabilities and exposure to the hay/agri export market in Western Australia.

The completed acquisitions are all performing in line with or ahead of expectations and are expected to make an increased contribution in FY25 and beyond.

The key weakness in the period was lower agri (grain) volumes following a very strong contribution in FY23. Total tonnes handled across Qube's two agri terminals declined by over 55% from around 3.48 million tonnes in FY23 to approximately 1.55 million tonnes in FY24.

Earnings were also impacted by the industrial action by the Rail, Tram and Bus Union at the start of the period which increased costs and reduced productivity, and the business unit was also adversely impacted by the industrial action at DP World's container terminals which affected volumes and created operating inefficiencies for Qube.

The earnings growth was achieved despite higher losses on the MLP IMEX Terminal as noted above.

In May 2024, Qube announced it had entered into a binding agreement to acquire Melbourne International RoRo & Automotive Terminal (MIRRAT) from Wallenius Wilhelmsen.

MIRRAT is the only dedicated roll-on, roll-off terminal servicing the Victorian market. The facility spans around 35 hectares, features three berths, a 120 tonne gantry crane, 8,000 sqm of undercover storage and two quarantine wash bays. It also holds a 6 Star rating from the Green Building Council of Australia.

MIRRAT operates on a similar basis to Qube's (AAT's) other terminals in Port Kembla (NSW) and Fisherman Island (QLD) and is regulated by the Australian Competition and Consumer Commission (ACCC) under an Undertaking pursuant to section 87B of the Competition and Consumer Act 2010 (Cth).

The total consideration for the acquisition is around $332.5 million (exclusive of stamp duty and other costs) which will be funded from Qube's available, undrawn debt facilities. The acquisition is expected to be EPSA accretive in FY25 and meet Qube's ROACE hurdle over the medium term.

Completion of the acquisition is conditional on ACCC and Port of Melbourne approval and is expected to complete in H1-FY25.

Post the end of the period, Qube acquired the Colemans business and freehold properties (Colemans) from its private owners. Colemans is an integrated transport, logistics and storage business with a portfolio of specialised licensed infrastructure supporting the Security Sensitive Ammonium Nitrate[1] (SSAN) supply chain in Western Australia.

The total consideration for the acquisition was approximately $119 million (exclusive of stamp duty and other costs) and has been funded from Qube's available, undrawn debt facilities.

[1] Security Sensitive Ammonium Nitrate is a product that is more than 45% Ammonium Nitrate. This distinguishes it from Ammonium Nitrate (AN) based fertiliser.

The acquisition of over $90 million of assets includes high security storage sheds in the mining centres of Kalgoorlie, Port Hedland and Wyndham in Western Australia as well as in Kwinana. These facilities are close to transport infrastructure, SSAN manufacturing and processing facilities and meet all regulatory and compliance requirements. Colemans also has a large fleet of emulsion tankers.

SSAN is the predominant explosive and a key input used in the mining of a range of commodities including iron ore, copper, lithium, nickel, zinc, metallurgical coal and thermal coal, as well as by the quarrying industry.

The acquisition of Coleman's provides Qube with a platform to enter the Western Australia SSAN supply market and to use its financial and operational capabilities to invest to support further growth and deliver operational improvements for this business.

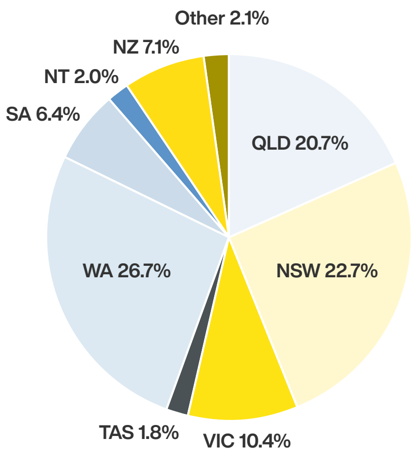
The acquisition is expected to be modestly earnings per share (pre-amortisation) (EPSA) accretive and exceed Qube's minimum ROACE target on a pro-forma basis, inclusive of synergies. These synergies are expected to be partly realised in the first year of ownership and fully realised within 24 months post-acquisition.

The acquisition is a continuation of Qube's successful strategy of using targeted acquisitions to acquire businesses and assets that enhance its service capabilities and then investing further in the businesses to support its customer base and deliver sustainable earnings growth.

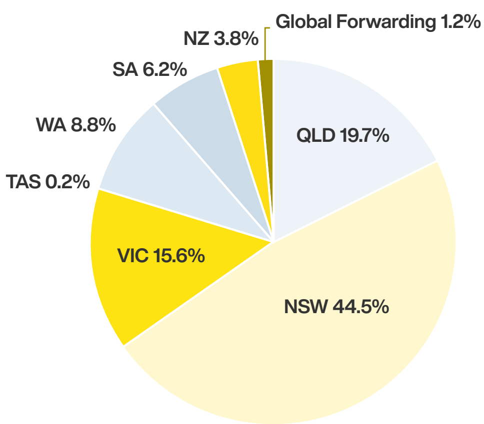
Qube remained highly diversified by customer, product, service and geography. In FY24, the top 10 customers across the Operating Division represented approximately 21.4% of the Operating Division's total revenue and included mining companies, energy companies, grain traders, retailers and manufacturers. No single customer represented more than 6% of the total divisional revenue.

From a geographical perspective, as highlighted in the pie charts below, Qube is well diversified with Western Australia being the largest single region representing 26.7% of total divisional revenue. The largest four regions within the Operating Division (being Western Australia, New South Wales, Queensland, and Victoria) collectively represent around 80.5% of divisional revenue. This balanced outcome reflects the higher weighting of the Logistics & Infrastructure business unit's activities to New South Wales, Victoria and Queensland with an increasing presence in New Zealand following the Pinnacle acquisition, while the Ports & Bulk activities are weighted more heavily in Western Australia, Queensland as well as New Zealand.

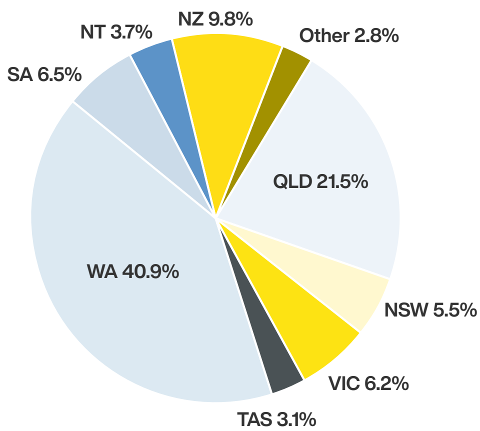
Operating Division



Logistics & Infrastructure



Ports & Bulk



Logistics & Infrastructure (L&I)

The L&I business unit delivered strong revenue growth, up 15.3% to over $1.5 billion, although earnings growth (EBITA) was lower, up 6.3% to $238.6 million, resulting in EBITA margins declining from 16.7% to 15.4%.

Container related activities were solid across the business, including transport, warehousing and container storage and handling operations. A number of key contracts were renewed in the period, the business retained all of its key customers and also generated new business which all supported high organic growth.

The automotive terminal business (AAT) delivered increased earnings from high vehicle volumes across its major facilities in New South Wales and Queensland, although project and general cargo and bulk grain volumes were lower than the prior year. The period saw continued elevated automotive quarantine inspections and related storage volumes although this is expected to moderate in FY25.

The main area of weakness in the business unit in FY24 was agri volumes given the decision by many growers to store harvested grain rather than export it. Qube's transport and terminal infrastructure used for its agri logistics have a relatively high fixed cost component and therefore the lower volumes had a higher impact on earnings and margins than the revenue decline.

During the period, Qube recruited a number of experienced individuals to establish an in-house grain trading capability. The intention of this capability is to provide Qube with the ability to deliver additional volumes through its agri infrastructure to utilise excess capacity where Qube can do so in a manner that can generate incremental financial returns within a prudent risk framework. This is not expected to be a material part of Qube's overall earnings but provides Qube with greater ability to optimise the utilisation of its infrastructure.

Agri volumes improved towards the end of the period as a result of expectations of a positive grain harvest which led to the transport and export of stored grain volumes, and Qube's grain trading activities also supported higher volumes through Qube's transport and storage infrastructure.

The main reason for the margin decline in the period was that the grain trading activities are high revenue generating but low direct margin (particularly given Qube's objective of using its grain trading to support throughput through its transport and storage infrastructure while generating an approximately break-even trading result, rather than as a stand-alone profit centre). Excluding grain trading revenue, EBITA margins improved to around 17%.

MLP IMEX Terminal

Following the successful completion of testing and commissioning, the MLP IMEX Terminal commenced normal automated operations in late June 2024. Productivity and accuracy rates are in line with expectations, although further improvement is expected in FY25. Qube handled around 24,000 TEU through the IMEX in July 24, slightly below Qube's target annualised run rate of 300,000-350,000 although monthly volumes are expected to continue to build during FY25. The MLP IMEX generated an EBITDA and EBITA loss in FY24 of $4.4 million and $7.0 million respectively.

At current volumes, the MLP IMEX is generating positive cashflow and is expected to be profitable on a run-rate basis by June 25.

Qube also commenced its empty container park operations adjacent to the IMEX which will deliver additional earnings.

There have been several industry developments in FY24 that support Qube's positive near-term volume outlook for the IMEX including:

- The completion of construction and commencement of operations of Patrick's automated rail terminal at Port Botany in November 2023.
- The completion of the Federal Govt funded ARTC Botany Rail duplication project in February 2024 has improved the efficiency of rail transport to and from the MLP to Port Botany.
- LOGOS commenced construction of a further three warehouses totaling more than 100,000m2 that are expected to be available from H2-FY25.

- Additional tenants, being Signify and Bracknells, have been secured by LOGOS at MLP and are expected to utilise rail to move their volumes from Port Botany when they commence operations in H2-FY25. These tenants will join the existing tenants including Qube, Woolworths, Mainfreight, Maersk and Sydney Tools at the MLP.
- By the end of FY25, a total of 520,000m^2 of new warehousing is expected to have been constructed at MLP, representing over 60% of the approved footprint of 850,000m^2 of warehousing.

MLP Interstate Terminal

The construction of the MLP Interstate Terminal (Stage 1a) was largely completed in May 24 at which time it was handed over to the Joint Development Model (JDM) to undertake the ongoing management of the terminal. The JDM is a joint venture in which Qube holds a 65% interest, LOGOS (25%) and National Intermodal Corporation (NIC) (10%). Qube has been appointed by the JDM as the service provider of the terminal for an initial five year term.

The total cost to complete Stage 1a is expected to be around $186.0 million which is in line with Qube's previous estimate. The JDM is in active discussions with potential users of the terminal although no agreements had been signed as at 30 June 2024.

As previously announced, Qube has been in a disagreement with the previous head contractor for the MLP Interstate Terminal (Martinus Rail Pty Ltd (Martinus)) over variations to the construction price and delivery timeframe. On 25 September 2023, Qube terminated the contracts with Martinus and engaged another contractor to manage and construct the remainder of the project.

Qube announced on 22 February 2024 that it had received a post-termination payment claim from Martinus pursuant to section 13(1C) of the Building and Construction Industry Security of Payment Act 1999 (NSW) (Act)[1]. The claims totalled approximately $113 million[2] and mainly concerned re-pricing of historical variations, new claims for alleged delay and disruption, and claims for termination entitlements under the contracts. The Superintendent assessed the Contractors entitlement under the Contracts for these claims and certified a negative amount, that is, a payment from Martinus to Qube of approximately $2.8 million.

As required under the Act, Qube and Martinus have been engaged in a confidential adjudication process in respect of those claims. The adjudicator has now determined that Qube make a payment of approximately $63 million[3] under the Act.

Qube notes that the adjudicator's determination is an interim determination only, was confined to the post-termination payment claim and not all of the matters in dispute between the parties including Qube's claims against Martinus. The effect of this determination is only to resolve whether a payment should be made to the contractor in respect of the post-termination payment claim pending a final determination of all the matters in dispute between the parties in arbitration.

Qube will be pursuing remedies available to it.

Qube does not expect the outcome of this dispute with Martinus to have a material impact on Qube's financial position when it is finally determined in arbitration.

Qube is presently assessing its long-term ownership and operational strategy for the MLP Interstate Terminal which may involve selling some or all of Qube's interest in this asset.

Further information covering the MLP Interstate Terminal is included in note 24 of the financial statements.

[1] See announcements released on ASX on 22 February 2024.
[2] Net of a duplicate claim for termination of approximately $24 million.
[3] Exclusive of GST

Ports & Bulk (P&B)

The P&B business unit delivered a strong result in FY24 with underlying revenue increasing by 18.5% to almost $2.0 billion, underlying EBITDA increasing by 21.1% to $308.2 million and underlying EBITA increasing by 24.6% to $166.1 million.

The result reflects generally solid volumes across most Ports & Bulk activities and the full-year benefit of higher tariffs implemented during FY23 to address the inflationary environment.

The earnings growth was achieved despite several headwinds including adverse weather in Gisborne (New Zealand) where 74 working days were lost, in South Australia which impacted the domestic forestry operations, in Western Australia where a cyclone impacted operations in the Pilbara, and at Utah Point where 15 days ship loading was lost due to issues with the port and vessel infrastructure. Continued skilled labour shortages in some regional areas also impacted Qube's revenue and earnings.

Ports

The Ports business unit achieved record earnings and improved margins in FY24. The key drivers of this outcome were:

- An increase in motor vehicle volumes handled as well as strong project cargo volumes in Dampier and Darwin.
- A solid contribution from the Energy related activities as the key energy customers ramped up their activities and increased the scope of work provided by Qube from the core warehousing and supply base services to include provision of equipment, machinery and resources. The results also include an initial contribution in Dampier from work supporting the Woodside Pluto project.
- An improved contribution from the BOMC facility in Indonesia where project work was undertaken for the SubSea 7, Scarborough and Barossa projects.
- A significant cost reduction project in New Zealand to mitigate the impact of broadly flat export volumes. This was completed in October 2023 so will contribute additional savings into FY25.
- An improved contribution from Australian forestry activities largely from the resumption of the export timber marshalling volumes out of Portland to China and increased volumes to India, whilst seeing improved returns in the woodchip operations in the green triangle.

The pleasing financial performance was notable as it was achieved despite Qube Port's stevedoring volumes in Australia being generally flat or below the prior year across some products/services.

Motor vehicle volumes were up 4.1% (compared to market growth of 3.9%), fertilizer volumes were up 17% and log volumes for products being exported from Australia to China and India were up over 100%. Negative volume movements included steel (down 16.5%), scrap (down 12.8%), machinery imports (down 21.3%) and Australian forest products (mainly woodchips) (down 5.6%).

The financial performance highlights the success of management's focus on margin improvement through rate restoration and cost reductions over the past 18 months.

Bulk

The Bulk activities generated record earnings despite challenges with some customers.
Key highlights of FY24 included:

- The expansion of Qube's mine resupply services into the Queensland Ammonium Nitrate market. This will be further enhanced in FY25 in Western Australia through the acquisition of Colemans.
- Further growth in logistics services for windfarm projects in Queensland.
- An improved overall performance of the operating business across all Western Australian regions.

Volumes remained stable or improved across key commodities such as iron ore, coal, lithium, salt, manganese and copper, with the only exception being mineral sands which were lower due to a depressed market for this commodity. Pleasingly, Qube retained all key customers during FY24 although several customers reduced volumes and the operations of one of Qube's customers (FQM) were placed into care and maintenance during the period due to declining commodity prices for nickel. Qube also secured a number of new contracts that will ramp up during FY25.

Margins declined slightly in the period mainly due to several non-recurring costs in the period such as redundancies relating to the care and maintenance of one of Qube's customers in the period, as well as several adverse weather events and port infrastructure issues at Utah Point Port Hedland that impacted operations and volumes.

The result benefitted from a full period's contribution from the Kalari acquisition which is tracking in line with initial expectations other than in relation to the mineral sands customers. Qube is actively pursuing additional opportunities to leverage Kalari's expertise in inbound mine supply across Qube's customer base where Qube has traditionally been involved only in outbound logistics tasks.

Driver shortages continue to be an issue in regional areas and are impacting some Bulk activities both in terms of missed revenue opportunities and higher costs resulting from use of subcontractors and additional overtime payments. Additionally, there have been some delays in the commencement of operations of certain new projects and mines which were expected to replace volumes that ended in FY23 as mines reached their end of life.

Towards the end of the period, BHP Nickel West, one of Qube's customers, advised that it would be suspending its operations. Qube has contractual protections in place, and is working with the customer to mitigate the impact on Qube's workforce and operations including through redeployment to other opportunities across the Qube group. Qube does not expect this will have a material impact on Qube's future earnings.

Beveridge

During FY24, Qube nominated a 200ha parcel of land at Beveridge, Victoria pursuant to its call option with NIC. The valuation process to determine the consideration payable for the parcel is expected to be finalised in H1-FY25. If Qube exercises its option, it will be required to pay a 10% deposit with the balance not payable until settlement which is conditional upon subdivision and Master Plan Approval.

Qube is continuing to evaluate its future options in relation to the parcel that is the subject of its call option with NIC.

Patrick Terminals

Patrick delivered strong underlying growth in revenue and EBITDA of around 17.5% and 24.0% to around $917.1 million and $378.9 million, respectively. Patrick increased its ROACE from 8.3% in FY23 to around 10.7% in FY24, reflecting the high earnings growth in the period across its existing infrastructure.

The underlying contribution from Qube's 50% interest in Patrick was $73.8 million NPAT and $82.3 million NPATA, an increase of 36.9% and 30.4%, respectively, over the prior corresponding period. This contribution is inclusive of Qube's share of interest income ($5.0 million post-tax compared to $10.1 million in FY23) on the shareholder loans provided to Patrick.

This record result reflected modest growth in market volumes for the twelve months to 30 June 2024 of around 2.0% (on a lift basis) but a large increase in Patrick's market share from around 42% for FY23 to around 47% for FY24 (and reaching a peak of around 50%).

This resulted in Patrick's volumes (lifts) being around 13.8% higher in FY24 at around 2.4 million lifts compared to around 2.1 million lifts in the prior year.

This was primarily due to the impact of industrial action at Patrick's largest competitor for part of the period which resulted in Patrick's shipping line customers increasing their volumes as well as Patrick sub-contracting some vessels from DP World to mitigate the supply chain impact from the industrial action.

In February 2024, the industrial issues were largely resolved, and by the end of the period, Patrick's market share across its four terminals had normalised to the expected band of 41-43%.

Patrick's ability to service up to 50% of the market volumes in the period supported continuation of efficient logistics supply chains. This is a tangible example of the benefits of Patrick's significant investment program over recent years to increase capacity and capability of its operations.

During the period, Patrick extended several key contracts, providing added certainty to its future volumes and revenue. This included renewing the contract with its largest customer for a three year term to December 2026, covering all existing services in Sydney, Brisbane and Fremantle although Melbourne services were lost to a competitor due to some precinct limitations on servicing the proposed larger vessel sizes.

During the period, Patrick also successfully extended $235 million of its debt facilities that were maturing in March 2025, and also increased its debt facilities by a net $130 million.

Patrick finished the period with net external debt of around $1.25 billion and shareholder loans of around $112.5 million (Qube share $56.25 million).

At 30 June 2024, Patrick's total debt facilities have a weighted maturity of around 3.5 years.

	FY24 $ million	FY23 $ million	Change %
Patrick's Key Financial Information			
Revenue (100%)	917.1	780.6	17.5
EBTIDA (100%)	378.9	305.5	24.0
Patrick's Contribution to Qube			
Qube share of NPAT	68.8	43.8	57.1
Qube share of NPAT (pre-amortisation)	77.3	53.0	45.8
Qube interest income net of tax from Patrick	5.0	10.1	(50.5)
Total Qube share of NPAT from Patrick	**73.8**	**53.9**	**36.9**
Total Qube share of NPAT (pre-amortisation) from Patrick	**82.3**	**63.1**	**30.4**
Patrick's Cash Distributions to Qube			
Interest income (pre-tax)	11.7	12.0	(2.5)
Dividend	83.3	53.0	57.2
Shareholder loan repayment	45.0	63.8	(29.5)
Total	**140.0**	**128.8**	**8.7**

Patrick continued to generate strong cash flow, with total distributions to Qube in the period of $140 million compared to $128.8 million in FY23.

The statutory contribution to Qube's NPAT (being interest income on shareholder loans and share of profit after tax) was a profit of $60.3 million (compared to $38.1 million in FY23). Variances to underlying results are largely driven by the impact of the leasing standard (AASB 16).

Patrick is continuing to invest in facilities, equipment, technology and people. This will ensure it can efficiently handle growth in market volumes and support continued efficient landside service levels and rail capability for landside customers and Australian shippers. In FY24, Patrick invested around $65.1 million on growth and maintenance items, taking investment across the past five years to approximately $350 million. In FY24, this included progressing a number of key projects that will deliver both improved operational and financial outcomes including:

- Patrick Sydney AutoRail – This project reached practical completion in late 2023, delivering further landside efficiencies. 600m single loco lead rail operations are scheduled to commence in late 2024, increasing capacity and further optimising rail operations.
- Automated Truck Handling – The project went live in in Port Botany in October 2023 in conjunction with Patrick Sydney AutoRail, with initial productivity targets delivered and further improvement targeted for FY25. Fisherman Islands also delivered cost savings and productivity improvements ahead of targets.
- Melbourne Rail Project – The rail terminal was completed in late 2023, with the first train handled in February 2024. The investment will support a rail modal shift for containers moving to and from the port.
- Fremantle Redevelopment – Lease redevelopment commitments were met in late 2023 and are delivering targeted cost savings. Additional capital commitments in further capacity uplifts across FY25.

As part of Patrick Terminals' decarbonisation strategy, priority initiatives have been implemented across FY24. These include replacement of half of the Fremantle terminal fleet (ITVs) with Electric ITVs, supported by funding secured from ARENA.

Patrick's first hybrid straddle carriers were also commissioned in East Swanson Dock in May 2024, representing a key milestone in Patrick's decarbonisation strategy.

In August 2024, Patrick secured funding from ARENA to support the procurement of nine Electric ITVs. Hybrid straddle carriers were commissioned in East Swanson Dock in May 2024 and Electric ITVs in Fremantle were commissioned in July 2024, representing a key milestone in Patrick's decarbonisation strategy.

Other Associates

The L&I related Associates, IMG, Pinnacle (for part of the period) and MITCo (Qube's 65% interest in the MLP Interstate Terminal) contributed $3.9 million to Qube's NPATA compared to a $3.0 million profit in the prior corresponding period. The FY24 result is inclusive of a $0.9 million NPATA loss from MITCo (nil in FY23) and reflected a 53.8% improvement in the contribution from IMG to $4.0 million (FY23: $2.6 million) and a 100% improvement in the contribution from Pinnacle to $0.8 million for the four months in FY24 that it was an associate (FY23: $0.4 million reflecting a two month contribution). Associates within L&I paid cash distributions of $1.1 million.

The P&B related associates, NSS and Prixcar, significantly increased their contribution to Qube's NPATA, collectively contributing $8.5 million to NPATA compared to a $4.9 million in the prior corresponding period. Both associates delivered strong results due to higher volumes, with Prixcar increasing its NPATA to Qube by 88.6% to $6.6 million and NSS increasing its NPATA to Qube by 35.7% to $1.9 million. Both associates also paid cash distributions to Qube in FY24, totaling $3.9 million.

Qube Capital Expenditure

Qube continued to undertake substantial investment in the period, spending around $632.3 million on capex comprising:

- Maintenance capex of $224.0 million (equal to around 104% of depreciation);
- Growth capex (excluding acquisitions and MLP terminals) of around $179.0 million;
- Acquisitions capex of $104.7 million; and
- MLP terminals capex of around $124.6 million (including capitalised interest of $10.0 million).

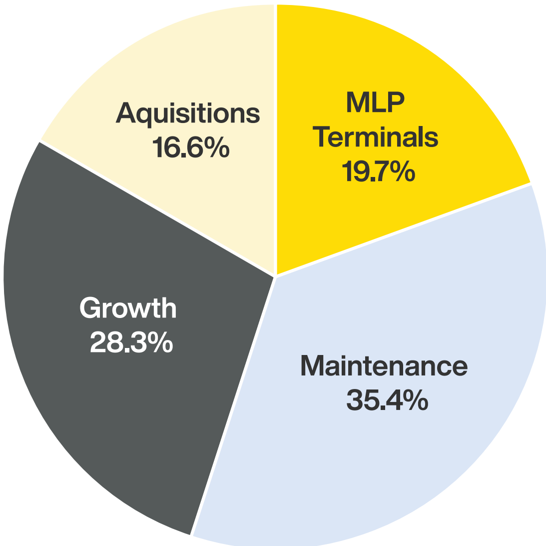
The major growth items included the purchase of additional locomotives and rail assets, property, buildings, sheds, warehouses, material handling equipment and other mobile assets.

The acquisitions completed in FY24 mainly comprised the acquisition of Stevenson Logistics, and the other 50% interest in Pinnacle Group (treated as investment in associates in the statutory accounts until 30 October 2023 and consolidated thereafter), and the agri-related assets acquired at Narrabri.

The investment in the MLP Terminals was largely completed in the period and minimal ongoing capex is expected other than Stage 1b and potentially Stage 2 of the MLP Interstate Terminal (which is not expected for several years, and in the case of Stage 2, is dependent on volumes and demand).

Further information can be found in the Business Combination note in the financial statements.

A summary of the composition of the capex undertaken in FY24 is presented below.



Further information on the key items of growth and maintenance capital expenditure is summarised below.

	Growth $ million	Maintenance $ million	Total $ million
Qube FY24 Capital Expenditure			
Loco and rail assets	48.1	8.6	56.7
Mobile fleet assets	30.4	75.9	106.3
Material handling equipment (including cranes)	25.0	99.2	124.2
Property and buildings	37.1	7.1	44.2
Storage sheds / warehouses	18.1	-	18.1
Containers	15.9	5.6	21.5
Other plant and equipment	2.9	21.1	24.0
IT assets	1.5	6.5	8.0
Total	**179.0**	**224.0**	**403.0**

The ROACE from the Operating Division declined slightly from 10.5% in FY23 to 10.3% in FY24, largely due to significant capital employed as at 30 June 2024 still being in the construction or development phase and therefore not yet generating target earnings, as well as around $80 million of working capital associated with Qube's grain trading activities.

As at 30 June 2024, Qube has around $718 million of assets under development or not yet generating target returns. This includes:

- MLP IMEX Terminal (in ramp-up mode);
- MLP Interstate Terminal (just completed – no volume at present);
- Narrabri agri assets (in ramp-up mode);
- Locomotives and rail assets (not yet operational – awaiting certification);
- Warehouses, sheds and other property (under construction);
- Operating equipment (not yet deployed on new contracts); and
- Grain trading inventory and related working capital.

Adjusting just for the average capital employed during FY24 across the two MLP rail terminals (comprising around $409.6 million in average capital employed) and the related losses attributable to these assets, the Qube Group ROACE would be approximately 10.5%.

Funding

During FY24, Qube successfully refinanced a large portion of its debt facilities including:

- Extending the maturity of $150 million of existing debt facilities;
- Establishing $740 million of new facilities;
- Redeeming $305 million of listed subordinated notes; and
- Terminating or allowing to lapse $210 million of facilities.

The refinancing process was well supported by Qube's existing banks as well as several new lenders and resulted in Qube finishing the period in a strong financial position with cash and available undrawn debt facilities of around $989.9 million at 30 June 2024.

This liquidity was used to fund the acquisition of Colemans and will be used to fund the completion of the MIRRAT acquisition.

The weighted average debt maturity at 30 June 2024 was 3.2 years compared to 2.5 years at 30 June 2023.

Qube's net debt increased from around $945.5 million at 30 June 2023 to around $1.2 billion at 30 June 2024, largely attributable to the capex spend in the period.

Qube's gearing ratio (net debt / (net debt + equity)), calculated on a consistent basis to Qube's financial covenants) increased from around 23.7% at 30 June 2023 to 27.2% at 30 June 2024, remaining below the lower end of Qube's target gearing range of 30%-40%.

Qube's operations continued to generate high cashflow with minimal bad debts in the period.

Qube's working capital balance has increased as a result of the commencement of grain trading activities as Qube needs to purchase and store grain until it is sold which has impacted its reported cash conversion ratio.

Qube generated operating cashflow pre-tax, interest and excluding the working capital associated with Qube's grain trading activities, of around $491.9 million in the period (or $411.5 million including the grain-trading-related working capital), which was used to fund a large portion of Qube's growth capex and other funding requirements.

For FY24, Qube's cash conversion was around 92% excluding the grain trading related working capital requirement or 77% inclusive of it.

Although the main objective of Qube's grain trading activities is risk mitigation by reducing the likelihood of Qube's fixed agri assets (rail equipment and grain terminals) being under-utilised, Qube will also seek to ensure that the returns from its grain trading activities adequately cover the incremental funding costs associated with this working capital.

Qube remains well funded to continue to fund its operations and take advantage of suitable growth capex opportunities.

Safety, Health and Sustainability (SHS)

Qube's Total Recordable Injury Frequency Rate (TRIFR) decreased by 11% in FY24, from 8.8 at the end of FY23 to 7.8 at 30 June 2024. This was in line with expectations, noting that the prior year's TRIFR was impacted by the inclusion of data from prior year acquisitions, together with a higher headcount across the group.

Slips, trips and falls for employees was the largest category of incidents that impacted our TRIFR during FY24. The Lost Time Injury Frequency Rate (LTIFR) also experienced a substantial decrease in FY24, from 0.63 at the end of FY23 to 0.37 at 30 June 2024. This was a 41% improvement compared to FY23.

Reducing the Critical Injury Frequency Rate (CIFR) has been an ongoing area of focus for Qube. This measure refers to events with actual or potential for one or more fatalities.

In FY24, Qube's CIFR decreased by 38%, from 1.0 to 0.62. Our strengthened focus on critical risk verifications, as part of the critical risk review program highlighted above, was a key contributor to this improvement.

The highest number of events with actual or potential for one or more fatalities in FY24 were related to heavy vehicle and mobile equipment accidents. High-potential incident trends remain a primary focus to assess progress against our critical risks across the group.

Consistent with our commitment to create a positive safety culture, in FY24 the Qube executive and safety leadership team, with the support of the Board SHS Committee, reinforced the importance of 'on the ground' management and safety leadership within our operations, including direct engagement with managers and supervisors.

The in-field critical risks review program was also strengthened and enhanced during the period.

A key aspect of the program is continuous monitoring which ensures that controls remain effective over time and adapt to changing conditions or emerging risks. Through methods such as inspections, audits, and performance metrics, we can assess and control performance, identify deficiencies, and take corrective action as needed.

Furthermore, engaging employees in the monitoring process fosters a culture of ownership and accountability, empowering individuals to proactively identify and address control failures or deviations.

Frontline worker involvement in critical risk reviews also provides an important assurance mechanism in assessing the effectiveness of critical controls across each site, and for enhanced planning and risk foresight. Frontline worker involvement is tracked through our safety management system tool and performance is tracked against a group wide KPI.

Qube's safety performance for the year was sadly marred by the death of a Qube employee in an incident at Qube's forestry harvesting operations in South Australia.

Qube worked closely with authorities investigating this incident and in July 2024, SafeWork SA advised Qube that it did not identify any failings in Qube's work, health, and safety obligations under South Australian law with respect to this tragic event. Nevertheless, as part of its commitments to continuous improvement, Qube has introduced additional controls within its forestry operations, including installing additional in-cab cameras and investing to create an industry first digital communications network to increase monitoring of these remote operations.

During the period Qube also reported that a driver for a third-party contractor that had been engaged by Qube to assist with a project was also fatally injured in an incident at a level crossing in Victoria.

Both events underscore the safety risks inherent in Qube's operations and the wider industry and the importance of a strong safety culture and commitment to continuous improvement.

Innovation and Technology

Qube has a clear vision that through a continuous focus on innovation and by leveraging technology, supply chains can be redefined to enhance operational and safety outcomes, provide unequalled customer service and drive sustainable growth.

Qube's Innovation and Technology vision is to be a leader in innovation within the import and export supply chains whilst delivering enhanced customer experience, safe logistics solutions, and growth through Qube's innovative, resilient and reliable platforms.

Qube has long focused on Innovation and Technology as a key competitive advantage, which has been championed by Qube's Innovation Committee chaired by the Managing Director and which brings together Senior Executives from across the organisation.

Qube identified Artificial Intelligence (AI) some time ago as a key initiative that will deliver enhanced outcomes. Through continuous innovation, Qube aims to redefine supply chain dynamics, leveraging cutting-edge technologies to optimise processes, enhance visibility, drive growth and be a leader in transforming industries.

Qube has delivered on AI projects for some time and has had success with the following Innovation projects over the last 12 months:

- Introduction of technologies to assist in automatic stock controls within Qube's supply chains.
- Technologies enabling real time tracking and stocktake of containers in yards.
- Scanning technologies within forestry products and shipping containers.
- Safety in vehicles with in-cabin alerting linking to monitoring centers.
- Operational safety via advanced camera systems linking with facial recognition and other systems.
- Utilisation of Qube's big data sets to enable optimisation across people, assets and equipment to deliver cost savings and increased productivity.

As part of Qube's ongoing business improvement program, technology, innovation and the continued development of generative AI will focus on streamlining the day to day business operations. AI will be assessed to specifically address everyday business tasks such as:

- Safety administration
- Business development (tenders & commercial agreements)
- Business and forecasting analytics
- ESG and governance administration
- Development and reporting of financials
- Market intelligence

Qube seeks to create a future where technology seamlessly integrates with every facet of its business and its diverse supply chains.

Environment

In FY24, Qube emitted 403,177.60 tCO_2e of Scope 1 and Scope 2 Greenhouse Gases (GHG). This represents circa 2.38% reduction compared with FY23 and largely reflects our ongoing focus on productivity and efficiency measures across the group, as well as the increased penetration of on-site renewable electricity.

Qube's Scope 1 emissions were 9,532.65 tCO_2e or 2.43% lower than in FY23 while our Scope 2 emissions declined by 1.52% or 311 tCO_2e. This is despite the incorporation of a full year of emissions data following the acquisitions of Kalari and Stevensons Logistics which were completed in the prior period. Combined, these acquisitions accounted for an additional 22,542 tCO_2e in GHG for FY24.

With respect to Qube's emissions reduction targets, positive progress was achieved on the goal to reduce our Scope 1 emissions intensity (tCO_2e/$M) by 50 per cent by 2030 (compared to FY18 baseline), with an 18% improvement in carbon intensity compared with FY23 (from 141.0 tCO_2e/$M in FY23 to 115.1 tCO_2e/$M in FY24).

This represents a 42% reduction in Qube's carbon intensity compared with the FY18 baseline year.

Electrifying assets to reduce scope 1 GHG emissions

In FY24, the Bulk business replaced several diesel/petrol utes with electric vehicles (EVs) for its operational LDV fleet. Each EV can save over 3.81 tCO_2e per annual km compared to regular diesel. This results in a total annual reduction of 27 tCO_2e for Scope 1 GHG emissions. Alongside these investments Qube installed eight charging points to support this transition.

The Logistics division also continues work to electrify small appliances, with 20% of small forklifts now electric, helping achieve an estimated annual GHG emission reduction of 901 tCO_2e in comparison to standard LPG forklifts. The divisions also placed orders for four electric container handlers from Sany Heavy Industries, following an extensive due diligence review and market evaluation. These empty container handlers and reach stackers will be trialled at sites in Victoria and Queensland in FY25.

Investing in renewable energy

Consistent with Qube's target to power our premises with 100 per cent renewable energy by 2030, the business continued to invest in onsite rooftop solar in FY24 with a focus on facilities that have long term leasing and where batteries make commercial sense. Qube Bulk installed a 268 kW solar system along with 309kWh battery system in Picton, Western Australia, avoiding 83 tCO_2e annually. Feasibility studies are now being conducted on the installation of similar systems on two additional bulk facilities in Western Australia.

Qube Energy also approved a 132kW solar panel system and 130kWh battery system for its operations in Karratha which is designed to meet 100% of the facility's energy needs, avoiding 125 tCO_2e in emissions per annum.

Scope 3

In FY24, Qube began partially monitoring our Scope 3 emissions categories, with a focus in the first instance on fuel-related and travel activities. In FY24, emissions in these two areas stood at 104,330 tCO_2e.

In FY25, Qube intends to continue to expand its understanding of our Scope 3 GHG emissions profile and to work towards further enhancing the quality and entirety of our Scope 3 data in FY25.

Strategy and Risk Management

The Board and management regularly review the strategy through structured engagement to ensure it remains robust and 'fit for purpose' and that it meets the expectations of our shareholders, customers and other key stakeholders.

Qube's vision is to be Australia's leading provider of integrated logistics solutions focused on import and export and selective international and domestic supply chains.

Qube's strategy to achieve this vision includes.

- investment in infrastructure, facilities, equipment, technology and people to build scale and competitive advantage;
- delivering efficient, reliable, safe and productive logistics services;
- seeking to reduce carbon emissions through efficiency improvements, technology investments and trials and through the use of renewable energy and alternative fuels;
- an ongoing focus on innovation to provide superior operating, safety, environmental and financial outcomes;
- where possible, providing a comprehensive integrated supply chain solution for customers through Qube as a single service provider, delivering value to customers while delivering sound financial returns to Qube;
- rail and road-based solutions delivering most efficient modal outcome;
- ownership or long-term leasing of strategic locations at or near ports and other key infrastructure;
- maintaining a conservative balance sheet position with adequate liquidity, sufficient headroom to Qube's financial covenants and proactively managing refinancing risk
- in order to support ongoing operations and continued investment in the business across different economic conditions; and
- facilitating a workplace culture that supports integrity, reliability, respect and inclusiveness as well as a desire to deliver superior customer outcomes.

The Board is focused on those risks capable of undermining the strategy or viability of the Group or severely damaging its reputation (Group Risks). Normal operating risks (Business Risks) are assessed and managed by the divisional and business unit operational leadership teams.

The Qube Board assumes ultimate responsibility for the risk management of Qube. The Board has established a Risk Management Framework which incorporates a formal Board-approved Risk Management Policy and Risk Appetite Statement (RAS) setting the parameters within which the Board expects management to operate. In accordance with the risk management framework, the Board has delegated the oversight responsibility for risk management and internal control of major risks of Qube to the Audit and Risk Management Committee (ARMC) and, in respect of risks relating to safety, health, environment and operational matters, to the Safety, Health and Sustainability Committee (SHSC). The ARMC and the SHSC each meet regularly to review the effectiveness of Qube's risk management systems, processes and internal controls and report their findings to the Board.

The key risks to Qube's ability to achieve its financial and strategic objectives, and the main mitigating actions are summarised below. There were no material changes to Qube's key risks in FY24 compared to the prior year.

Information Technology and Cyber Security Risk

Qube could be negatively impacted by threats to the security of its information technology, data and operational technology systems. The cyber security threats faced by Qube are not dissimilar to most organisations and include threats to the normal operation of information technology (IT) and operational technology (OT) infrastructure, systems and data, attempts to gain unauthorised access to the company's information including the data of our customers, employees, suppliers and partners and the potential for business disruption associated with technology and related failures. Qube is committed to a Zero Hack cyber strategy.

Qube has adopted a broad range of measures, including use of appropriate leading security tools, standards and governance frameworks to monitor and manage risks. Qube utilises an experienced internal team and expert third-party security specialists to monitor our network for signs of external attack and internal threat activity and respond to detected events to ensure continued protection of our infrastructure. Additionally, we undertake a program of continuous employee education, awareness and testing on cyber-related risks to ensure employees understand applicable policies and the importance of reporting suspicious observations and behaviour and responding appropriately to mitigate threats.

Strategic Risk

Qube's investments and operations should be focused within import, export and selective domestic supply chains, targeting markets and activities with favourable characteristics and in which Qube has a competitive advantage, including through control over strategic assets and locations, market knowledge, operational expertise or customer relationships. Logistics activities that are more commoditised in nature or have higher inherent risks will only be pursued where an appropriate risk assessment has been undertaken and the expected risk-adjusted returns are adequate.

Qube has a disciplined approach to capital allocation and targets investments that fit strategically and will deliver an appropriate return, having regard to relevant factors including Qube's applicable weighted average cost of capital (WACC) and the risk associated with the investment. Certain investments of a more strategic or lower risk nature may justify lower return outcomes, while higher risk investments are expected to generate a higher premium to the WACC.

Extreme Weather Event Risk

Qube is exposed to the risk of extreme weather events such as floods, storms, winds, hail, tidal surges, droughts, extreme heat and bushfires. These events create risk of significant business interruptions and lost productivity due to operations being disrupted by logistics and supply chain issues such as damaged roads and rail infrastructure, customer site disruptions, poor crop yields and damaged crops.

Qube is a diversified business operating in multiple sectors and geographies and servicing numerous customers in many locations across both the import, export and domestic supply chains. Qube has no material individual customer concentration risk and as such any temporary disruptions to any single Qube operation or customer activity from extreme weather events are unlikely to have a material or prolonged impact on Qube's overall financial performance. In addition, many of Qube's assets can be relocated or repurposed to service different customers in other locations, and Qube's ability to offer logistics services across both road and rail modes also provides the ability for Qube to mitigate some weather-related impacts to its operations.

ESG (Sustainability) Risk

This is the risk that Qube isn't sufficiently proactive in setting strategy, planning for, resourcing and delivering upon existing and emerging ESG reporting standards and regulatory and investor requirements or that we fail to meet targeted improvements (particularly environmental, such as decarbonisation) leading to significant reputational damage and potential negative financial outcomes.

The Qube sustainability journey is focused on building a resilient and robust organisation that is committed to leading the logistics industry in innovation, technology and future-focused thinking. The long-term success of our business will be driven by our organisation's ability to identify, address and adapt to the requirements of today's world while ensuring we deliver on our commitments to customers, employees and shareholders.

Qube has developed a plan that identifies emission, energy, climate change and innovation goals working across road, rail and premises. Qube will not accept actions that are inconsistent with achieving these Board-approved emission targets and objectives or those materially inconsistent with the objectives outlined in the FY24 Sustainability Report.

Customer Disruption or Loss Risk

This is the risk that our customers' operations are materially disrupted for prolonged time periods or that the customer no longer engages services from Qube by moving to a competitor or bringing the service inhouse. These disruptions/losses could materially adversely affect Qube's services and revenues and result in material economic loss.

Qube's activities are focused in markets and activities consistent with Qube's vision and strategy as this is where Qube has extensive expertise and market knowledge. Within these markets, Qube seeks to provide a range of services to a diverse customer base to ensure that it is not unduly dependent on any single customer, product, commodity or geography to deliver acceptable financial returns. Qube also seeks to maintain a high degree of variability in its cost base so that it can respond in a timely manner to unexpected variations in demand for its services.

Global Events and Economic and Market Conditions Risk

Qube's revenue and earnings are influenced by a range of factors including global and domestic economic, political and health (i.e. pandemics) conditions which directly and indirectly affect the demand for Qube's customers' products and therefore Qube's activity levels, as well as the intensity of competition in Qube's core markets. Qube aims to leverage its scale and investment to provide reliable, low-cost logistics solutions.

Qube will generally accept low levels of geographical risk with activities focused on countries with well-established legal, regulatory and operating settings that provide a high degree of certainty that support reliable operations. In general, Qube will focus its activities and operations in Australia and New Zealand.

In addition to the diversification strategy outlined above, Qube seeks to secure minimum revenue and contract term commitments when it undertakes material capital investment for new contracts. These factors assist Qube in mitigating the impact of any material slowdown in economic activity or increased competitive conditions.

Qube also seeks to structure its contractual arrangements to provide for periodic rate adjustments to mitigate the impact on Qube's financial returns from large increases in key cost items that can occur in a high inflationary environment.

Regulation and Compliance Risk

Qube operates in regulated industries and operates its facilities under various permits, licenses, approvals and authorities from regulatory bodies. If those permits, licenses, approvals or authorities are revoked or if Qube breaches its permitted operating conditions, it may lose its right to operate those facilities, either temporarily or permanently. This could adversely impact Qube's operations and profitability. Changes in laws and government policy in Australia or elsewhere, including regulations and license conditions, could materially impact Qube's operations, assets, contracts, profitability and prospects.

Qube applies strict operating standards, policies, procedures and training to ensure that it complies with its various permits, licenses, approvals and authorities. Additionally, Qube proactively manages regulatory risks through a combination of vigilance regarding current regulations, contact with relevant bodies/agencies and working in partnership with various stakeholders to reduce the likelihood of significant incidents that could impact Qube and/or the communities in which it operates. Periodic inspections are undertaken by management and directors to assess compliance with applicable regulations and conditions. Qube engages with regulatory bodies and industry associations to keep abreast of changes to laws. Qube has in place a Stakeholder Engagement Plan that is actively managed to mitigate the impact of major policy changes.

Health, Safety and Wellbeing Risk

Qube's ability to continue to operate and grow is dependent on its ability to continue to provide safe operating settings and to operate in a sustainable manner. The specific achievements during the period to deliver on this objective were set out above with more detailed information outlined in our FY24 Sustainability Report.

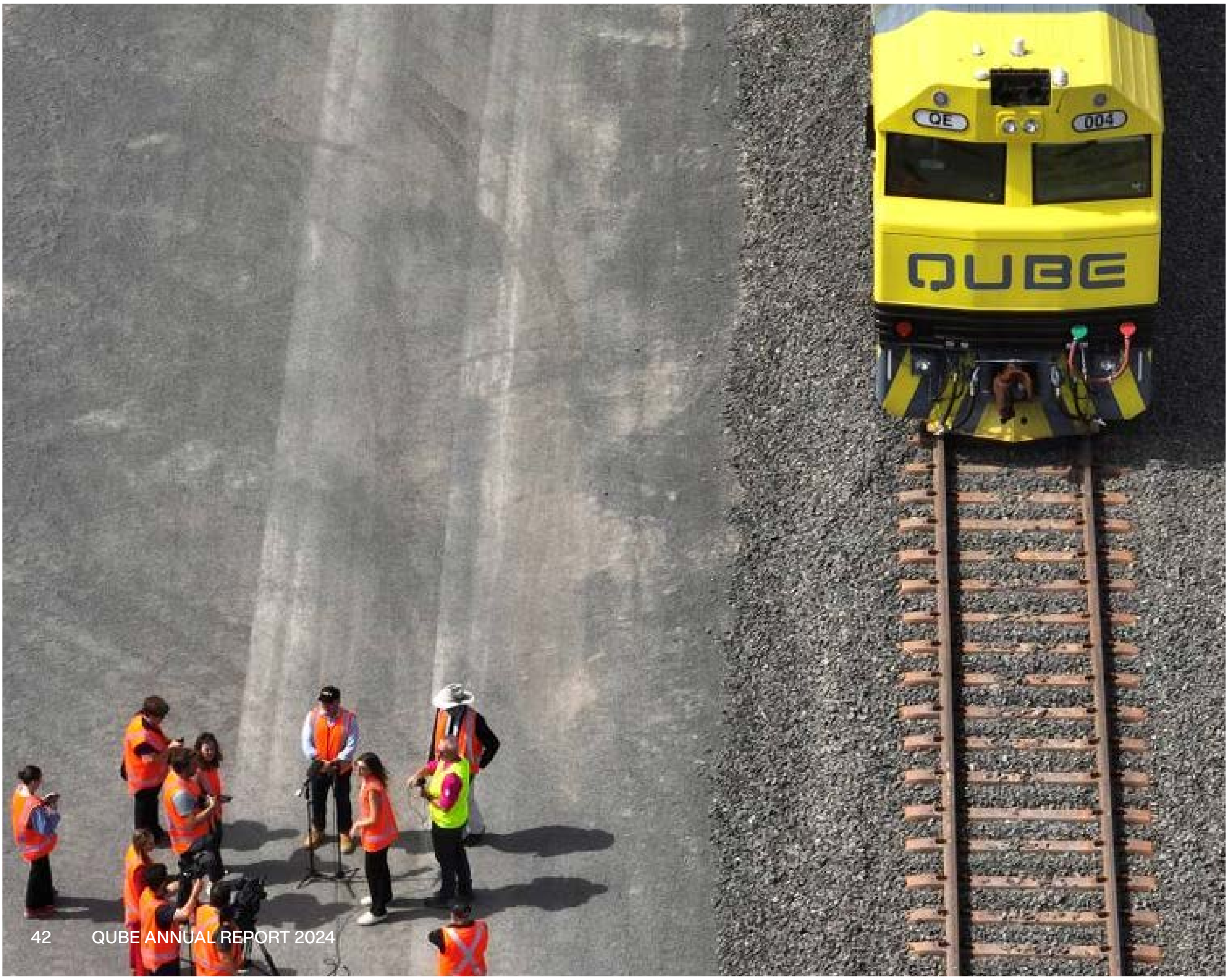
From a risk perspective, the Group will generally accept minimal levels of risk in respect of workplace safety and health with no appetite for activities that are reasonably likely to result in injury or loss of life. While it is not possible to completely eliminate risks associated with the safety of its workforce, Qube is committed to its Zero Harm safety strategy.

Qube will not accept any sustained deterioration in the performance of key safety KPI's including LTIFR, TRIFR and other key lead indicators as determined by the SHS Committee.

Key Infrastructure and Asset Risk

This is the risk that key operational sites may not have leases renewed or that leases may be terminated mid-term (due to some form of breach i.e. compliance). It also includes the risk of major critical asset damage or losses such as from train derailments, fires, cyclones, flood and other events including the risk that critical non Qube owned/managed infrastructure such as roads, bridges and rail are shut down for prolonged periods due to accidents or poor maintenance, or are destroyed or damaged by extreme weather or other events.

Qube is a diversified business operating in multiple sectors, and geographies servicing numerous customers in many locations across the import, export and domestic supply chains. Business disruptions impacting specific Qube or customer services and locations are unlikely to have a material or prolonged impact on the overall Qube financial performance.



Qube has long-term leases over key locations and works closely with landlords to maintain strong relationships and to further enhance or develop the sites. Qube has an extensive insurance program in place supported by a global broker covering major asset losses and business interruption. Regular reviews take place with insurance brokers to assess insurance coverage and when new risks or insurance market adjustments are identified to assess required insurance coverage.

Labour and Key Management Risk

There is a risk that Qube may not be able to acquire, deploy or retain the necessary labour and senior management for operations and development projects, may only be able to do so at higher costs, or that Qube's operations may be disrupted by labour disputes. This may disrupt operations or lead to financial loss. Qube aims to be an employer of choice, offering appropriate, competitive and performance-based levels of remuneration and engaging proactively with its workforce including through ongoing focus and programs targeting safety, health and general well-being as well as non-financial employee benefits such as training and career development.

Treasury and Capital Management Risk

Qube will actively manage its funding sources and treasury activities to ensure it maintains adequate liquidity and minimises its refinancing risk. Strategies to manage Qube's financial risk include maintaining adequate available undrawn debt facilities and cash, maintaining material headroom to financial covenants to manage an unexpected change in trading conditions, and ensuring the maturity profile of Qube's facilities does not create excessive risk through sizeable near-term maturities without a low-risk refinancing strategy.

FY24 Summary

Qube's ability to deliver another record underlying result in FY24, despite continued inflationary pressures and weakness in some markets, highlights the strength and quality of Qube's operations and the multiple volume and value growth drivers across Qube's core markets.

Qube continued to improve the quality, diversity and resilience of its business in FY24 through organic growth, selective acquisitions and continued investment in technology, infrastructure, property, operating equipment and people.

Qube operates across a number of core markets that have favourable long-term growth outlooks. Importantly, these markets have different drivers of volumes and value, and are largely non-correlated to economic activity. Although each of Qube's markets may have cyclical downturns in any given period, the diversity of Qube's operations significantly reduces the volatility of Qube's overall revenue and earnings.

FY25 Outlook

Qube expects to deliver continued underlying earnings growth in FY25 (NPATA and EPSA) compared to FY24.

It is currently expected that the growth will be modest relative to the strong earnings growth achieved in FY24.

The actual level of earnings will depend on a range of factors including domestic and global economic conditions and the related impact on volumes in Qube's key markets, any unexpected industrial relations related costs or operational impacts, any adverse weather events that impact Qube's operations, as well as any change to the interest rate outlook over the period.

Qube continues to have multiple organic and inorganic growth options across its core markets, and continues to be well placed to deliver long term underlying earnings growth.

Message From the Nomination and Remuneration Committee

Dear Shareholder,

On behalf of the Nomination and Remuneration Committee of the Qube Board, I am pleased to present the Remuneration Report for FY24. Qube has a remuneration framework, policies, and practices that provide the foundation for retaining and incentivising talented employees to deliver the Group's strategy. We present information in this Report to show how the remuneration practices and outcomes are aligned with the Group's strategy, objectives and values, and are aligned with shareholder value creation.

Fixed Remuneration

FY24 fixed remuneration increases of 4% were in line with market movements and awarded as part of our annual review process. Fixed remuneration is fundamental to our remuneration framework and is a key component of our attraction, motivation and retention strategy.

Short-Term Incentives (STI)

The performance of the Managing Director and other Executive KMP was assessed against a combination of financial, safety, health and sustainability (SHS) and other non-financial KPIs under the STI Plan.

Financial KPIs (50% weighting)

Underlying NPATA and underlying divisional earnings (EBITA) targets were set at the commencement of the period. During discussions with our major shareholders and proxy advisors following the release of last year's Annual Report, some stakeholders raised concerns regarding the quantum of incentive award that may be attained in the event financial outcomes are between threshold and target. While acknowledging Qube's strong financial performance in FY23, the essence of the concerns related to the STI matrix and had two aspects: firstly allowing for an award considered generous for attainment of threshold being 85% of target, and secondly that management could be rewarded at threshold even if that level of performance was lower than the prior year's actual result.

We have listened to these concerns and have determined to take the unusual step of making a mid-year change to the FY24 STI Plan. As an interim step for this year only, the performance bandwidth for attaining an STI award will be narrowed from 85% at threshold and 115% at maximum, to 90% at threshold and 110% at maximum, resulting in a tougher threshold before any STI awards may be achieved.

Safety, Health and Sustainability (SHS) KPIs (10% weighting)

Nothing is more important than the safety and wellbeing of our employees, contractors and communities where we operate.

As outlined in the Review of Operations and our FY24 Sustainability Report, Qube's safety performance continued to improve in FY24. All Leading Indicator KPIs were met or exceeded, with high levels of performance being achieved across all parts of the group.

We are extremely proud of our people for achieving high standards of safety performance as we strive each and every day to achieve a best-in-class safety culture.

Despite our focus on identifying and removing hazards, and the improvement in safety performance metrics, two fatalities tragically occurred in FY24.

In December 2023, a driver for a third-party contractor who had been engaged by Qube Energy to assist with a project was fatally injured in an incident at a public level crossing in Victoria. A fatality also occurred in September 2023 involving one of our team members working at Qube's forestry harvesting operations in South Australia. Our thoughts are with the families, friends and colleagues of both of the individuals who lost their lives.

Where there are fatalities, the Board refers to the findings of both internal and external investigations (and independent investigations where possible), to determine if the incident is within the operational control of Qube.

With respect to the Victorian incident, the Board called on both an external assessment, as well as our own internal investigation to satisfy themselves that this was a circumstance outside of Qube's operational control.

The fatality in South Australia occurred on a site that is deemed to be within Qube's operational control. In that instance, the Board deferred to both internal and external investigation findings (including SafeWork SA) to guide its determination of any potential STI impact.

In relation to the September 2023 fatality, Qube management worked diligently with investigating authorities and were formally advised in July 2024 that SafeWork SA did not identify any failings in Qube's work, health and safety obligations under South Australian law with respect to this tragic event.

The Board is satisfied that given these findings, and the outcomes of Qube's internal investigations, this incident was not a failure of Qube supervision, safety or operational processes. However, notwithstanding the Group's overall safety performance and these outcomes, the Board has exercised discretion to reduce to zero the SHS component of the STI.

The Board however acknowledges the strong safety culture that exists within Qube and management's commitment to continuous improvement. This has included the introduction of additional controls within Qube's forestry operations, including the installation of additional in-cab cameras and investments to create an industry first digital communications network to increase monitoring of these remote operations. These are important measures which have the potential to strengthen safety standards for the entire industry.

Other Non-Financial KPIs (40% weighting)

The performance of the Managing Director and other Executive KMP against other non-financial KPIs set for them is shown in the STI Performance Scorecard in sections 6c and 6d of this report. The Board was satisfied that the achievements against scorecard results reflected sustainable improvements above business-as-usual results.

Long-Term Incentives (LTI)

The performance rights based LTI Plan introduced in FY23 is now in its second year. The LTI Plan is a key component in the remuneration strategy. The performance rights are subject to performance conditions, including EPSA (an earnings-based hurdle) and Relative TSR (a return-based hurdle), to ensure the outcome takes into account earnings performance and shareholder returns. For management to receive the target or maximum value of the LTI Plan there must be both acceptable earnings and relative share price performance over the vesting period.

The performance period for the FY21 LTI (SARs) Plan concluded in June 2023 with awards vesting in August 2023 and subject to a two-year holding lock. Whilst the share price growth from the initial price of $2.75 in August 2020 to the vesting price of $2.93 in 2023 is pleasing, given the external economic factors during the three-year performance period, this appreciation is at a lower rate than anticipated when the SARs were awarded to participants. The vesting outcome resulted in a 40.4% return for participants. The Committee considered the vesting outcome and is satisfied the outcome is fair as well as being representative of the shareholder experience.

Looking ahead

The Board continues to set remuneration arrangements designed to motivate and incentivise the executive group in a highly competitive environment, while also being aligned with positive shareholder outcomes.

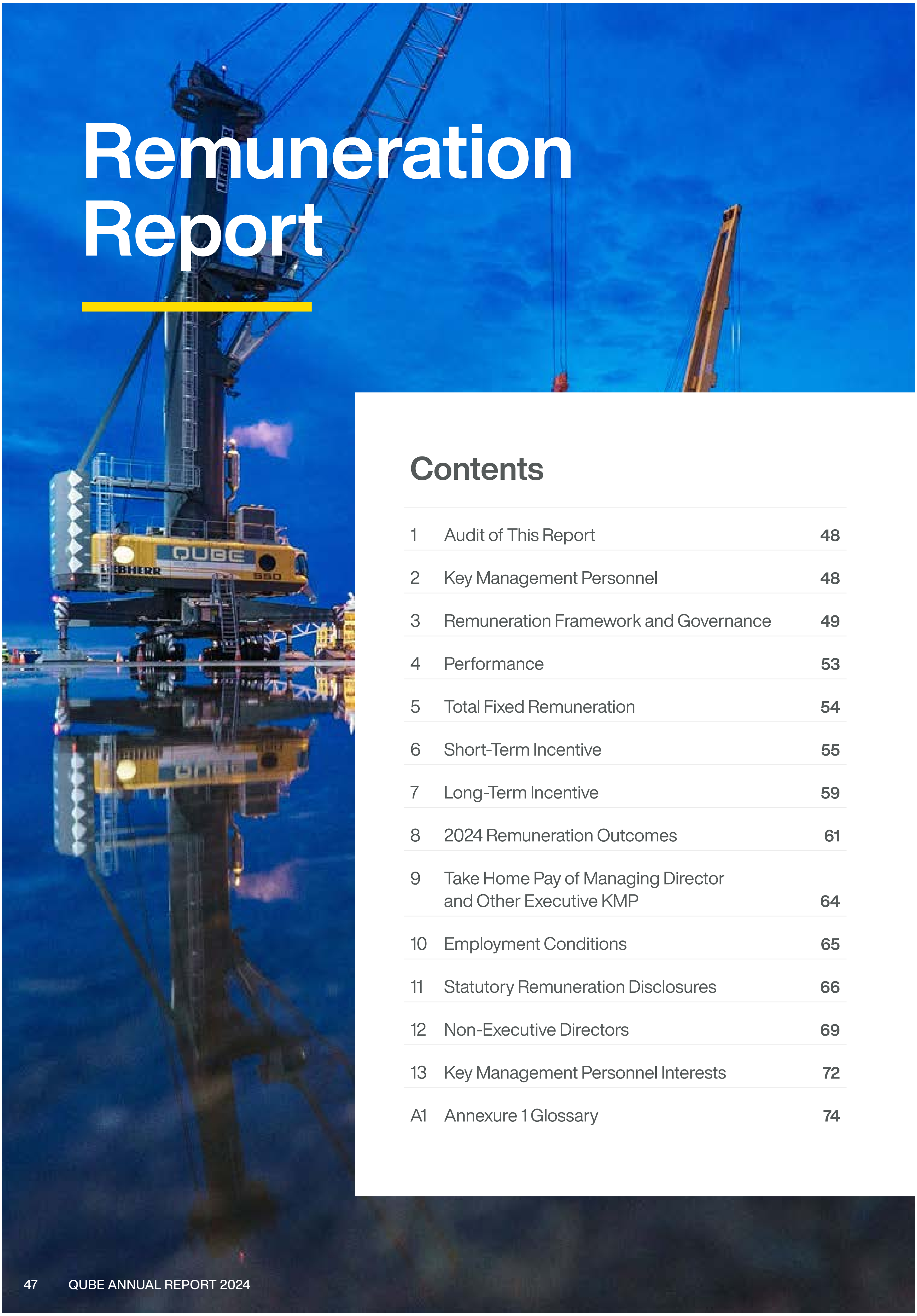
Consistent with our strategy to diversify by geography and market, Qube has significant growth ambitions. Because of the strong results Qube has seen to date, as well as the growth path we are on, the Board believes it necessary to realign remuneration outcomes to more appropriate and higher levels within the peer group, where it is required. Management will continue to be rewarded for achievement at stretch target levels commensurate with continuing strong returns and the creation of shareholder value.

Earlier this year we engaged an independent external remuneration advisor to undertake a benchmarking exercise for the Managing Director, other Executive KMP and other select senior management roles, as part of a broader review of Qube's Remuneration Framework. In concert with benchmarking the quantum of remuneration, we have reviewed the remuneration mix and importantly the metrics and awards within the STI Plan with a view to motivating our management team to achieve and outperform to market expectations. A rebalancing of the remuneration mix, increasing both short-term and long-term incentive opportunities combined with corresponding increases in stretch targets will be applied. In addition, to further strengthen our commitment to safety the SHS weighting within the STI Plan will increase from 10% to 20%.

The outcomes of this review will be reflected in the FY25 remuneration in next year's Remuneration Report.

On behalf of the Board, I invite you to review our FY24 Remuneration Report and look forward to welcoming you to our Annual Meeting in November 2024.

Jackie McArthur
Nomination and Remuneration Committee Chair



Remuneration Report

Contents

1 Audit of This Report

This report has been audited in accordance with section 308(3C) of the *Corporations Act 2001*.

2 Key Management Personnel

This Remuneration Report sets out remuneration information for Qube's Non-Executive Directors, the Managing Director and other key management personnel (KMP) for FY24. Directors and executives disclosed in this report are as follows:

	POSITION	TENURE
Non-Executive Directors		
Allan Davies	Chairman	Full financial year
Sam Kaplan	Deputy Chairman	Full financial year
Ross Burney	Non-Executive Director	Retired 22 February 2024
James Fazzino	Non-Executive Director	Appointed 22 February 2024
Jill Hoffmann	Non-Executive Director	Appointed 15 December 2023
Nicole Hollows	Non-Executive Director	Resigned 10 November 2023
Steve Mann	Non-Executive Director	Full financial year
Jackie McArthur	Non-Executive Director	Full financial year
Alan Miles	Non-Executive Director	Full financial year
Lindsay Ward	Non-Executive Director	Full financial year
Executive Director		
Paul Digney	Managing Director	Full financial year
Executive Key Management Personnel		
Mark Wratten	Chief Financial Officer	Full financial year
William Hara	General Counsel and Company Secretary	Full financial year
John Digney	Director – Logistics & Infrastructure	Full financial year
Todd Emmert	Director – Bulk	Full financial year
Michael Sousa	Director – Ports	Full financial year

3 Remuneration Framework and Governance

Our Remuneration Principles

Our remuneration objective and principles guide the design of our executive remuneration framework.

Objective

To pay fairly for delivering on our vision and strategy, and to create value over time in the eyes of internal and external stakeholders.

Principles

Retention	Strategy	Owners	Fair	Simple
Keeps the right people. Helps our people to Thrive.	Enables delivery of the strategy: to be the leading integrated logistics provider. Helps our customers to Thrive.	Encourages executives to behave like owners. Alignment with shareholder wealth creation. Helps our shareholders to Thrive.	Feels fair over the cycle for all stakeholders. Significant portion at risk, but can be earned by achieving exceptional performance.	Remuneration framework can be easily explained. Simple, transparent and easy to communicate.

3. Remuneration Framework and Governance (continued)

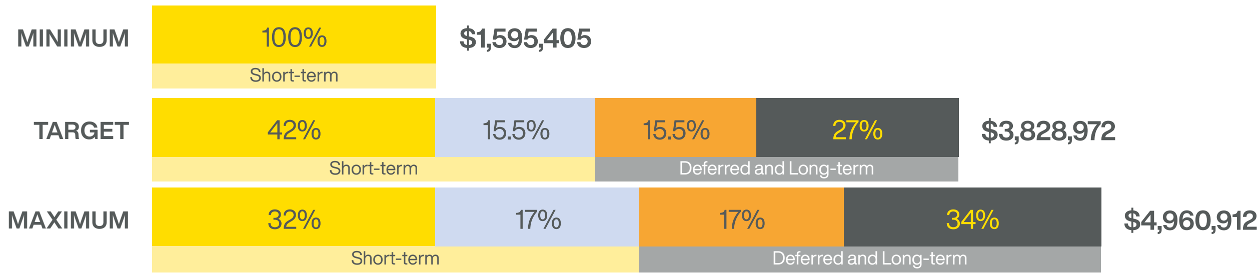
Total remuneration is designed to attract, retain and incentivise capable and experienced executives, reward them for creating long-term, sustainable value and provide a direct link between the interests of shareholders and executives.

	Fixed Remuneration	Short-Term Incentive (STI)	Long-Term Incentive (LTI)
Purpose	Provides fair, market-related fixed remuneration commensurate with skills and experience.	Drives and rewards achievement of challenging annual performance targets aligned to key strategic priorities.	Create long-term, sustainable value aligned to shareholder expectations and aids in the retention of key executives.
Design	Salary and other benefits (including statutory superannuation).	Annual incentive opportunity awarded based on achievement of targets which includes a non-deferred (defaults to cash) and one-year deferred component (share rights).	Three-year incentive opportunity delivered through share rights to incentivise the delivery of Qube's long-term strategy.
Link to Strategy and Performance	Rewards sustained performance in role which is based on skills, experience, accountability and responsibilities.	Reward for strong performance against challenging and meaningful threshold, target and stretch objectives. Outcome is determined based on scorecard performance which includes financial and non-financial measures. Financial targets linked to earnings and profit. Non-financial measures focus on a balance of health, safety, environmental, strategic and operational measures. A fatality gateway underpins the safety component.	Reward for sustainable multi-year performance which aligns with Qube's strategy to create shareholder wealth in the medium to long-term. Awards delivered in Performance Rights, subject to vesting on achievement of threshold EPSA and Relative TSR hurdles, aligning reward with Qube's long-term strategy.
Alignment With Shareholders	Attract and retain qualified and experienced executives to ensure shareholder interests are effectively managed.	Payments must be fully funded from current year's profits and represent value for money to shareholders.	Only have value if performance conditions and service conditions are met with shares, subject to MSR, restricted from disposal to ensure long-term focus.
	Minimum Shareholding Requirement (MSR) policy requires Executive KMP to acquire and hold, within five years of appointment, a minimum number of Qube shares. MD: 200% of fixed remuneration | Other Executive KMP: 100% of fixed remuneration.		
Further Details	See section 5	See sections 6 and 8	See sections 7 and 8
Total Remuneration	Opportunity to achieve market upper quartile where exceptional results are achieved. Greater portion of remuneration is variable, or 'at risk'.		
Business and Operational Risks	Financial and non-financial KPIs that appropriately consider risk and profitability. Malus provisions and deferral of incentives. KPIs that include key operational risks such as health, safety and environment.		

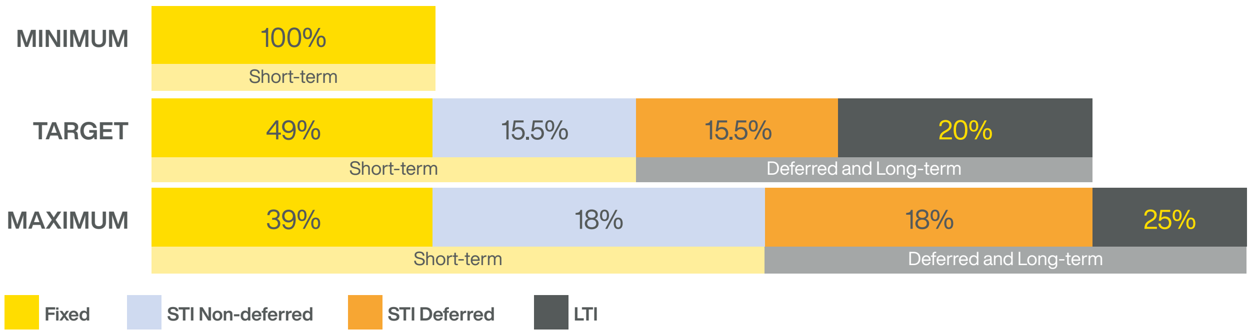
3. Remuneration Framework and Governance (continued)

The Board considered company strategy and reward plans on performance measurement, competitive position and stakeholder feedback. Policy pay mix is summarised below for FY24. The following charts provide an indication of the minimum, target and maximum total remuneration opportunity for the Managing Director and other Executive KMP, together with the proportion of the package delivered through fixed and variable remuneration. The STI and LTI Plans are both performance-related remuneration.

Managing Director



Other Executive KMP



Remuneration Delivery

The following table summarises how remuneration is delivered to executives.

FIXED REMUNERATION **Paid at market median**	Cash, superannuation and other benefits.
STI (CASH OR EQUITY) **Performance against financial, strategic and SHS metrics**	50% default cash, employee may elect share-settled rights. 50% default share-settled rights, employee may elect cash-settled rights, subject to MSR.
LTI (EQUITY) **Awards that align to longer term company performance**	Performance rights settled in shares, subject to vesting after three years.
	YEAR 1 · YEAR 2 · YEAR 3

3. Remuneration Framework and Governance (continued)

The Board, Nomination & Remuneration Committee (NRC), advisors and management work closely to apply our remuneration principles and ensure our strategy supports sustainable shareholder value.

Qube Board

Oversees remuneration

with advice from

The NRC considers advice from the other Board Committees when determining executive Remuneration outcomes:

The Audit & Risk Management Committee provides advice to the NRC on risk, risk culture issues and breaches.

The Safety, Health and Sustainability Committee provides advice to the NRC on safety and sustainability issues and breaches.

NRC

Three independent Non-Executive Directors.

Ensure the framework, policies and practices are aligned with Qube's purpose, values, strategic objectives and risk appetite.

Advises Board on remuneration framework for Directors and executives and on human resources strategy. Oversees establishment and monitors strategies to promote diversity and inclusion.

NRC Charter is available in Corporate Governance section of Qube's website **qube.com.au/about/governance/charters/**

Based on

remuneration principles, our purpose, priorities and values

Purpose

Helping our people, customers, planet, shareholders and our business to

thrive

Priorities

Safety	Wellbeing	Planet	Opportunity	Performance
our team should go home unharmed	all deserve to be their best self	supporting the planet that supports us all	opportunities for our team and customers	strive for success for all

Values

INTEGRITY
RELIABILITY
INCLUSION

External Advisors

The Committee engages external advisors as required. External advisers provide advice on market remuneration levels and mix, market trends, incentives and performance measurement, governance, taxation and legal compliance. The Committee requires that at least one source of advice is independent, and answerable only to the Committee. During FY24, external advisors were engaged to provide information to and assist the NRC determine policy and with making remuneration decisions. Findings were reported directly to the Committee or the Board.

Strict arrangements are in place for interactions with the Board's remuneration adviser. The Nomination and Remuneration Committee did not seek or receive any remuneration recommendations from the external advisers in the 2024 Financial Year.

Securities Dealing Policy

The Group Securities Dealing Policy applies to all NEDs and executives and is compliant with ASX Guidance Note 27 (Trading Policies). The policy prohibits employees from dealing in Qube's securities while in possession of material non-public information relevant to the Group. It further prohibits NEDs and senior management from trading securities during standard blackout periods and requires internal clearance be obtained at all other times. A copy of the policy is available from the corporate governance section of Qube's website.

Executives must not enter into any hedging arrangements over unvested options under the Qube's remuneration plan. Qube would consider a breach of this policy as gross misconduct, which may lead to disciplinary action and potentially, dismissal.

4 Performance

Over the five-year period to 30 June 2024, Qube's total shareholder return was around 32%. Over this five-year period, Qube paid semi-annual fully-franked dividends to shareholders every year and also paid two special fully-franked dividends (excluding the special dividend declared as part of Qube's FY22 results). During this period Qube's market capitalisation increased by around 31% or $2.6 billion reflecting share price growth. Qube's key underlying financial metrics showed positive growth over this period driven by organic growth and the contribution from growth capex and acquisitions undertaken during this period.

Executive remuneration outcomes reflect consideration of strong financial performance over time, consistent operational execution and delivering value for shareholders. Financial targets are set by the Board considering Group strategic priorities, the economic environment and market expectations.

The table below summarises Qube's underlying financial information over the last five years.

Year Ended 30 June		2020	2021	2022	2023	2024
Revenue	$m	1,883.6	2,032.4	2,572.8	2,989.9	3,503.6
EBITA	$m	160.3	182.9	221.1	280.3	318.4
Net Profit After Tax	$m	104.2	142.5	185.7	224.8	258.0
Net Profit After Tax Pre-Amortisation	$m	121.2	159.6	200.7	239.6	271.2
Net Assets Attributable to Qube	$m	3,299.8	3,361.8	2,993.1	3,035.8	3,115.4
Net Debt	$m	1,191.3	1,388.4	889.1	945.5	1,215.1
Gearing	%	26.6	29.2	22.9	23.7	27.2
Earnings Per Share	Cents	6.2	7.5	9.8	12.7	14.6
Earnings Per Share Pre-Amortisation	Cents	7.2	8.4	10.6	13.6	15.3
Ordinary Dividends Per Share	Cents	5.2	6.0	6.3	8.1	9.15
Weighted Average Diluted Shares	n. (m)	1,679.7	1,899.2	1,899.0	1,767.3	1,768.8
Closing Share Price	$	2.91	3.17	2.73	2.85	3.65

The underlying information excludes certain non-cash and non-recurring items in order to more accurately reflect the underlying financial performance of Qube. References to 'underlying' information is to non-IFRS financial information prepared in accordance with ASIC Regulatory Guide 230 (Disclosing Non-IFRS Financial Information) issued in December 2011. Non-IFRS financial information has not been subject to audit.

5 Total Fixed Remuneration

Total Fixed Remuneration (TFR) includes superannuation contributions, other salary sacrificed benefits, and non-monetary benefits received. For Executive KMP, TFR is targeted to be competitive having regard to relevant considerations including the reference group, experience, expertise and international marketability and mobility. The judgement on competitiveness considers the incentive opportunity that leverages off TFR and likely total remuneration.

An annual TFR review, agreed by the Board each year, is used to adjust TFR paid to individuals to ensure their fixed remuneration together with incentives remains competitive for their specific skills, competence, and value to the company. In setting remuneration levels for FY24, the Committee considered results from a benchmarking exercise conducted in early 2023 by our independent external remuneration advisors to ensure fixed remuneration was aligned with market levels. In addition Qube took into account market movements, external economic factors including consumer price index, and organisation performance to determine remuneration arrangements for executives to ensure Qube continues to attract and retain high calibre executives.

6 Short-Term Incentive

a. Key terms

Executive KMP have the opportunity to earn an annual STI which is based on a percentage of his or her TFR. The STI percentage increases with accountability to ensure a higher proportion of remuneration is "at risk" for senior roles. The key terms and conditions of the FY24 Short-term Incentive Plan are described below.

Participation	The Managing Director and Other Executive KMP
Purpose	To align individual performance and behaviours with group objectives, and provide individuals with a competitive market position for total reward (i.e. variable and fixed pay components).
Grant Date	Rights are granted after the performance period.
Eligibility	Those considered for participation in the plan must be able to impact the performance of their own work area, their business or function and also contribute to the group's overall performance.
Performance Period	1 July 2023 to 30 June 2024.
Target and Maximum Opportunity	In FY24, the maximum STI opportunity for the Managing Director is 105% of Fixed Remuneration and for the other Executive KMP, the maximum STI opportunity is 91% of Fixed Remuneration.
Performance Conditions	The performance scorecard contains a mix of: ▪ Financial hurdles (50%) ▪ Safety, health and sustainability hurdles (10%) ▪ Strategy and growth (25%-30%) ▪ Business and operations (10%-15%) Participants are then provided with specific performance conditions aligned to their role where appropriate. This provides an appropriate balance between focusing on achieving short-term financial outcomes and achieving key operational and strategic priorities that support longer term value creation.
Gateway	The safety, health and sustainability component is subject to a no-fatality gateway.
Board Discretion	The Board has discretion to adjust vesting outcomes for circumstances where the Board believes an adjustment is required for fairness and appropriate to ensure sustainable shareholder returns. The Board has discretion to further reduce STI award outcomes due to fatalities. Should such discretion be required and acted upon, the Board will fully disclose any discretion applied and the reasons for it.
Non-Deferred Component	50% of STI payment made after performance period, following release of the financial results. The non-deferred component is a cash award. Participant may elect to take the non-deferred award in share-settled performance rights, at the time of invitation.
Deferred Component[1]	50% of STI payment is paid in the form of share rights. Rights are granted after the performance period, following the release of financial results. Rights vest following the release of the subsequent year financial results. Participants who meet the Minimum Shareholding Requirement (MSR) may elect, at the time of invitation, to receive cash-settled rights in lieu of share-settled rights, these rights are automatically exercised. If the MSR is not met at vesting, rights are automatically exercised into restricted shares.
Exercise Period	Vested rights may be exercised up to 15 years from the grant date.
Resignation	If the participant resigns during the performance period, the STI grant for that financial year is not awarded. If the participant's employment is terminated as a "bad leaver" during the deferral period the deferred component of the STI is forfeited.
Malus	If there has been a material misstatement of the annual financial statements or a participant breaches a post-employment condition, all or part of the deferred component of the STI is forfeited.
Change of Control	On a change of control after the performance period, equity awards immediately vest and are exercised. On a change of control during the performance period, subject to Board discretion the Plan may be terminated and awards paid based on 100% of the full-year Target Opportunity. The Board may increase or decrease such award having regard to the Company and participant performance during the period prior to completion of the corporate action.

[1] The key terms of the deferred component of the FY23 Short-term Incentive plan are aligned to the above.

6. Short-Term Incentive (continued)

b. Short-Term Incentive FY24 Financial Targets

The financial targets for the FY24 STI reflected the Board-approved budgets for the period. These budgets included assumptions around a broad range of factors including market conditions, customer volumes, the industrial relations environment, interest rates, inflation and the timing and quantum of growth investment and acquisitions. At the end of the period, an assessment is made of actual outcomes compared to the targets.

Consistent with the approach taken in prior periods, the targets are adjusted up or down for a very limited number of items which mainly relate to expenditure or deferral of material capex that was different to the budget assumptions, and for material unbudgeted funding initiatives such as an equity raising or share buyback.

These adjustments are intended to ensure management is not unduly rewarded or penalised in the STI outcomes for undertaking (or deferring/avoiding) unbudgeted capital expenditure or undertaking unbudgeted funding initiatives that support shareholder value creation such as raising equity to fund accretive acquisitions or growth capex.

No adjustments were made to targets for operational or economic variances to budget assumptions including for factors such as adverse weather, supply chain disruptions, trade wars or general economic conditions. The net effect of these changes had no material impact to the Group NPATA Target, but increased the EBITA Targets for the Operating Division.

A change in structure of the financial hurdles introduced from FY24, consistent with our 'One Qube' approach, is for Group NPATA to be the full financial measure for all Executive KMP, that is the 50% weighted Financial Target is Group NPATA for each executive, rather than this just being the case for corporate executives, with only half being Group NPATA and the remaining half being operation/business unit EBITA for the operational executives as was previously the case. To ensure individual financial accountability a modifier based on business unit performance applies for operational Executive KMP. Should business unit EBITA fall below 95% a multiplier reduces the financial result for the relevant executive to between 90% and 99%. Where business unit EBITA is above 105% of budgeted EBITA, the Group NPATA result will be modified upwards to between 101% and 110% for the relevant business unit executive.

The minimum threshold required for a financial KPI to be awarded has been raised for FY24 to 90% of target which results in 60% of the financial component of the STI being awarded, with the maximum outcome to be achieved at 110% of target which results in 140% of the financial component of the STI being awarded.

The table below summarises the financial outcomes relative to the Adjusted Targets. The relative weighting of each of the Executive KMP to the specific financial metrics in the table reflects their ability to influence the relevant outcomes.

Key Underlying Financial Information	Adjusted Target ($m)	FY24 Actual Outcome ($m)	% Achieved	FY23 Outcome ($m)	Performance: % Change From FY23
Group Underlying NPATA	243.9	271.2	111	239.6	13
Logistics & Infrastructure Underlying EBITA[1]	240.7	242.4	101	224.7	8
Ports & Bulk Underlying EBITA[1]	172.7	178.2	103	138.7	28

[1] Excluding divisional overhead which is not reallocated to business units, and proportionally account for Qube's non-wholly owned subsidiaries in the target and outcome.

6. Short-Term Incentive (continued)

c. Managing Director and Other Executive KMP STI Performance Scorecard

Set out in the following table is the Managing Director and Other Executive KMP STI Performance Scorecard. The percentages refer to the weighting out of 100% at target.

Performance Measures	Target Description	Weighting	Performance MIN / TARGET / MAX	Weighted Payout Outcome
BUSINESS SCORECARD				
Financial[1]		**50%**		
Group NPATA				
Managing Director	Underlying Budgeted Net Profit After Tax pre-amortisation for the Qube Group.	50%		70.0%
Other KMP		50%		70.0%
Safety, Health and Sustainability[2]		**10%**		
Lead and Lag Indicators				
Managing Director	Performance against targets for risk reduction, leadership and safety culture, CIFR, TRIFR, LTIFR, and reduction in carbon intensity.	5%		0.0%
Other KMP		5%		0.0%
Business Process Improvements				
Managing Director	Implementation of innovative and future focused SHS priorities and corrective actions that have the potential to improve safety performance.	5%		0.0%
Other KMP		5%		0.0%
INDIVIDUAL SCORECARD				
Strategy and Growth		**25%-30%**		
Managing Director	Effective development, management and implementation of strategic initiatives including growth projects and acquisitions, major new contracts, achieve ROACE targets and deliver on innovation objectives.	30%		40.3%
Other KMP		25%-30%		33.1%-41.6%
Business and Operations		**10%-15%**		
Managing Director	Delivery of key priorities as determined by the Audit & Risk Management Committee and Safety, Health and Sustainability Committee, as well as effective management of Board priorities.	10%		13.7%
Other KMP		10%-15%		13.4%-20.4%
THE BOARD DID APPLY DISCRETION TO THE BUSINESS SCORECARD OUTCOMES				

[1] The STI for financial measures is awarded for threshold achievement of 90% with a sliding scale for outperformance up to 110% achievement for maximum award, capped at 140% of target.

[2] A no-fatality gateway applies to the award of the Safety component.

6. Short-Term Incentive (continued)

d. STI Performance Scorecard explanatory notes

Measure	Description and Rationale	Performance Assessment
FINANCIAL		
Group NPATA	Focuses the Managing Director and other Executive KMP on the delivery of financial results. Consistent with our "One Qube" approach, the Group NPATA applies to all Executive KMP. The weighting of 50% provides a strong correlation between financial performance and STI outcomes. A sliding scale applies for outperformance against Target. If the Adjusted Group Budget NPATA is less than 90% of Target, 0%. Between 90% and 110% of Target, a multiplier of 60% to 140% applies on a sliding scale.	The group delivered underlying NPATA that outperformed the Adjusted Target by 11% and prior year NPATA by 13%. The Adjusted Group NPATA was materially in line with the Budget NPATA reflecting the net impact of all of the approved adjustments.
EBITA – Business Units	In order to ensure individual financial accountability, a modifier based on business unit performance applies for operational Executive KMP. Should business unit EBITA fall below 95%, or above 105% of budgeted EBITA, the Group NPATA result will be modified according to a sliding scale for the relevant business unit executive.	All Operational Executive KMPs delivered business unit results within 95%-105% of budgeted EBITA. Accordingly, no modifier was applied.
SAFETY, HEALTH AND SUSTAINABILITY		
Lead and Lag Indicators **Business Process Improvements**	Qube is committed to the safety and wellbeing of all of its employees. SHS leadership behaviours support outcomes in assessing the overall performance of the Managing Director and each Senior Executive. SHS is assessed against lagging measures to focus improvement on safety risk management as well as leading KPIs, risk reduction, leadership and safety culture & competence improvements that have the potential to improve safety performance. Once Group outcomes have been assessed above a gateway of 90%, a modifier applies enabling the SHS score to be increased up to a maximum of 140% for stretch performance goals. In the event of a work-related fatality, the SHS component is automatically forfeited. Clear guidelines are defined regarding a work-related fatality and treatment pending formal investigation, with the Board retaining ultimate discretion.	The group met or exceeded all lead and lag indicator KPIs, including improvements in TRIFR and CIFR and a reduction in LTIFR. The group also met all business process improvement KPIs reflecting the successful implementation of a number of innovation projects. However, notwithstanding the Group's overall safety performance and these outcomes, the Board has exercised discretion to reduce to zero the SHS component of the STI.
STRATEGY AND GROWTH	**Managing Director** – KPIs include performance in implementing Qube and Patrick's growth strategies, management of Moorebank Terminal developments and related Beveridge Project, lead Qube's Net Zero initiative, effective leadership and delivery of strategy and innovation objectives. **CFO** – KPIs include financial support for all projects and acquisitions, implementation of major growth capex strategy, and further develop Qube Net Zero funding and information security strategies. **Business Unit Heads** – KPIs include effective development, management and implementation of strategic initiatives including growth projects, both organic and acquisitions, effective implementation of major new contracts, achieve ROACE targets, deliver on innovation and Net Zero objectives. **General Counsel** – KPIs include effective legal support for all projects and acquisitions.	Qube and Patrick both delivered strong growth with accretive initiatives supporting continued growth. Management successfully identified and implemented initiatives that support continued growth (including growth capital expenditure and several acquisitions), Net Zero initiatives, ROACE targets, contract management and IT related targets.
BUSINESS AND OPERATIONS	**Managing Director** – KPIs included delivery of key priorities in the areas of leadership, succession planning, cyber security, workplace culture, enhancement of Qube brand and effective stakeholder management including investors, government, customers, port authorities, as well as effective management of Board priorities. **Executive KMP** – KPIs included delivery on key priorities including delivery on group cyber outcomes, stakeholder management, strengthening of workplace culture objectives and succession planning, and successful implementation of new systems or programs to meet Qube's objectives.	Positive financial and operational risk outcomes including increased cyber awareness and testing across the group, people and culture initiatives and effective stakeholder management.

7 Long-Term Incentive

a. Current Long-Term Incentive Plan

Qube's current Long-Term Incentive Plan is a Performance Rights (PRs) plan with the objective of retaining and rewarding executives for effectively delivering Qube's strategy. Vesting of the PRs are subject to performance conditions which include one earnings-based hurdle, Diluted Earning Per Share Pre-Amortisation (EPSA), and one return-based hurdle, Relative Total Shareholder Return (rTSR), to ensure a balanced outcome taking into account earnings performance and shareholder returns. For management to receive the target or maximum value of the LTI Plan there must be both acceptable earnings and share price performance over the vesting period.

Shareholders approved the issue of shares pursuant to the FY24 LTI plan at the Annual General Meeting held in November 2023.

Participation	The Managing Director, other Executive KMP and other executives who can directly influence the performance of Qube		
Purpose	To align executive accountability and remuneration with the long-term interests of shareholders by rewarding the delivery of sustained performance.		
Grant Date	10 November 2023 and 30 November 2023.		
Eligibility	All Executive KMP.		
Instrument	Performance Rights (PRs) to be settled in Qube fully paid ordinary shares.		
Maximum Value of Equity To Be Granted	In FY24 the maximum LTI opportunity for the Managing Director is 106% of Fixed Remuneration, and for the other Executive KMP, the maximum opportunity for FY24 is 65% of Fixed Remuneration.		
Amount Payable	PRs and subsequent shares upon vesting, are issued for nil consideration.		
Performance Condition	The Performance Rights are subject to two performance conditions: Tranche 1 - 60% of PRs will be subject to EPSA on a Compound Annual Growth Rate (CAGR) basis; and Tranche 2 - 40% of PRs will be subject to rTSR against a peer group of companies sharing similar characteristics.		
	EPSA CAGR Performance (60% weighting)	Relative TSR Performance (40% weighting)	
	Below 5%	Below 50th percentile	0%
	5%	50th percentile	31%
	Between 5% and 7.5%	Between 50th and 75th percentile	Straight line pro-rata vesting
	7.5%	75th percentile	62%
	Between 7.5% and 10%	Between 75th and 85th percentile	Straight line pro-rata vesting
	10% or above	85th percentile or above	100%
Performance Period	EPSA CAGR performance period is 1 July 2023 to 30 June 2026. Relative TSR performance period is 15 September 2023 to 14 September 2026.		
Relative TSR Comparator Group	A group of 28 peer, ASX200 companies selected due to similarity in size, operational characteristics, correlation, volatility, and liquidity. FY24 comparator group as disclosed in the 2023 Notice to AGM.		
Board Discretion	The Board has discretion to apply negative and positive discretion to vesting outcomes for circumstances where the Board believes an adjustment is required for fairness and appropriate to ensure sustainable shareholder returns.		
Vesting Date	30 September 2026.		
Exercise Period	The exercise period will commence on the day following the vesting date and will end 15 years from the grant date. If the MSR is not met at vesting, rights are automatically exercised into restricted shares.		
Dividends	Each vested PR entitles the participant to one Qube share plus additional shares equal to the dividends paid by Qube during the vesting period and the exercise period, up to the exercise date.		
Retesting	No retesting of performance conditions is permitted.		
Treatment on Cessation of Employment	If participant ceases to be an employee during the performance period, the LTI will be pro-rated. If terminated as a “bad leaver”, all unvested LTI PRs will be forfeited.		

7. Long-Term Incentive (continued)

b. Legacy Long-Term Incentive Plan

Qube's legacy Long-Term Incentive Plan is the Share Appreciation Rights (SARs) Plan or LTI (SARs) Plan. Grants were made under the legacy Plan since FY17, of which the FY21 and FY22 remain on foot during FY24, details of which are outlined below.

No further grants will be made under this plan.

Participation	The Managing Director and Other Executive KMP
Purpose	To align executive accountability and remuneration with the long-term interests of shareholders by rewarding the delivery of sustained performance.
Eligibility	All Executive KMP.
Instrument	Share Appreciation Rights, with an intrinsic share price hurdle.
Amount Payable	Nil.
Performance Condition	As at the Vesting Date the share price must be higher than the Initial Price (exercise price) for the SARs to have any value. The Initial Prices for the SARs are: FY21 LTI (SARs) - $2.75 FY22 LTI (SARs) - $3.25 The Initial Prices have been adjusted for special dividends and the discount component of entitlement offers in accordance with market practice.
Performance Period	3 years.
Vesting Date	The date of release of audited financial statements, approximately 3 years after the date of grant.
Vesting Price	The volume-weighted average price (VWAP) of Qube Shares calculated over 30 trading days, being 15 trading days prior to and including the Vesting Date, and the subsequent 15 trading days.
Retention Period	2 years from the Vesting date.
Dividends	Dividends are not paid on SARs but are paid on vested Shares including during the Retention Period.
Retesting	No retesting is permitted.
Treatment on Termination	If participant resigns during the performance period, the LTI will be pro-rated. If terminated as a “bad leaver”, all unvested LTI will be forfeited.

8 2024 Remuneration Outcomes

a. Short-Term Incentive Outcomes

Managing Director and other Executive KMP STI Performance Outcomes

Set out below are the Managing Director and other Executive KMP STI Performance Outcomes. The percentages refer to the score out of 100% of the maximum STI opportunity.

In regard to the financial KPIs, the actual underlying performance achieved during the financial year is assessed against the challenging Group financial budget set at the start of the year (Target). In the assessment of financial performance at the end of the period the Board will consider unbudgeted items both positive and negative.

Outcomes are summarised in the table below:

STI COMPONENT	Achievement (outcome as a % of maximum STI opportunity)	
Financial KPIs	Managing Director	100.0
	Other Executive Key Management Personnel	100.0
Safety, Health and Sustainability KPIs	Managing Director	0.0
	Other Executive Key Management Personnel	0.0
Other Non-Financial KPIs	Managing Director	96.4
	Other Executive Key Management Personnel	93.0 - 97.5
Overall Result	Managing Director	88.6
	Other Executive Key Management Personnel	87.3 - 89.1

8. 2024 Remuneration Outcomes (continued)

a. Short-Term Incentive Outcomes (continued)

						STI Award			
						Non-Deferred		Deferred [3,4]	
	STI Target $	STI award (as % of target opportunity) %	STI award (as % of maximum opportunity) %	STI Target Forfeited %	STI Score Outcome[1] $	Cash $	Share Settled Rights [2,4] $	Cash Settled Rights $	Share Settled Rights $
MANAGING DIRECTOR									
Paul Digney									
FY24	1,196,554	124.0	88.6	0.0	1,484,000	742,000	-	742,000	-
FY23	1,073,830	130.8	93.5	0.0	1,405,000	702,500	-	702,500	-
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL									
Mark Wratten									
FY24	619,859	123.4	88.2	0.0	765,000	382,500	-	-	382,500
FY23	596,018	125.7	89.8	0.0	749,000	374,500	-	-	374,500
William Hara									
FY24	505,297	124.3	88.8	0.0	628,000	-	314,000	-	314,000
FY23	485,863	130.5	93.2	0.0	634,000	-	317,000	-	317,000
John Digney									
FY24	619,859	124.7	89.1	0.0	773,000	386,500	-	-	386,500
FY23	596,018	132.9	94.9	0.0	792,000	396,000	-	-	396,000
Todd Emmert									
FY24	543,438	122.2	87.3	0.0	664,000	332,000	-	332,000	-
FY23	522,536	116.7	83.4	0.0	610,000	305,000	-	-	305,000
Michael Sousa									
FY24	543,438	122.2	87.3	0.0	664,000	332,000	-	332,000	-
FY23	522,536	116.2	83.0	0.0	607,000	303,500	-	303,500	-

[1] No further vesting conditions after the performance period, therefore expense has been recognized in the corresponding financial period of the performance period.

[2] The FY24 non-deferred share settled rights will vest in FY25 (FY23 non-deferred share settled right to vest in FY24).

[3] The FY24 deferred cash settled and share settled rights will vest in FY26 (FY23 deferred cash settled and share settled rights to vest in FY25).

[4] Total value of Rights reflects the fair value at grant date for those awards settled in performance rights. The FY24 fair value is an estimate at balance date as the award is yet to be granted.

8. 2024 Remuneration Outcomes (continued)

b. FY21 LTI (SARs) Outcomes

The value of a vested SAR is determined by reference to the appreciation in the market price of Qube's shares on the ASX (determined by reference to a 30-day volume weighted average price of trades undertaken on ASX) between an initial calculation date (Award Date) and the date all vesting conditions for the Award (Vesting Date) are satisfied. In accordance with ASX guidelines, the SARs price and number of shares are adjusted for corporate actions between the Award Date and the Vesting Date, such as the discount component of entitlement offers and special dividends.

As per plan rules, at the Vesting Date the Vesting Price[1] must be higher than the Initial Price for the SARs to have any value. The initial price for the SARs at the Award Date of 24 August 2020 was $2.752 which was adjusted[2] to approximately $2.746 as a result of corporate actions undertaken during the period from the Award Date to the Vesting Date in accordance with normal market practice. The Vesting Price at the Vesting Date of 24 August 2023 was approximately $2.927.

Over the three-year performance period between the Award Date and the Vesting Date, the value of a vested SAR was $0.181 (being the difference between $2.927 and $2.746). This was lower than the value of the SAR awarded to management of $0.45 per SAR meaning that the value received by participants in the Plan on the Vesting Date was lower than the value of the LTI awarded to them as part of their remuneration.

Consistent with the terms of the Plan, the value of the vested SARs was converted into fully-paid Qube shares based on the vesting share price of $2.927 per share; and these shares are subject to a two-year holding lock until August 2025.

	At Allocation Date		At Vesting Date		
Name	Number of SARS Allocated	Award Value Granted ($)	Number of Qube Shares Allocated	Award Value Received ($)	Award Value Received Compared to Award Value Granted (%)
MANAGING DIRECTOR					
Paul Digney	1,727,127	777,207	107,267	313,961	40.4
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL					
Mark Wratten[3]	-	-	-	-	-
William Hara	809,773	364,398	50,293	147,203	40.4
John Digney	1,191,732	536,279	74,016	216,638	40.4
Todd Emmert	834,211	375,395	51,811	151,646	40.4
Michael Sousa	834,211	375,395	51,811	151,646	40.4

[1] The Vesting Price is the volume-weighted average price (VWAP) of shares traded over the 30 trading days being the 15 trading days prior to and including the date of release of annual results for Qube and its controlled entities for the financial year ending 30 June 2023 and the subsequent 15 trading days.

[2] In accordance with ASX guidelines for options and market practice, adjusted for special dividends in the period and the discount component of entitlement offers.

[3] Mark Wratten was appointed Chief Financial Officer, effective 2 May 2022 and was not a participant in the FY21 LTI (SARs) Plan.

9 Take Home Pay of Managing Director and Other Executive KMP

The table below sets out details of the take home pay of Qube's Managing Director and other Executive KMP including the gross salary package and actual incentives paid in FY24 consistent with the STI and LTI outcomes described in section 8. This table has been included to give shareholders a better understanding of the amounts the Managing Director and other Executive KMP were entitled to receive for each component of remuneration during FY24.

This information is not compliant with International Financial Reporting Standards and is unaudited. The full statutory remuneration table (which is prepared in accordance with the accounting standards) can be found in section 11 of this report.

Name		Fixed Annual Remuneration ($)[1]	Current Year STI Non-Deferred Component ($)[2]	Prior Year STI Deferred Component ($)[2]	Vested Long-Term Incentives ($)[3]	Total Take Home Pay ($)	Performance-Related Remuneration (%)
MANAGING DIRECTOR							
Paul Digney	FY24	1,580,510	742,000	702,500	313,961	3,338,971	53
	FY23	1,534,043	702,500	637,500	-	2,874,043	47
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL							
Mark Wratten	FY24	944,939	382,500	374,500	-	1,701,939	44
	FY23	916,951	374,500	-	-	1,291,451	29
William Hara	FY24	770,394	314,000	317,000	147,203	1,548,597	50
	FY23	747,481	317,000	282,000	-	1,346,481	44
John Digney	FY24	944,939	386,500	396,000	216,638	1,944,077	51
	FY23	910,219	396,000	400,500	-	1,706,719	47
Todd Emmert	FY24	828,505	332,000	305,500	151,646	1,617,651	49
	FY23	798,001	305,000	291,000	-	1,394,001	43
Michael Sousa	FY24	828,042	332,000	303,500	151,646	1,615,188	49
	FY23	798,001	303,500	291,000	-	1,392,501	43

[1] Fixed annual remuneration is based on current gross salary package, which includes base salary and superannuation contributions, but excludes accrued leave and is adjusted for leave taken without pay.

[2] Current year STI non-deferred component represents the actual STI to be paid in October 2024 being 50% of the FY24 STI award. The remaining 50% of the FY24 STI award is deferred and will be paid in October 2025. The prior year STI deferred component represents 50% of the FY23 STI award.

[3] Vested long-term incentives represent the value of the equity instruments at the date of the grant of the long-term incentives which have vested in the year. For FY24, this includes the FY21 LTI plan. Refer to sections 7 and 8 of this report for more detail.

10 Employment Conditions

Service agreements

The terms of employment for the Managing Director and the other Executive KMP are formalised in service agreements. Each of these agreements provide for participation, when eligible, in Qube's STI and LTI plans. The service agreements for the Executive KMP may be terminated by either party with notice as detailed below.

Name	Term of Agreement	Fixed Remuneration Including Superannuation[1]	Termination Notice Period[2]
Paul Digney **Managing Director**	Ongoing commencing 1 July 2021	$1,595,405	6 months
Mark Wratten **Chief Financial Officer**	Ongoing commencing 2 May 2022	$953,629	6 months
William Hara **Company Secretary & General Counsel**	Ongoing commencing 1 July 2016	$777,380	6 months
John Digney **Director - Logistics & Infrastructure**	Ongoing commencing 1 July 2021	$953,629	6 months
Todd Emmert **Director - Bulk**	Ongoing commencing 1 July 2021	$836,058	6 months
Michael Sousa **Director - Ports**	Ongoing commencing 1 July 2021	$836,058	6 months

[1] Fixed remuneration quoted is effective 1 October 2023, reviewed annually by the Committee.

[2] Upon early termination by the company, other than for gross misconduct, a termination payment in lieu of notice is payable.

The Managing Director employment agreement is summarised in the table below.

Condition	Term of Agreement
Term	Until terminated by either party.
Fixed Remuneration	$1,595,405 per annum. Fixed remuneration includes superannuation.
Short-Term Incentive	Paul Digney is eligible to receive an annual STI and the maximum STI opportunity is 105% of fixed remuneration.
Long-Term Incentive	Paul Digney is eligible to receive an annual LTI grant and the maximum LTI opportunity is 106% of fixed remuneration.
Termination	Paul Digney is required to provide six months' notice in the event of resignation, and the company is required to provide six months' notice to Paul Digney in the event of termination of employment. The company may elect to pay Paul Digney in lieu of part or all of the notice period provided by either party. The agreement provides for the company, at its discretion, to place Paul Digney on garden leave and/or to enforce restraint of trade provisions within Australia for up to six months post termination of employment as considered reasonable.
Other	The agreement contains provisions regarding leave entitlements, duties, confidentiality, intellectual property, moral rights and other facilitative and ancillary clauses. It also contains provisions regarding corporate governance and a provision dealing with the Corporations Act 2001 (Cth) limits on termination benefits to be made to Paul Digney.

11 Statutory Remuneration Disclosures

a. Total Executive KMP remuneration

Details of the remuneration of Executive KMP of the group is set out in the following table:

	Short-Term Employee Benefits			Post-Employment Benefits	Long-Term Employee Benefits				
	Cash Salary and Fees $	Incentive Award (Cash and Shares) $	Non-Monetary Benefits $	Super-annuation $	Annual Leave[1] $	Long Service Leave[1] $	Long-Term Incentive $	Total $	Performance Related Remuneration %
EXECUTIVE DIRECTORS									
Paul Digney									
FY24	1,553,111	1,484,000	-	27,399	(42,643)	39,170	1,079,189	4,140,226	62
FY23	1,508,751	1,405,000	-	25,292	67,907	46,238	973,185	4,026,373	59
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL									
Mark Wratten									
FY24	917,540	765,000	18,304	27,399	(1,928)	-	200,644	1,926,959	50
FY23	891,659	749,000	17,891	25,292	41,795	-	101,108	1,826,745	47
William Hara									
FY24	742,995	628,000	18,304	27,399	(53,184)	22,353	351,508	1,737,375	56
FY23	722,189	634,000	17,891	25,292	36,906	33,229	374,898	1,844,405	55
John Digney									
FY24	917,540	773,000	18,304	27,399	75,122	28,389	449,406	2,289,160	53
FY23	885,362	792,000	17,891	24,857	55,966	19,707	514,298	2,310,081	57
Todd Emmert									
FY24	801,106	664,000	5,076	27,399	(11,584)	33,654	374,674	1,894,324	55
FY23	773,144	610,000	5,076	24,857	3,270	22,251	393,135	1,831,733	55
Michael Sousa									
FY24	718,662	664,000	18,304	109,380	(48,423)	20,899	374,674	1,857,496	56
FY23	725,456	607,000	17,891	72,546	1,630	25,012	393,135	1,842,670	54

[1] Annual leave and long service leave represent the movement in the accrued leave balances for the year, being the current year's leave entitlement of the Executive KMP less leave taken during the year, adjusted for any changes in fixed salary.

Of the cash incentive awards to Executive KMP awarded in FY24, 50% are to be paid in October 2024. The remaining 50% are deferred for one year. The 50% deferred portion of the FY23 STI will also be paid in October 2024.

11. Statutory Remuneration Disclosures (continued)

b. Equity-settled compensation

(i) Performance Rights and Share Appreciation Rights

Details of each type of equity-settled compensation provided as remuneration under the various STI and LTI plans to Qube Directors and Executive KMP is set out below. Information about awards granted in prior years is set out in the Remuneration Report of the relevant reporting period.

	Grant Date	Vest Date	Rights Granted[1, 3]	Fair Value[2] Per Right ($)	Rights Vested[3]	Rights Exercised	Rights Lapsed	% of Rights Vested	% of Rights Lapsed	Max Value of Rights Yet to Vest[4] ($)
EXECUTIVE DIRECTOR										
Paul Digney										
FY23 STI PRs (deferred)	1/12/23	16/10/24	233,147	3.01	-	-	-	-	-	-
FY22 STI PRs (deferred)	25/11/22	4/10/23	220,193	2.90	220,193	220,193	-	100	-	-
FY24 LTI PRs (EPSA tranche)	30/11/23	30/9/26	336,594	2.92	-	-	-	-	-	771,875
FY24 LTI PRs (rTSR tranche)	30/11/23	30/9/26	224,395	1.37	-	-	-	-	-	241,431
FY23 LTI PRs (EPSA tranche)	1/12/22	30/9/25	336,989	2.82	-	-	-	-	-	542,325
FY23 LTI PRs (rTSR tranche)	1/12/22	30/9/25	224,660	1.26	-	-	-	-	-	161,544
FY22 LTI SARs	15/11/21	22/8/24	1,932,305	0.51	-	-	-	-	-	190,155
FY21 LTI SARs	20/8/20	24/8/23	1,731,417	0.45	1,731,417	1,731,417	-	100	-	-
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL										
Mark Wratten[5]										
FY23 STI PRs (deferred)	16/10/23	16/10/24	124,290	3.01	-	-	-	-	-	-
FY24 LTI PRs (EPSA tranche)	10/11/23	30/9/26	123,432	2.87	-	-	-	-	-	278,207
FY24 LTI PRs (rTSR tranche)	10/11/23	30/9/26	82,288	1.37	-	-	-	-	-	85,950
FY23 LTI PRs (EPSA tranche)	14/12/22	30/9/25	123,518	2.88	-	-	-	-	-	203,011
FY23 LTI PRs (rTSR tranche)	14/12/22	30/9/25	82,346	1.40	-	-	-	-	-	65,790
William Hara										
FY23 STI PRs (deferred)	16/10/23	16/10/24	105,207	3.01	-	-	-	-	-	-
FY23 STI PRs (non-deferred)	16/10/23	16/10/23	105,207	3.01	105,207	-	-	100	-	-
FY22 STI PRs (deferred)	14/10/22	14/10/23	97,403	2.90	97,403	-	-	100	-	-
FY22 STI PRs (non-deferred)	14/10/22	14/10/22	98,852	2.90	98,852	-	-	100	-	-
FY24 LTI PRs (EPSA tranche)	10/11/23	30/9/26	100,619	2.87	-	-	-	-	-	226,789
FY24 LTI PRs (rTSR tranche)	10/11/23	30/9/26	67,080	1.37	-	-	-	-	-	70,065
FY23 LTI PRs (EPSA tranche)	14/12/22	30/9/25	100,690	2.88	-	-	-	-	-	165,491
FY23 LTI PRs (rTSR tranche)	14/12/22	30/9/25	67,127	1.40	-	-	-	-	-	53,631
FY22 LTI SARs	15/11/21	22/8/24	579,409	0.51	-	-	-	-	-	57,019
FY21 LTI SARs	20/8/20	24/8/23	811,785	0.45	811,785	811,785	-	100	-	-

	Grant Date	Vest Date	Rights Granted[1, 3]	Fair Value[2] Per Right ($)	Rights Vested[3]	Rights Exercised	Rights Lapsed	% of Rights Vested	% of Rights Lapsed	Max Value of Rights Yet to Vest[4] ($)
John Digney										
FY23 STI PRs (deferred)	16/10/23	16/10/24	131,425	3.01	-	-	-	-	-	-
FY22 STI PRs (deferred)	14/10/22	14/10/23	138,333	2.90	138,333	138,333	-	100	-	-
FY24 LTI PRs (EPSA tranche)	10/11/23	30/9/26	123,432	2.87	-	-	-	-	-	278,207
FY24 LTI PRs (rTSR tranche)	10/11/23	30/9/26	82,288	1.37	-	-	-	-	-	85,950
FY23 LTI PRs (EPSA tranche)	14/12/22	30/9/25	123,518	2.88	-	-	-	-	-	203,011
FY23 LTI PRs (rTSR tranche)	14/12/22	30/9/25	82,346	1.40	-	-	-	-	-	65,790
FY22 LTI SARs	15/11/21	22/8/24	710,774	0.51	-	-	-	-	-	69,946
FY21 LTI SARs	20/8/20	24/8/23	1,194,692	0.45	1,194,692	1,194,692	-	100	-	-
Todd Emmert										
FY23 STI PRs (deferred)	16/10/23	16/10/24	101,224	3.01	-	-	-	-	-	-
FY22 STI PRs (deferred)	14/10/22	14/10/23	100,512	2.90	100,512	100,512	-	100	-	-
FY24 LTI PRs (EPSA tranche)	10/11/23	30/9/26	108,214	2.87	-	-	-	-	-	243,907
FY24 LTI PRs (rTSR tranche)	10/11/23	30/9/26	72,143	1.37	-	-	-	-	-	75,353
FY23 LTI PRs (EPSA tranche)	14/12/22	30/9/25	108,290	2.88	-	-	-	-	-	177,982
FY23 LTI PRs (rTSR tranche)	14/12/22	30/9/25	72,194	1.40	-	-	-	-	-	57,679
FY22 LTI SARs	15/11/21	22/8/24	623,144	0.51	-	-	-	-	-	61,322
FY21 LTI SARs	20/8/20	24/8/23	836,283	0.45	836,283	836,283	-	100	-	-
Michael Sousa										
FY23 STI PRs (deferred)	16/10/23	16/10/24	100,726	3.01	-	-	-	-	-	-
FY22 STI PRs (deferred)	14/10/22	14/10/23	100,512	2.90	100,512	100,512	-	100	-	-
FY24 LTI PRs (EPSA tranche)	10/11/23	30/9/26	108,214	2.87	-	-	-	-	-	243,907
FY24 LTI PRs (rTSR tranche)	10/11/23	30/9/26	72,143	1.37	-	-	-	-	-	75,353
FY23 LTI PRs (EPSA tranche)	14/12/22	30/9/25	108,290	2.88	-	-	-	-	-	177,982
FY23 LTI PRs (rTSR tranche)	14/12/22	30/9/25	72,194	1.40	-	-	-	-	-	57,679
FY22 LTI SARs	15/11/21	22/8/24	623,144	0.51	-	-	-	-	-	61,322
FY22 LTI SARs	20/8/20	24/8/23	836,283	0.45	836,283	836,283	-	100	-	-

[1] This includes non-deferred and deferred STI taken as share-settled and cash-settled Performance Rights. Refer to Section 8a for further information.
[2] The assessed fair value at the date SARs and PRs were granted to the individual is allocated over the period from service commencement date to the Vesting Date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined in accordance with AASB 2 Share-Based Payment using a Monte Carlo simulation-based model.
[3] Figures includes dividend entitlements under the scheme.
[4] This is the total fair value at grant (number of rights granted multiplied by fair value) that is yet to be expensed following 30 June 2024.
[5] Mark Wratten was appointed Chief Financial Officer, effective 2 May 2022, as such did not receive any awards in the prior years.

12 Non-Executive Directors

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of Director.

To maintain their independence and impartiality, Non-Executive Directors' rewards do not have any at risk components. Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the directors. The Committee reviews Non-Executive Director fees and payments annually, based on external benchmarking, and any changes are determined by the Board. At the 2023 AGM, shareholders approved the fee pool of $2,500,000 per annum.

The Board Chair and Deputy Chair do not receive additional fees for committee membership.

a. Directors' fees

Non-Executive Directors' fees comprise a base fee plus additional fees for directors who chair, or are a member of, a committee. Non-Executive Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders.

The allocation of fees for FY24 based on responsibility per Non-Executive Director are detailed in the table below, on a full-year basis. The actual fees paid to each Non-Executive Director is recorded in the table in section 12d and takes into account pro-rata service for those directors who took up or retired from committee positions during the year. The total fees paid during the year were $1,929,067.

Board / Committee	Chair Fees $	Deputy Chair Fees $	Member Fees $
Board	422,136	233,336	181,220
Audit and Risk Management	42,640	-	21,320
Nomination and Remuneration	37,310	-	18,655
Safety, Health and Sustainability	37,310	-	18,655

b. Retirement allowances for Non-Executive Directors

Where appropriate, superannuation contributions required under the Australian Superannuation Guarantee legislation are included in the Non-Executive Directors' overall fee entitlements.

12. Non-Executive Directors (continued)

c. Non-Executive Director (NED) Equity Plan and Minimum Shareholding Requirement Policy

The Qube NED Equity Plan in conjunction with the Minimum Shareholding Requirement (MSR) Policy, ensures Non-Executive Directors are aligned with the interests of Qube's shareholders by requiring Non-Executive Directors to acquire shares and by providing a facility for Board fees to be delivered in share rights in lieu of cash. The NED Equity Plan MSR requires Non-Executive Directors to acquire a shareholding equivalent in value to one-times their annual base Directors' fee. Non-Executive Directors must meet the MSR within three years from date of appointment or commencement of the MSR Policy.

Prior to the commencement of the financial year, Non-Executive Directors were invited to elect a portion of their Director's Fees to be delivered in equity in lieu of cash, effectively a fee sacrifice arrangement. The participating Directors' fees were reduced in equal amounts each quarter during the participation period. NED Rights are granted for no consideration at the beginning of the period during which fee sacrifices are made and vest in quarterly tranches throughout the period. Each vested Right entitles the Non-Executive Director to receive a Share plus additional shares for dividends foregone. Shares will be purchased on market to fulfil NED Equity Plan requirements – the Plan does not allow for issuance of new shares when Rights are exercised.

If a Non-Executive Director has not fulfilled their MSR, NED Rights are automatically exercised on the later of the Vesting Date and six months after the grant date. Resulting shares are subject to disposal restrictions.

If a Non-Executive Director has fulfilled their minimum shareholding requirement at the Vesting Date, vested Rights can be exercised from six months after the grant date up to the expiry date, subject to Qube's Securities Dealing Policy. Vested Rights expire 15 years after the grant date.

If a participating Non-Executive Director retires from the Board prior to the vesting of NED Rights, pro-rata vesting or a repayment of sacrificed fees may occur and disposal restrictions will cease to apply.

For the FY24 Rights granted on 20 September 2023, the price on which the number of granted NED Rights was calculated was the volume weighted average closing price of shares on ASX on the 10 trading days following the release of Qube's FY23 financial results, being $3.01. The Rights vest in equal quarterly amounts on 30 September 2023, 31 December 2023, 31 March 2024 and 30 June 2024. The service criteria is that the Non-Executive director remains a Director during the participation period. Details of rights provided as remuneration to Non-Executive Directors are set out in the tables in sections 12d and 13b.

12. Non-Executive Directors (continued)

d. Total remuneration for Non-Executive Directors

Details of remuneration for each Non-Executive Director and the figures for the corresponding period are set out in the table below.

Name	Fees $	Rights Granted $	Superannuation $	Total Remuneration $
Allan Davies				
FY24	401,587	-	20,549	422,136
FY23	380,608	-	25,292	405,900
Sam Kaplan[1]				
FY24	215,993	-	17,343	233,336
FY23	213,598	-	10,764	224,362
James Fazzino[2]				
FY24	65,167	-	7,168	72,336
FY23	-	-	-	-
Jill Hoffmann[3]				
FY24	103,800	-	11,418	115,218
FY23	-	-	-	-
Steve Mann				
FY24	201,676	-	22,184	223,860
FY23	201,291	-	21,135	222,426
Jackie Mcarthur[4]				
FY24	167,638	43,706	18,440	229,784
FY23	161,356	31,827	16,942	210,125
Alan Miles				
FY24	167,343	32,780	18,408	218,530
FY23	190,158	-	19,967	210,125
Lindsay Ward				
FY24	180,068	-	19,807	199,875
FY23	128,009	-	13,441	141,450
FORMER NON-EXECUTIVE DIRECTORS				
Ross Burney[5]				
FY24	121,032	-	13,314	134,346
FY23	173,926	-	18,262	192,188
Nicole Hollows[6]				
FY24	71,753	-	7,893	79,646
FY23	143,889	53,691	15,108	212,688

[1] Sam Kaplan stepped down from the Audit and Risk Management Committee on the 22nd of February 2024.

[2] James Fazzino joined the Qube Board and the Audit and Risk Management Committee on the 22nd of February 2024.

[3] Jill Hoffmann joined the Qube Board on the 15th of December 2023 and joined the Audit and Risk Management Committee and the Nomination and Remuneration Committee on the 5th of February 2024.

[4] Jackie McArthur joined the Safety, Health and Sustainability Committee on the 24th of November 2023.

[5] Ross Burney joined the Audit and Risk Management Committee on the 24th of November 2023. For the period 1 July 2023 to 22 February 2024 (retirement as a Non-Executive Director).

[6] For the period 1 July 2023 to 10 Novmeber 2023 (resigned as a Non-Executive Director).

13 Key Management Personnel Interests

a. Executive Directors and other Key Management Personnel

The relevant interests of each Executive KMP in the shares, rights and listed debt securities of the company during the financial year as notified to the ASX are as follows:

	Balance at the Start of the Year	Received as Part of the LTI Plan [1,2]	Received as Part of the STI Plan [1,2]	Exercised	Acquired	Disposed/ Lapsed	Balance at the End of the Year	Unvested/ Unexercised
EXECUTIVE DIRECTOR								
Paul Digney								
Shares	2,029,086	107,267	-	-	-	-	2,136,353	-
PRs -STI	-	-	-	-	-	-	-	-
PRs – LTI	561,649	560,989	-	-	-	-	1,122,638	1,122,638
SARs	3,659,432	-	-	(1,727,127)	-	-	1,932,305	1,932,305
OTHER EXECUTIVE KEY MANAGEMENT PERSONNEL								
Mark Wratten								
Shares	180,000	-	-	-	-	-	180,000	-
PRs -STI	-	-	124,290	-	-	-	124,290	124,290
PRs – LTI	205,864	205,720	-	-	-	-	411,584	411,584
SARs	-	-	-	-	-	-	-	-
William Hara								
Shares	4,553,968	50,293	-	-	-	(160,874)	4,443,387	-
PRs -STI	196,255	-	210,414	-	-	-	406,669	105,207
PRs – LTI	167,817	167,699	-	-	-	-	335,516	335,516
SARs	1,389,182	-	-	(809,773)	-	-	579,409	579,409
John Digney								
Shares	1,306,404	74,016	138,333	-	-	(138,333)	1,380,420	-
PRs -STI	138,333	-	131,425	(138,333)	-	-	131,425	131,425
PRs – LTI	205,864	205,720	-	-	-	-	411,584	411,584
SARs	1,902,506	-	-	(1,191,732)	-	-	710,774	710,744
Todd Emmert								
Shares	506,715	51,811	-	-	-	(149,111)	409,415	-
PRs -STI	-	-	101,224	-	-	-	101,224	101,224
PRs – LTI	180,484	180,357	-	-	-	-	360,841	360,841
SARs	1,457,355	-	-	(834,211)	-	-	623,144	623,144
Michael Sousa								
Shares	709,385	51,811	-	-	-	(155,000)	606,196	-
PRs -STI	-	-	100,726	-	-	-	100,726	100,726
PRs – LTI	180,484	180,357	-	-	-	-	360,841	360,841
SARs	1,457,355	-	-	(834,211)	-	-	623,144	623,144

[1] This includes LTI and non-cash STI grants. The FY24 STI taken in rights not included as rights are granted in October 2024. FY23 STI taken in shares included in 'Received as Part of the STI Plan' as rights granted in October 2023. The fair value of the FY23 STI grant was $3.01.

[2] Figures include dividend entitlement adjustments under the scheme.

This includes shares held in the name of a spouse, superannuation fund, nominee and/or other controlled entities and deemed relevant interests.

13. Key Management Personnel Interests (continued)

b. Non-Executive Directors

The relevant interests of each Director in the shares, rights and listed debt securities of the company during the financial year as notified to the ASX are as follows:

	Balance at the Start of the Year	Received as Part of the NED Plan	Vested NED Plan Rights	Exercised	Acquired	Disposed	Balance at the End of the Year	Unvested/ Unexercised
Allan Davies								
Shares	3,954,717	-	-	-	-	-	3,954,717	-
Debt securities	5,154	-	-	-	-	(5,154)	-	-
Sam Kaplan								
Shares	1,896,236	-	-	-	-	-	1,896,236	-
Debt securities	3,000	-	-	-	-	(3,000)	-	-
James Fazzino								
Shares	-	-	-	-	15,275	-	15,275	-
Jill Hoffmann								
Shares	-	-	-	-	-	-	-	-
Steve Mann								
Shares	71,021	-	-	-	12,000	-	83,021	-
Jackie McArthur								
Shares	51,425	5,053	-	-	-	-	56,478	-
Rights	-	14,506	14,506	5,053	-	-	-	9,453
Alan Miles								
Shares	24,911	10,879	-	-	13,719	-	49,509	
Rights	-	10,879	10,879	(10,879)	-	-	-	
Lindsay Ward								
Shares	106,081	-	-	-	-	-	106,081	
FORMER NON-EXECUTIVE DIRECTOR								
Ross Burney[1]								
Shares	-	-	-	-	-	-	-	
Nicole Hollows[2]								
Shares	38,654	-	-	-	-	-	38,654	

[1] For the period 1 July 2023 to 22 February 2024 (retirement as a Non-Executive Director).

[2] For the period 1 July 2023 to 10 November 2023 (resigned as a Non-Executive Director).

This includes shares held in the name of a spouse, superannuation fund, nominee and/or other controlled entities and deemed relevant interests.

c. Loans and other transactions to key management personnel

There were no loans or other transactions made to Directors of Qube Holdings Limited nor any other Executive KMP of the group, including their personally-related parties, during the financial year.

A1 Annexure 1 Glossary

Managing Director	The Chief Executive Officer of the company who is also a Board member.
KMP	Key Management Personnel. Those with authority and responsibility for planning, directing and controlling the activities of the entity.
Non-Executive Directors	A member of a company's Board of Directors who is not part of the Executive team. A Non-Executive Director typically does not engage in the day-to-day management of the organisation but is involved in policymaking and planning exercises.
Fixed Remuneration	The Fixed component of a remuneration package, generally consisting of base salary and superannuation, it may also include other guaranteed cash and benefits, for example, the value of a company motor vehicle.
STI	Short-Term Incentives are part of an Executive's variable or "at risk" pay.
LTI	Long-Term Incentives are part of an Executive's variable or "at risk" pay.
SARs	Share Appreciation Rights entitle the participant to a payment in shares equal to the appreciation in the company's stock over a specified period.
Performance Rights	A contractual right to receive a given number of ordinary shares if a nominated performance milestone is achieved.
Options	An option to subscribe for or purchase ordinary shares that can be exercised if a performance condition is achieved.
MSR	Minimum Shareholding Requirement.
EBITA	Earnings before interest, income tax expense and amortisation. An indicator of a company's operational profitability.
NPATA	Net Profit After Tax, Pre-Amortisation. Net Profit After Tax is adjusted for Qube's amortisation and Qube's share of Patrick's amortisation.
CIFR	Critical Incident Frequency Rate.
LTIFR	Lost Time Injury Frequency Rate.
TRIFR	Total Recordable Injury Frequency Rate.
TSR	Total Shareholder Return, measured by the growth in share price over the measurement period and any dividend paid during that period.
rTSR	Qube's Total Shareholder Return (TSR) relative to the TSR of the peer companies selected from organisations similar in size and operations, listed on the Australian Securities Exchange (ASX).
EPS	Earnings Per Share. The portion of profit allocated to each share.
EPSA	EPS adjusted for Qube's amortisation and Qube's share of Patrick's amortisation.
CAGR	Compound Annual Growth Rate. CAGR measures an investment's annual growth rate over a period of time, assuming profits are reinvested at the end of each period of the investment's life span.
KPI	Key Performance Indicators. Used to set key performance objectives and assess or monitor outcomes in achieving the objectives.

This concludes the Remuneration Report.

Auditor’s Independence Declaration

As lead auditor for the audit of Qube Holdings Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Qube Holdings Limited and the entities it controlled during the period.

Brett Entwistle
Partner
PricewaterhouseCoopers

Sydney
22 August 2024

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Financial Reports

Contents

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2024

	Notes	2024 $m	2023 $m
Revenue from continuing operations			
Revenue	3	**3,331.4**	2,862.6
Other income	3	**25.8**	17.1
		3,357.2	2,879.7
Direct transport and logistics costs		**(981.4)**	(805.8)
Repairs and maintenance costs		**(210.7)**	(183.9)
Employee benefits expense	4	**(1,152.2)**	(990.5)
Fuel, oil and electricity costs		**(234.1)**	(230.8)
Occupancy and property costs		**(61.4)**	(48.5)
Depreciation and amortisation expense	4	**(307.4)**	(276.6)
Professional fees		**(29.3)**	(24.7)
Other expenses		**(44.9)**	(44.3)
Total expenses		**(3,021.4)**	(2,605.1)
Finance income		**14.2**	19.3
Finance costs	4	**(119.8)**	(86.8)
Net finance costs		**(105.6)**	(67.5)
Share of net profit of associates and joint ventures accounted for using the equity method		**67.5**	35.0
Profit before income tax		**297.7**	242.1
Income tax expense	15	**(70.7)**	(67.5)
Profit for the year from continuing operations		**227.0**	174.6
Discontinued operations			
Loss after tax for the year from discontinued operations	24	**(5.1)**	(8.0)
Profit for the year		**221.9**	166.6
Other comprehensive income net of tax:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	19(a)	**(0.4)**	8.6
Change in fair value of cash flow hedges and cost of hedging	19(a)	**0.1**	(6.1)
Share of other comprehensive income of joint venture	19(a)	**(1.0)**	3.7
Total comprehensive income for the year		**220.6**	172.8
Profit for the year is attributable to:			
Owners of Qube Holdings Limited		**221.9**	167.9
Non-controlling interests		**–**	(1.3)
		221.9	166.6
Total comprehensive income for the year is attributable to:			
Owners of Qube Holdings Limited		**220.6**	174.1
Non-controlling interests		**–**	(1.3)
		220.6	172.8

	Notes	Cents	Cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share from continuing operations	5	**12.9**	10.0
Diluted earnings per share from continuing operations	5	**12.8**	10.0
Basic earnings per share from continuing and discontinued operations	5	**12.6**	9.5
Diluted earnings per share from continuing and discontinued operations	5	**12.5**	9.5

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 30 June 2024

	Notes	2024 $m	2023 $m
ASSETS			
Current assets			
Cash and cash equivalents	21(a)	**184.9**	191.7
Trade and other receivables	6	**690.9**	622.8
Inventories	7	**100.2**	25.7
Derivative financial instruments	31	**16.4**	0.2
Total current assets		**992.4**	840.4
Non-current assets			
Loans and receivables	8	**55.9**	100.9
Investment in equity accounted investments	25	**681.9**	628.4
Property, plant and equipment	9	**2,440.4**	2,242.4
Right-of-use assets	10	**773.2**	754.0
Deferred tax assets	16	**49.8**	45.7
Investment properties	11	**62.0**	55.0
Intangible assets	12	**964.7**	902.6
Derivative financial instruments	31	**16.8**	32.8
Other assets		**66.3**	70.3
Total non-current assets		**5,111.0**	4,832.1
Total assets		**6,103.4**	5,672.5
LIABILITIES			
Current liabilities			
Trade and other payables	13	**408.1**	405.5
Borrowings	20	**57.5**	334.8
Lease liabilities	10	**92.6**	83.4
Current tax payable		**57.0**	27.2
Derivative financial instruments	31	**–**	0.7
Provisions	14	**165.1**	146.5
Total current liabilities		**780.3**	998.1
Non-current liabilities			
Trade and other payables	13	**1.0**	1.6
Borrowings	20	**1,361.3**	821.4
Lease liabilities	10	**825.7**	798.3
Provisions	14	**23.2**	20.8
Total non-current liabilities		**2,211.2**	1,642.1
Total liabilities		**2,991.5**	2,640.2
Net assets		**3,111.9**	3,032.3
EQUITY			
Contributed equity	18	**2,723.9**	2,719.6
Reserves	19	**13.5**	12.6
Retained earnings	19	**378.0**	303.6
Capital and reserves attributable to owners of Qube		**3,115.4**	3,035.8
Non-controlling interests	27	**(3.5)**	(3.5)
Total equity		**3,111.9**	3,032.3

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

As at 30 June 2024

		Attributable to owners of Qube					
	Notes	Contributed equity $m	Reserves $m	Retained earnings $m	Total $m	Non-controlling interests $m	Total equity $m
Balance at 1 July 2022		2,720.6	–	272.5	2,993.1	(2.2)	2,990.9
Profit for the year		–	–	167.9	167.9	(1.3)	166.6
Other comprehensive income		–	6.2	–	6.2	–	6.2
Total comprehensive income for the year		–	6.2	167.9	174.1	(1.3)	172.8
Transactions with owners in their capacity as owners:							
Issue of treasury shares to employees	18(b)	4.0	–	–	4.0	–	4.0
Treasury shares acquired	18(b)	(4.6)	–	–	(4.6)	–	(4.6)
Fair value movement on allocation and vesting of securities	18(b)	(0.4)	–	–	(0.4)	–	(0.4)
Dividends provided for or paid		–	–	(136.8)	(136.8)	–	(136.8)
Employee share scheme	19(a)	–	6.4	–	6.4	–	6.4
		(1.0)	6.4	(136.8)	(131.4)	–	(131.4)
Balance at 30 June 2023		2,719.6	12.6	303.6	3,035.8	(3.5)	3,032.3
Balance at 1 July 2023		**2,719.6**	**12.6**	**303.6**	**3,035.8**	**(3.5)**	**3,032.3**
Profit for the year		**–**	**–**	**221.9**	**221.9**	**–**	**221.9**
Other comprehensive income		**–**	**(1.3)**	**–**	**(1.3)**	**–**	**(1.3)**
Total comprehensive income for the year		**–**	**(1.3)**	**221.9**	**220.6**	**–**	**220.6**
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	18(a)	**4.2**	**–**	**–**	**4.2**	**–**	**4.2**
Issue of treasury shares to employees	18(b)	**7.0**	**–**	**–**	**7.0**	**–**	**7.0**
Treasury shares acquired	18(b)	**(2.4)**	**–**	**–**	**(2.4)**	**–**	**(2.4)**
Treasury shares issued	18(b)	**(4.2)**	**–**	**–**	**(4.2)**	**–**	**(4.2)**
Fair value movement on allocation and vesting of securities	18(b)	**(0.3)**	**–**	**–**	**(0.3)**	**–**	**(0.3)**
Dividends provided for or paid		**–**	**–**	**(147.5)**	**(147.5)**	**–**	**(147.5)**
Employee share scheme	19(a)	**–**	**2.2**	**–**	**2.2**	**–**	**2.2**
		4.3	**2.2**	**(147.5)**	**(141.0)**	**–**	**(141.0)**
Balance at 30 June 2024		**2,723.9**	**13.5**	**378.0**	**3,115.4**	**(3.5)**	**3,111.9**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Notes	2024 $m	2023 $m
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**3,535.6**	3,203.7
Payments to suppliers and employees (inclusive of goods and services tax)		**(3,014.6)**	(2,600.9)
		521.0	602.8
Dividends and distributions received		**86.4**	56.5
Interest received		**19.4**	16.7
Interest paid		**(132.1)**	(88.8)
Income taxes paid		**(52.0)**	(195.2)
Net cash inflow from operating activities	32(a)	**442.7**	392.0
Cash flows from investing activities			
Payments for acquisition of subsidiaries, net of cash acquired		**(71.0)**	(112.9)
Payments for property, plant and equipment		**(533.8)**	(440.4)
Payments for MLP capital expenditure and transaction costs		**(5.3)**	(4.6)
Payments for acquisition of associates		**(1.6)**	(29.7)
Loans to related entities		**–**	(1.9)
Loan repayments from related entities		**45.0**	63.9
Proceeds from sale of MLP Property Assets		**53.0**	263.3
Proceeds from sale of property, plant and equipment		**16.5**	21.2
Net cash outflow from investing activities		**(497.2)**	(241.1)
Cash flows from financing activities			
Payment for treasury shares	18(b)	**(2.4)**	(4.6)
Proceeds from borrowings		**1,458.0**	918.8
Repayment of borrowings		**(1,193.4)**	(825.6)
Principal element of lease payments		**(66.5)**	(65.4)
Dividends paid to Company's shareholders		**(147.5)**	(136.8)
Net cash inflow/(outflow) from financing activities		**48.2**	(113.6)
Net (decrease) / increase in cash and cash equivalents		**(6.3)**	37.3
Cash and cash equivalents at the beginning of the financial year		**191.7**	154.0
Effects of exchange rate changes on cash and cash equivalents		**(0.5)**	0.4
Cash and cash equivalents at end of year		**184.9**	191.7
Non-cash investing and financing activities	32(b)		

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. About this report

Qube Holdings Limited is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements, comprising the Company, Qube Holdings Limited (referred to as the 'Company' or 'parent entity') and its subsidiaries (collectively referred to as the 'Group' or 'Qube') for the year ended 30 June 2024, were authorised for issue in accordance with a resolution of the directors on 22 August 2024. The directors have the power to amend and reissue the financial statements.

The consolidated financial statements are general purpose financial statements which:

- have been prepared in accordance with the requirements of the *Corporations Act 2001*, including complying with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss and investment property;
- are presented in Australian dollars, which is Qube's functional and presentation currency, with all amounts rounded to the nearest hundred thousand dollars, unless otherwise indicated, in accordance with ASIC Corporations Instrument 2016/191;
- adopts all new and amended Accounting Standards and interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or after 1 July 2023. Refer to note 39(d) for further details; and
- equity accounts for associates listed at note 25.

The notes to the consolidated financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

- the amount in question is significant because of its size or nature;
- it is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business; and
- it relates to an aspect of the Group's operations that is important to its future performance.

In preparing these consolidated financial statements the notes have been grouped under the following sections and where relevant, include the accounting policies applied in producing these notes together with any critical judgements and estimates used:

- **Financial results for the year:** segment information, revenue & other income, expenses and earnings per share;
- **Operating assets and liabilities:** key balance sheet items;
- **Income taxes:** income tax expense and deferred tax balances;
- **Capital and borrowings:** shareholder returns, equity and reserves and debt funding of the Group;
- **Risk management:** the Group's exposure to various financial risks, their effect on the Group and how they are managed;
- **Group structure:** business combinations, equity accounted investments and details of subsidiaries;
- **Unrecognised items:** items that are not recognised in the financial statements, but could potentially have a significant impact on the Group's financial position and performance; and
- **Other notes:** items requiring disclosure to comply with Australian Accounting Standards and other regulatory pronouncements, but are not considered critical in understanding the financial performance or position of the Group.

Discontinued operations

In accordance with AASB 5 the current and prior year earnings related figures (other than the segment note) have been adjusted to remove the impact of discontinued operations as outlined in note 24.

Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates and also requires management to exercise its judgement in the process of applying the Group's accounting policies. These judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements include:

- estimation uncertainties and judgements made in relation to lease accounting (note 10);
- fair value of investment properties (note 11);
- impairment of goodwill (note 12);
- deferred tax assets (note 16); and
- estimated fair value less costs to sell for Moorebank Logistics Park (note 22).

These are disclosed separately in the relevant notes.

Financial Results for the Year

This section provides information on the financial results of the Group, including the performance at a segmental level, disclosures relevant to income and expenditure and earnings per share, along with the relevant accounting policies applied.

2. Segment information

Qube's Board assesses the performance of the operating segments on a measure of underlying revenue, EBITDA and EBITA, NPAT and NPATA which excludes certain non-cash and non-recurring items from the statutory results to reflect core earnings. This reflects the way the operating businesses are managed and assessed from a profit and loss perspective by the chief operating decision maker.

(a) Description of segments

Operating Division

The Operating Division comprises two core business units, being Logistics & Infrastructure and Ports & Bulk, with these units supported by a Divisional Corporate function.

Logistics & Infrastructure provides a broad range of services relating to the import and export of mainly containerised cargo, grain trading as well as outsourced industrial logistics services across heavy transport, mobile crane and renewable energy industries. The services currently provided include the physical and documentary processes and tasks of the import/export supply chain such as road and rail transport of containers to and from ports, operation of container parks, customs and quarantine services, warehousing, intermodal terminals, international freight forwarding, provision of lifting services or equipment and bulk rail and containerised haulage storage and handling for rural commodities. The business operates nationally with strategic locations near the ports in key capital cities. It also includes AAT, a multi-user facility provider to the Australian stevedoring industry, operating terminals with facilities for importing and exporting motor vehicles, machinery, projects and general cargo. The Moorebank Logistics Park (MLP) IMEX Terminal development and future operations are also part of Logistics & Infrastructure.

Ports & Bulk has two core activities comprising port logistics and bulk logistics. It provides a range of logistics services relating to the import and export of mainly non-containerised freight, with a major focus on automotive, forestry, bulk and break bulk products.

Qube's port logistics activities are focused on the provision of an integrated logistics solution for the automotive industry, covering a range of activities including stevedoring, processing and delivery. Qube also provides stevedoring and related logistics services for the energy industry, forestry products, project and general cargo.

Qube's bulk logistics activities are aimed at offering customers a comprehensive logistics solution from mine-to-ship covering activities including transport, stockpile management, storage facilities and stevedoring. Qube handles a diverse range of commodities including iron ore, copper, nickel concentrate, mineral sands, coal, lithium, salt and manganese.

Property Division

This Division was discontinued effective from 15th December 2021.

Patrick

Qube owns a 50% interest in Patrick with the other 50% owned by Brookfield and its managed funds. Patrick is an established national operator providing container stevedoring services in the Australian market with operations in the four largest container terminal ports in Australia. Given the material nature of this investment to Qube, this joint venture is being reported as a separate segment.

Corporate and Other

Corporate and Other is the only non-operating segment reporting to the Board. The primary focus of the corporate head office is to provide strategic, commercial and treasury support to the divisions as well as to develop and manage new growth opportunities that do not fall within one of the existing divisions. It also includes managing a broad range of reporting, safety, health and environment, corporate governance and other functions of the Group.

2. Segment information (continued)

(b) Segment information provided to the Board

2024	Operating Division $m	Discontinued operation $m	Corporate & Other $m	Patrick [1] $m	Total $m
Revenue and Other income	**3,356.7**	**–**	**0.5**	**–**	**3,357.2**
Intercompany trading	153.6	–	–	–	153.6
Fair value gains on investment property	(7.0)	–	–	–	(7.0)
AASB 16 leasing adjustments	1.2	–	–	–	1.2
Other	(1.4)	–	–	–	(1.4)
Underlying revenue	**3,503.1**	**–**	**0.5**	**–**	**3,503.6**
A reconciliation of net profit/(loss) before income tax to underlying net profit after tax attributable to members is as follows:					
Net profit/(loss) before income tax	**341.8**	**(5.1)**	**(106.5)**	**62.4**	**292.6**
Share of (profit)/loss of equity accounted investments	(12.2)	–	–	(55.3)	(67.5)
Net finance (income)/cost	45.9	(0.1)	66.8	(7.1)	105.5
Depreciation and amortisation	305.6	–	1.8	–	307.4
EBITDA	**681.1**	**(5.2)**	**(37.9)**	**–**	**638.0**
Fair value gains on investment property	(7.0)	–	–	–	(7.0)
AASB 16 leasing adjustments	(108.1)	–	(1.9)	–	(110.0)
Discontinued operations	–	5.2	–	–	5.2
Other	6.5	–	1.4	–	7.9
Underlying EBITDA	**572.5**	**–**	**(38.4)**	**–**	**534.1**
Underlying depreciation	(215.3)	–	(0.4)	–	(215.7)
Underlying EBITA	**357.2**	**–**	**(38.8)**	**–**	**318.4**
Underlying amortisation	(6.7)	–	–	–	(6.7)
Underlying EBIT	**350.5**	**–**	**(38.8)**	**–**	**311.7**
Underlying net finance income/(cost)	(3.2)	–	(63.1)	7.1	(59.2)
Underlying share of profit/(loss) of equity accounted investments	12.4	–	–	68.8	81.2
Underlying net profit/(loss) before income tax	**359.7**	**–**	**(101.9)**	**75.9**	**333.7**
Underlying income tax benefit/(expense)	(104.2)	–	30.6	(2.1)	(75.7)
Underlying net profit/(loss) after tax	**255.5**	**–**	**(71.3)**	**73.8**	**258.0**
Underlying non-controlling interests	–	–	–	–	–
Underlying net profit/(loss) after tax attributable to members	**255.5**	**–**	**(71.3)**	**73.8**	**258.0**
Underlying net profit/(loss) after tax before amortisation attributable to members[2]	**260.2**	**–**	**(71.3)**	**82.3**	**271.2**
Underlying diluted earnings per share (cents per share)					**14.6**
Underlying diluted earnings per share pre-amortisation (cents per share)					**15.3**

1. A reconciliation of the Patrick underlying contribution to the Qube results can be found in note 25.
2. Underlying net profit/(loss) after tax pre-amortisation, includes an adjustment for Qube's proportionate share of Patrick amortisation net of tax.

2. Segment information (continued)

(b) Segment information provided to the Board (continued)

2023	Operating Division $m	Discontinued operation $m	Corporate & Other $m	Patrick[1] $m	Total $m
Revenue and Other income	**2,879.5**	**0.1**	**0.2**	**–**	**2,879.8**
Intercompany trading	112.0	–	–	–	112.0
Fair value gains on investment property	(1.5)	–	–	–	(1.5)
Discontinued operations	–	(0.1)	–	–	(0.1)
AASB 16 leasing adjustments	(0.3)	–	–	–	(0.3)
Underlying revenue	**2,989.7**	**–**	**0.2**	**–**	**2,989.9**
A reconciliation of net profit/(loss) before income tax to underlying net profit after tax attributable to members is as follows:					
Net profit/(loss) before income tax	**287.9**	**(7.4)**	**(88.2)**	**42.4**	**234.7**
Share of (profit)/loss of equity accounted investments	(7.0)	–	–	(28.0)	(35.0)
Net finance (income)/cost	39.9	(0.1)	42.0	(14.4)	67.4
Depreciation and amortisation	274.9	–	1.7	–	276.6
EBITDA	**595.7**	**(7.5)**	**(44.5)**	**–**	**543.7**
Fair value gains on investment property	(1.5)	–	–	–	(1.5)
AASB 16 leasing adjustments	(101.7)	–	(1.9)	–	(103.6)
Discontinued operations	–	7.5	–	–	7.5
Other	10.7	–	8.0	–	18.7
Underlying EBITDA	**503.2**	**–**	**(38.4)**	**–**	**464.8**
Underlying depreciation	(184.2)	–	(0.3)	–	(184.5)
Underlying EBITA	**319.0**	**–**	**(38.7)**	**–**	**280.3**
Underlying amortisation	(8.0)	–	–	–	(8.0)
Underlying EBIT	**311.0**	**–**	**(38.7)**	**–**	**272.3**
Underlying net finance income/(cost)	(0.8)	–	(40.3)	14.4	(26.7)
Underlying share of profit/(loss) of equity accounted investments	7.8	–	–	43.8	51.6
Underlying net profit/(loss) before income tax	**318.0**	**–**	**(79.0)**	**58.2**	**297.2**
Underlying income tax benefit/(expense)	(93.1)	–	23.7	(4.3)	(73.7)
Underlying net profit/(loss) after tax	**224.9**	**–**	**(55.3)**	**53.9**	**223.5**
Underlying non-controlling interests	1.3	–	–	–	1.3
Underlying net profit/(loss) after tax attributable to members	**226.2**	**–**	**(55.3)**	**53.9**	**224.8**
Underlying net profit/(loss) after tax before amortisation attributable to members[2]	**231.8**	**–**	**(55.3)**	**63.1**	**239.6**
Underlying diluted earnings per share (cents per share)					**12.7**
Underlying diluted earnings per share pre-amortisation (cents per share)					**13.6**

1. A reconciliation of the Patrick underlying contribution to the Qube results can be found in note 25.
2. Underlying net profit/(loss) after tax pre-amortisation, includes an adjustment for Qube's proportionate share of Patrick amortisation net of tax.

2. Segment information (continued)

(b) Segment information provided to the Board (continued)

	Operating Division $m	Discontinued operation $m	Corporate & Other $m	Patrick $m	Total $m
2024					
Total segment assets	**5,483.5**	**–**	**37.5**	**582.4**	**6,103.4**
Total assets include:					
Investments in associates and joint ventures	**155.4**	**–**	**–**	**526.5**	**681.9**
Loans to equity accounted investments	**26.8**	**–**	**–**	**55.9**	**82.7**
Additions to non-current assets (other than financial assets and deferred tax)	**610.3**	**–**	**5.9**	**–**	**616.2**
Total segment liabilities	**1,749.8**	**–**	**1,241.7**	**–**	**2,991.5**
2023					
Total segment assets	**4,928.7**	**–**	**87.4**	**656.4**	**5,672.5**
Total assets include:					
Investments in associates and joint ventures	72.9	–	–	555.5	628.4
Loans to equity accounted investments	21.3	–	–	100.9	122.2
Additions to non-current assets (other than financial assets and deferred tax)	642.8	–	0.3	–	643.1
Total segment liabilities	**1,553.2**	**–**	**1,087.0**	**–**	**2,640.2**

Underlying Information is determined as follows:

Underlying revenues and expenses are statutory revenues and expenses adjusted to exclude certain non-cash and non-recurring items in order to more accurately reflect the underlying performance of Qube. Income tax expense is based on a prima-facie 30% tax charge on profit before tax and associates and applying a 30% tax rate to the net profit before tax (NPBT) for each of Qube's associates.

EBITDA is net profit before tax adjusted to remove share of profit of associates, net finance costs, depreciation and amortisation.

EBITA is **EBITDA** adjusted to remove depreciation.

EBIT is **EBITA** adjusted to remove amortisation.

NPAT is net profit after tax attributable to Qube's shareholders.

NPATA is **NPAT** pre-amortisation net of tax, including Qube's proportionate share of Patrick amortisation net of tax.

(c) Other segment information

Qube operates principally in Australia and has no single external customer for which revenues amount to 10% or more of total revenue.

(i) Segment assets

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. These assets are allocated based on the operations of the segment.

(ii) Segment liabilities

The amounts provided to the Board with respect to total liabilities are measured in a manner consistent with that of the consolidated financial statements. These liabilities are allocated based on the operations of the segment.

The Group's borrowings (excluding leases and debt facilities for Qube Ports NZ Ltd) are not considered to be segment liabilities, but rather managed centrally by the treasury function.

ACCOUNTING POLICY

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Board of Directors.

3. Revenue and Other income

	2024 $m	2023 $m
Revenue		
Logistics & Infrastructure revenue	**1,306.0**	1,172.2
Ports & Bulk revenue	**1,910.3**	1,617.2
Rental and property related revenue	**27.1**	23.1
Management fees	**0.1**	0.1
Other revenue	**87.9**	50.0
Total revenue	**3,331.4**	2,862.6
Other income		
Fair value gains on investment property	**7.0**	1.5
Net gain on disposal of property, plant & equipment	**2.9**	9.5
Other	**15.9**	6.1
Total other income	**25.8**	17.1

ACCOUNTING POLICY

Recognition and measurement

Logistics & Infrastructure revenue

Logistics & Infrastructure provides a broad range of services mainly relating to the import and export of containerised cargo. The services provided include the physical and documentary processes and tasks of the import/export supply chain such as road and rail transport of freight to and from ports, operation of container parks, customs and quarantine services, warehousing, intermodal terminals, international freight forwarding, and bulk and containerised rail haulage for rural and other commodities.

Client contracts outline the services to be provided and the rate. The rate for storage and warehousing is time based (i.e. daily storage) and service rates are based on the service obligations to be provided (task). Revenue is recognised over time in relation to services rendered, storage and warehousing. Work in progress (accrued revenue) is recognised for any unbilled stages of the tasks.

Revenue from sale of commodities is generated from the trading of bulk commodities overseas and domestically and is recognised at a point in time, on the passing of control of goods to the customer in accordance with shipping terms.

Ports & Bulk revenue

Ports & Bulk has two core activities comprising port logistics and bulk logistics. It provides a range of logistics services mainly relating to the import and export of non-containerised freight, with a major focus on automotive, forestry, mineral resources, energy, project cargo, bulk and break bulk products. The services provided include stevedoring, storage, vehicle handling and road transport, the provision of lifting services or equipment and bulk and containerised rail haulage for resource commodities.

Client contracts outline the service to be provided and the rate. The rate for services is based on the service obligations to be provided (task). Revenue is recognised over time in relation to services rendered. Work in progress (accrued revenue) is recognised for any unbilled stages of the tasks.

Rental and property related revenue

Rent from investment property and lease revenue from operating leases are recognised in the statement of comprehensive income on a straight-line basis over the lease term. Rent not received at balance sheet date is reflected in the balance sheet as a receivable, or if paid in advance, as rents in advance. Lease incentives granted are recognised over the lease term on a straight-line basis as a reduction of rent.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Group does not adjust any of the transaction prices for the time value of money.

Discontinued operations

In accordance with accounting standards, the above figures have been adjusted to remove the impact of discontinued operations as outlined in note 24.

4. Expenses

	2024 $m	2023 $m
Profit before income tax includes the following specific expenses:		
Depreciation		
Land and buildings	**7.6**	6.2
Plant and equipment	**189.5**	162.0
Leasehold improvements	**17.9**	15.9
Right-of-use assets	**85.6**	85.8
Total depreciation (refer note 9 & 10)	**300.6**	269.9
Amortisation		
Customer contracts	**3.1**	3.0
Port concessions	**3.7**	3.7
Total amortisation (refer note 12)	**6.8**	6.7
Total depreciation and amortisation expense	**307.4**	276.6
Finance costs		
Interest and finance costs paid/payable	**83.3**	57.7
Lease borrowing costs (refer note 10)	**43.0**	39.4
Total interest and finance charges expense	**126.3**	97.1
Interest capitalised	**(10.0)**	(11.6)
Fair value loss – derivative instruments	**3.5**	1.3
Total finance costs	**119.8**	86.8
Rental expense relating to operating leases		
Property	**32.0**	21.5
Plant, equipment and motor vehicles	**28.3**	35.2
Total rental expense relating to operating leases (refer note 10)	**60.3**	56.7
Employee benefits expense		
Defined contribution superannuation expenses	**81.9**	64.5
Share-based payment expenses (refer note 36(c))	**5.1**	6.6
Other employee benefits expense	**1,065.2**	919.4
Total employee benefits expense	**1,152.2**	990.5

4. Expenses (continued)

ACCOUNTING POLICY

Borrowing costs

Borrowing costs are expensed in the period in which they are incurred less amounts which have been capitalised in the cost of qualifying assets.

Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation

Superannuation is paid to employees based on statutory rates or employment contracts where applicable. Staff who are members of a defined contribution fund receive fixed contributions from the Group and the Group's legal or constructive obligation is limited to these contributions.

(iv) Bonus plans

The Group recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created or likely to create a constructive obligation.

(v) Employee benefit on-costs

Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities. On-costs include payroll tax, worker's compensation and superannuation where payment is expected.

(vi) Share-based payments

Share-based compensation benefits are provided to certain senior management via the Group's executive long-term incentive plans (LTIs) and, if the eligible employee elects to do so, via the Group's short-term incentive plan (STI). The LTIs include both performance and service based hurdles. The fair value of the benefits under these schemes is expensed to the profit and loss over the period over which the employee incentive vests, with a corresponding increase in other equity reserves.

The STI plan includes both performance and service based hurdles and is expensed through the profit or loss over the relevant vesting period.

5. Earnings per share

	2024 Cents	2023 Cents
(a) Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	**12.9**	10.0
From discontinued operations	**(0.3)**	(0.5)
Total basic earnings per share attributable to the ordinary equity holders of the Company	**12.6**	9.5
(b) Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	**12.8**	10.0
From discontinued operations	**(0.3)**	(0.5)
Total diluted earnings per share attributable to the ordinary equity holders of the Company	**12.5**	9.5

	2024 $m	2023 $m
(c) Earnings used in calculating earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share		
From continuing operations	**227.0**	175.9
From discontinued operations	**(5.1)**	(8.0)
	221.9	167.9

	2024 Number	2023 Number
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating:		
Basic earnings per share	**1,766,424,164**	1,765,512,463
Diluted earnings per share	**1,768,776,448**	1,767,301,070

ACCOUNTING POLICY

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year adjusted (where applicable) for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Operating Assets and Liabilities

This section provides information about key balance sheet items, including the accounting policies applied and the critical judgements and estimates used, which are relevant to understanding these items.

6. Trade and other receivables

	2024 $m	2023 $m
Current		
Trade receivables	**519.5**	421.4
Loss allowance (a)	**(11.4)**	(10.8)
	508.1	410.6
Prepayments	**40.0**	40.4
Accrued revenue	**102.0**	93.2
Lease receivable	**0.7**	0.6
Interest receivable	**3.5**	8.7
Deferred consideration on sale of MLP Property Assets	**–**	53.0
Other	**36.6**	16.3
	690.9	622.8

(a) Impaired trade receivables

As at 30 June 2024 the loss allowance was $11.4 million (2023: $10.8 million).

	2024 $m	2023 $m
The ageing of these receivables is as follows:		
Up to 3 months	**(4.1)**	(3.7)
3 months and greater	**(7.3)**	(7.1)
	(11.4)	(10.8)
Movements in the loss allowance for impairment of receivables is as follows:		
Carrying amount at start of year	**(10.8)**	(11.8)
Provision for impairment recognised during the year	**(1.2)**	(0.1)
Receivables written off during the year as uncollectible	**0.6**	1.1
Carrying amount at end of year	**(11.4)**	(10.8)

6. Trade and other receivables (continued)

(b) Credit risk

	2024 $m	2023 $m
Up to 3 months		
Trade receivables	**489.7**	389.1
Loss allowance	**(4.1)**	(3.7)
	485.6	385.4
3 months and greater		
Trade receivables	**29.8**	32.3
Loss allowance	**(7.3)**	(7.1)
	22.5	25.2
Total	**508.1**	410.6

The other classes within trade and other receivables do not contain impaired assets and are not past due. The Group does not hold any collateral in relation to these receivables.

(c) Fair value

For current trade receivables, due to the short-term nature, their carrying amount is assumed to approximate their fair value.

(d) Deferred consideration on sale of MLP Property Assets

Qube received the $53.0 million of outstanding deferred consideration during the year ended 30 June 2024.

ACCOUNTING POLICY

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method (where discounting is material) less loss allowance.

Receivables may include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at the reporting date from the time of last payment. Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are generally due for settlement within 30 days and therefore are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Accrued revenue are contract assets and relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (ECLs). The expected credit losses on trade receivables are estimated using past default experience of the debtor and analysis of the debtor's current financial position. The ECLs are adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The amount of any impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

7. Inventories

	2024 $m	2023 $m
Fuel and consumables	**13.7**	10.9
Containers	**17.1**	14.8
Grain	**69.4**	–
	100.2	25.7

ACCOUNTING POLICY

Inventories are valued at the lower of cost and net realisable value and, where appropriate, a provision is made for possible obsolescence.

Cost is determined on a purchase price basis and, where relevant, includes modification and repairs subsequent to purchase. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs to make the sale.

8. Loans and Receivables

	2024 $m	2023 $m
Loans and Receivables	**55.9**	100.9

The Group has provided a related party loan to Patrick as part of the acquisition of its 50% interest in August 2016, the balance of which is $55.9 million at 30 June 2024 (2023: $100.9 million). The loan is for a fixed term of 10 years, subordinated to all creditors, with an effective interest rate of 7.3%.

(a) Fair value

The credit quality of all loans and receivables, including those neither past due nor impaired, is assessed and monitored on an ongoing basis. To determine the necessity of whether a loss allowance is required for any given financial year, the Group considers how economic and market conditions will affect the creditworthiness of certain entities. The Group does not believe impairment is required at 30 June 2024 based on the current forecasts provided by Patrick. On this basis the fair value of loans and receivables approximates their carrying values.

ACCOUNTING POLICY

At initial recognition, the Group measures loans and receivables at fair value plus transaction costs that are directly attributable to the acquisition of the loan and receivables.

Loans and receivables are held for collection of contractual cash flows. The cash flows solely represent payments of principal and interest and therefore the loans and receivables are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as a separate line item in the statement of profit or loss.

The Group assesses on a forward looking basis the expected credit losses associated with its loans and receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

9. Property, plant and equipment

	Land & buildings $m	Plant & equipment $m	Leasehold improvements $m	Total $m
Year ended 30 June 2023				
Opening net book amount	276.4	1,361.0	259.7	1,897.1
Acquisition of businesses	9.0	76.5	0.1	85.6
Additions	11.6	417.4	11.8	440.8
Reclassifications	5.3	(8.8)	3.5	–
Reclassification from inventory	–	11.4	–	11.4
Disposals	–	(11.6)	(0.1)	(11.7)
Exchange rate differences	–	3.4	(0.1)	3.3
Depreciation charge	(6.2)	(162.0)	(15.9)	(184.1)
Closing net book amount	296.1	1,687.3	259.0	2,242.4
At 30 June 2023				
Cost	354.6	3,009.4	471.4	3,835.4
Accumulated depreciation and impairment	(58.5)	(1,322.1)	(212.4)	(1,593.0)
Net book amount	296.1	1,687.3	259.0	2,242.4
Year ended 30 June 2024				
Opening net book amount	**296.1**	**1,687.3**	**259.0**	**2,242.4**
Transfer to associates	**–**	**(173.0)**	**–**	**(173.0)**
Acquisition of businesses	**8.0**	**14.6**	**8.4**	**31.0**
Additions	**42.9**	**529.1**	**5.6**	**577.6**
Reclassification to inventory	**–**	**(5.5)**	**–**	**(5.5)**
Disposals	**–**	**(13.4)**	**(0.2)**	**(13.6)**
Exchange rate differences	**(0.4)**	**(2.8)**	**(0.3)**	**(3.5)**
Depreciation charge	**(7.6)**	**(189.5)**	**(17.9)**	**(215.0)**
Closing net book amount	**339.0**	**1,846.8**	**254.6**	**2,440.4**
At 30 June 2024				
Cost	**407.7**	**3,288.9**	**484.2**	**4,180.8**
Accumulated depreciation and impairment	**(68.7)**	**(1,442.1)**	**(229.6)**	**(1,740.4)**
Net book amount	**339.0**	**1,846.8**	**254.6**	**2,440.4**

No impairment indicators are present relating to the carrying value of plant and equipment.

ACCOUNTING POLICY

Property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Land is not depreciated. Leasehold improvements are depreciated over the shorter of the useful life of the asset and the lease term.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or as follows:

– Buildings	2.5% to 10.0%
– Leasehold improvements	2.5% to 10.0%
– Furniture, fittings and equipment	10.0% to 20.0%
– Plant and equipment	4.0% to 33.3%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

9. Property, plant and equipment (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

10. Leases

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see note 11.

The Group leases various offices, warehouses, land, equipment and vehicles. Qube has a multitude of rental contracts of varying lengths going out as far as 99 years, however the majority are for fixed periods of 3 to 8 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes in relation to the Group's current facilities.

(a) The balance sheet shows the following amounts relating to leases:

Right-of-use assets

	2024 $m	2023 $m
Land & buildings	**753.1**	724.8
Vehicles	**15.7**	20.3
Equipment	**4.4**	8.9
	773.2	754.0

Additions and additions through acquisition to the right-of-use assets during the 2024 financial year were $111.4 million (2023: $35.6 million).

Lease liabilities

	2024 $m	2023 $m
Current	**92.6**	83.4
Non-current	**825.7**	798.3
	918.3	881.7

(b) The income statement shows the following amounts relating to leases (refer note 4):

	2024 $m	2023 $m
Depreciation charge of right-of-use assets		
Land & buildings	**72.5**	67.3
Vehicles	**8.4**	9.6
Equipment	**4.7**	8.9
	85.6	85.8
Lease borrowing costs	**43.0**	39.4
Expense relating to short-term leases and leases of low value assets	**60.3**	56.7

The total cash outflow for leases during the 2024 financial year was $109.5 million (2023: $104.8 million).

10. Leases (continued)

ACCOUNTING POLICY

The Group recognises all leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between the principal and finance cost. The finance cost is charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Determining the lease term of contracts with renewal options

The Group has a number of lease contracts (primarily property leases) with extension options and applies judgement in evaluating all relevant factors to determine whether these extension options are reasonably certain to be exercised.

The Group typically exercises its option to extend these leases because there will be a significant negative effect on operations if a replacement property is not readily available and the leased property is no longer available to the Group.

11. Investment property

	2024 $m	2023 $m
Opening balance at 1 July	**55.0**	53.5
Net gain from fair value adjustments	**7.0**	1.5
Closing balance at 30 June	**62.0**	55.0

(a) Measuring investment property at fair value

Investment property comprises land and property at Russell Park currently held for rental yield. This property is not occupied by the Group and is carried at fair value.

(b) Amounts recognised in profit or loss for investment property

	2024 $m	2023 $m
Rental income	**6.5**	6.2
Direct operating expenses from property that generated rental revenue	**(1.5)**	(1.5)

(c) Leasing arrangements

Investment property is leased to tenants under operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment property are as follows:

	2024 $m	2023 $m
Minimum lease receivables not recognised in the financial statements under non-cancellable operating leases of investment property are receivable as follows:		
Within one year	**5.1**	4.5
Later than one year but not later than 5 years	**5.1**	6.7
	10.2	11.2

ACCOUNTING POLICY

Investment properties principally comprise land and buildings that are presently leased and are not occupied by the Group. Investment properties which are presently leased are carried at fair value, based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. Changes in fair values are recorded in the profit or loss as part of other income.

A fair value loss is recognised for any initial or subsequent write-down of the asset to fair value. A gain is recognised for any subsequent increases in fair value.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimated fair values of investment properties

The Group obtains independent valuations at least annually or as otherwise required. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuation. The key assumptions used in this determination are set out in note 22.

12. Intangible assets

	Goodwill $m	Port Concessions $m	Customer contracts $m	Total $m
Year ended 30 June 2023				
Opening net book amount	802.0	92.7	3.8	898.5
Acquisition of business	9.9	–	–	9.9
Exchange differences	0.8	–	0.1	0.9
Amortisation charge	–	(3.7)	(3.0)	(6.7)
Closing net book amount	812.7	89.0	0.9	902.6
At 30 June 2023				
Cost	812.7	113.5	81.4	1,007.6
Accumulated amortisation	–	(24.5)	(80.5)	(105.0)
Net book amount	812.7	89.0	0.9	902.6
Year ended 30 June 2024				
Opening net book amount	**812.7**	**89.0**	**0.9**	**902.6**
Acquisition of businesses	**50.9**	**–**	**18.3**	**69.2**
Exchange differences	**(0.3)**	**–**	**–**	**(0.3)**
Amortisation charge	**–**	**(3.7)**	**(3.1)**	**(6.8)**
Closing net book amount	**863.3**	**85.3**	**16.1**	**964.7**
At 30 June 2024				
Cost	**863.3**	**113.5**	**99.6**	**1,076.4**
Accumulated amortisation	**–**	**(28.2)**	**(83.5)**	**(111.7)**
Net book amount	**863.3**	**85.3**	**16.1**	**964.7**

(a) Allocation of goodwill to cash generating units

Goodwill is allocated to the Group's cash generating units (CGUs) identified according to operating segments as presented below. The carrying amount of goodwill allocated to each CGU was recoverable at year end.

	2024 $m	2023 $m
Operating Division	**817.0**	766.4
AAT	**46.3**	46.3
	863.3	812.7

(b) Impairment tests for goodwill

The recoverable amount of a CGU is determined based on cash flow projections based on financial budgets and forecasts prepared by management typically covering a five-year period. Cash flows beyond a five-year period are extrapolated using the estimated growth rates. The growth rate does not exceed the long-term average growth rate for the business for which the CGU operates. Long-term growth rates and discount rates have been noted in critical accounting judgements and estimates.

12. Intangible assets (continued)

ACCOUNTING POLICY

(i) Goodwill

Goodwill on acquisitions of businesses is included in intangible assets and is measured as described in note 23. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or group of CGUs that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments (note 2).

(ii) Customer contracts

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful life which is between 4 to 11 years.

(iii) Port Concessions

Tenancy agreements (Port Concessions) with port authorities acquired as part of a business combination are recognised separately from goodwill. The Port Concessions are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the length of the tenancy agreement (including options) which is between 24 to 30 years.

Impairment

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimated impairment of goodwill

The CGU cash flow projections used for impairment testing assume no material adverse change to economic conditions for the 2025 to 2029 period. No significant changes to the methodology of the underlying models and assumptions have been made.

Terminal values after year five have been determined using a stable growth model, having regard to post-tax discount rates and long-term growth rates. Management determined budgeted and forecast EBITDA margins based on past performance and its expectations for the future.

	Long-term growth rate		Discount rate	
CGU	2024 %	2023 %	2024 %	2023 %
Operating Division (Logistics and Ports & Bulk)	**2.5**	2.5	**8.3**	8.0
AAT	**2.5**	2.5	**9.8**	9.8

Impact of possible changes in critical assumptions

The base case long-term growth and discount rates used in the impairment testing of goodwill for each CGU where goodwill has been identified have been disclosed above. If the discount rate increased by 0.5%, or the long-term growth rate decreased by 0.5% in each year of the valuation and all other assumptions used in the valuation assessment remained unchanged, it would not result in an impairment of goodwill for any of the cash generating units.

13. Trade and other payables

	2024 $m	2023 $m
Current		
Trade payables and accruals	**396.0**	389.7
GST payable	**6.2**	8.9
Government grant	**5.9**	5.9
Deferred consideration	**–**	1.0
	408.1	405.5
Non-current		
Trade payables and accruals	**1.0**	0.6
Deferred consideration	**–**	1.0
	1.0	1.6

ACCOUNTING POLICY

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are recognised as current liabilities unless payment is not due within 12 months from the reporting date. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method where the impact is material.

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. They are then recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

14. Provisions

	2024			2023		
	Current $m	Non-current $m	Total $m	Current $m	Non-current $m	Total $m
Employee benefits	**165.1**	**23.2**	**188.3**	146.5	20.8	167.3
	165.1	**23.2**	**188.3**	146.5	20.8	167.3

(a) Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes accrued annual leave, vesting sick leave and long service leave. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The amount of the provision where the Group does not have an unconditional right to defer settlement for any of these obligations is presented as current.

However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months:

	2024 $m	2023 $m
Leave obligations expected to be settled after 12 months	**23.2**	20.8

ACCOUNTING POLICY

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of each reporting period.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in a provision due to the passage of time is recognised as interest expense.

Provisions are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Income taxes

This section provides information on the income tax charge for the year along with the reconciliation of the effective tax rate to the standard corporate tax rate, details of the deferred tax balances and movements in these balances during the year, including the relevant accounting policies applied and critical judgements and estimates used.

15. Income tax expense

	2024 $m	2023 $m
(a) Income tax expense		
Current tax	**95.2**	61.2
Deferred tax	**(27.2)**	8.0
Adjustments for deferred tax of prior periods	**17.0**	(0.2)
Adjustments for current tax of prior periods	**(14.3)**	(0.9)
	70.7	68.1
Income tax expense is attributable to:		
Profit from continuing operations	**70.7**	67.5
Loss from discontinued operations	**–**	0.6
	70.7	68.1
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax expense	**297.7**	242.1
Loss from discontinued operation before income tax expense	**(5.1)**	(7.4)
	292.6	234.7
Tax at the Australian tax rate of 30% (2023: 30%)	**87.8**	70.4
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-assessable equity accounted profit	**(20.0)**	(10.5)
Deferred tax not recognised on impairment of an associate	**–**	0.3
Difference in overseas tax rate	**0.6**	(0.5)
Non-deductible costs	**2.0**	8.5
Prior year adjustments	**2.1**	(0.5)
Sundry items	**(1.8)**	0.4
Income tax expense	**70.7**	68.1
(c) Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income, but directly debited or credited to equity:		
Net deferred tax – directly to equity	**(2.1)**	(1.3)
(d) Effective tax rates		
Australian accounting consolidated group effective tax rate	**24.2%**	29.0%

The above effective tax rate has been calculated as income tax expense divided by accounting profit for the Australian accounting consolidated group.

16. Deferred tax

	2024 $m	2023 $m
Total deferred tax assets/(liabilities) attributable to temporary differences		
Deferred tax asset	**422.6**	359.8
Deferred tax liability	**(372.8)**	(314.1)
Disclosed in the statements as deferred tax assets	**49.8**	45.7

At the reporting date, the Group has used the $2.7 million capital tax losses available to offset against the current year profits.

Reconciliation of deferred tax balances

The following are the major deferred tax assets/(liabilities) recognised by the Group and movement thereon during the current year and the year ended 30 June 2023.

Movement in deferred tax assets/(liabilities):	Opening balance at 1 July 2023 $m	(Charged)/ credited to profit or loss $m	Acquisition of subsidiary $m	(Charged)/ credited to equity $m	Closing balance at 30 June 2024 $m
Plant and equipment	(37.4)	13.2	(1.7)	–	(25.9)
Employee benefits	53.5	6.6	–	–	60.1
Lease liabilities	264.2	0.5	–	–	264.7
Right-of-use assets	(225.2)	4.6	–	–	(220.6)
Intangible assets	(22.9)	2.5	(5.5)	–	(25.9)
Investment property	(4.6)	0.3	–	–	(4.3)
Other provisions	(24.0)	(0.4)	–	–	(24.4)
Other	42.1	(17.1)	3.2	(2.1)	26.1
Total	**45.7**	**10.2**	**(4.0)**	**(2.1)**	**49.8**

Movement in deferred tax assets/(liabilities):	Opening balance at 1 July 2022 $m	(Charged)/ credited to profit or loss $m	(Charged)/ credited to OCI $m	(Charged)/ credited to equity $m	Closing balance at 30 June 2023 $m
Plant and equipment	(14.6)	(22.8)	–	–	(37.4)
Employee benefits	48.2	5.3	–	–	53.5
Lease liabilities	267.9	2.7	(6.4)	–	264.2
Right-of-use assets	(234.8)	3.6	6.0	–	(225.2)
Intangible assets	(26.1)	3.2	–	–	(22.9)
Investment property	(4.1)	(0.5)	–	–	(4.6)
Other provisions	(23.5)	1.5	(2.0)	–	(24.0)
Other	41.5	(0.8)	0.1	1.3	42.1
Total	**54.5**	**(7.8)**	**(2.3)**	**1.3**	**45.7**

Income tax expense represents the sum of the tax currently payable and deferred tax.

16. Deferred tax (continued)

ACCOUNTING POLICY

The income tax expense or benefit for the consolidated entity for the year is the tax payable on the current year's taxable income based on the notional tax rate for each jurisdiction. This can also be adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and carrying amounts in the financial statements, and by unused tax losses.

Deferred income tax is determined using the liability method, being the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. However, deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liabilities in relation to investment properties that are measured at fair value are determined assuming the property will be recovered entirely through sale.

The consolidated entity may incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Qube Holdings Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Investment allowances and similar tax incentives

Companies within the Group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The deferred tax assets include an amount in relation to unused capital losses to the extent that the Group has concluded that it is probable that there will be future capital gains available against which the unused capital losses can be utilised. Subject to meeting continuity of business or ownership tests, the capital losses can be carried forward indefinitely and have no expiry date.

Capital and Borrowings

This section provides information on shareholder returns, equity and reserves, and debt funding including all relevant accounting policies applied.

17. Dividends

	2024 $m	2023 $m
(a) Ordinary shares		
Final dividend for the year ended 30 June 2023 of 4.35 cents per fully paid share paid on 17 October 2023 (2022: 3.3 cents per fully paid share paid on 18 October 2022)		
Fully franked based on tax paid at 30%	**76.9**	58.3
Special dividend for the year ended 30 June 2023 of nil cents per fully paid share (2022: 0.7 cents per fully paid share paid on 18 October 2022)		
Fully franked based on tax paid at 30%	**–**	12.3
Interim dividend for the year ended 30 June 2024 of 4.0 cents per fully paid share paid on 11 April 2024 (2023: 3.75 cents per fully paid share paid on 13 April 2023)		
Fully franked based on tax paid at 30%	**70.7**	66.2
	147.6	136.8
(b) Dividends not recognised at the end of the reporting period		
Final dividend for the year ended 30 June 2024 of 5.15 cents per fully paid share paid on 15 October 2024 (2023: 4.35 cents per fully paid share paid on 17 October 2023) Fully franked based on tax paid at 30%	**91.0**	76.8
	91.0	76.8

(c) Franked dividends

The franked portion of the final dividend recommended after the financial year end will be franked out of existing franking credits or out of franking credits arising from the payment of income tax for the year ended 30 June 2024.

	Consolidated		Parent entity	
	2024 $m	2023 $m	2024 $m	2023 $m
Franking credits available for subsequent financial years based on a tax rate of 30% (2023: 30%)	**289.5**	238.6	**289.5**	238.6

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

(i) franking credits that will arise from the payment of the amount of the provision for income tax;

(ii) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and

(iii) franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of non-wholly owned subsidiaries were paid as dividends. The impact on the franking account of the dividend recommended by the directors since the end of the reporting period, but not recognised as a liability at the end of each reporting period, will be a reduction in the franking account.

ACCOUNTING POLICY

Provision is made for any dividend declared that is appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

18. Contributed equity

Share capital	Notes	2024 Shares	2023 Shares	2024 $m	2023 $m
Ordinary shares					
Fully paid	(a)	**1,767,112,012**	1,765,762,524	**2,741.1**	2,736.9
Less: Treasury shares	(b)	**(105,310)**	(250,061)	**(17.2)**	(17.3)
Total contributed equity		**1,767,006,702**	1,765,512,463	**2,723.9**	2,719.6

(a) Movements in ordinary shares:

Date	Details	Number of shares	$m
1 July 2022	Opening balance	1,765,762,524	2,736.9
1 July 2023	Opening balance	**1,765,762,524**	**2,736.9**
	Employee share plan issues	**1,349,488**	**4.2**
30 June 2024	Closing balance	**1,767,112,012**	**2,741.1**

(b) Movements in treasury shares:

Date	Details	Number of shares	$m
1 July 2022	Opening balance	(10,021)	(16.3)
	Issue of treasury shares to employees	1,383,778	4.0
	Treasury shares acquired	(1,623,818)	(4.6)
	Fair value movement on allocation and vesting of securities		(0.4)
1 July 2023	Opening balance	**(250,061)**	**(17.3)**
	Treasury shares acquired	**(852,719)**	**(2.4)**
	Treasury shares issued	**(1,349,488)**	**(4.2)**
	Issue of treasury shares to employees	**2,346,958**	**7.0**
	Fair value movement on allocation and vesting of securities		**(0.3)**
30 June 2024	Closing balance	**(105,310)**	**(17.2)**

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(d) Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares rather than by being paid in cash. Shares issued under the plan may be at a discount (which is determined by the Board) to the market price.

(e) Treasury shares

Treasury shares are shares in Qube Holdings Limited held by the Qube Employee Share Trust for the purpose of allocating shares that vest under the Performance Rights Scheme. Details of the plans are set out in note 36.

18. Contributed equity (continued)

(f) Capital risk management

The role of capital risk management at Qube is to support the creation of shareholder value having regard to risk. Qube's capital risk management strategy, therefore, is to establish a framework that supports and facilitates the pursuit of Qube's business strategy while minimising Qube's costs of funding having regard to appropriate business risks.

Specifically, the components of Qube's financial strategy are to:

- Optimise the capital structure to reduce the cost of capital;
- Provide sufficient financial flexibility to enable Qube to develop its businesses;
- Maintain access to a broad range of funding sources and diversifying the tenor; and
- Subject to the above, raise funds in the most cost effective manner possible.

Qube continues to maintain a conservative approach to its capital structure with a long-term target gearing range of 30-40%.

Qube monitors its net debt and available funding capacity through a range of measures including interest cover and other gearing ratios.

Qube maintains adequate headroom to its covenant levels to provide it with financial flexibility to take advantage of opportunities and the ability to manage an unexpected downturn in earnings which is important given Qube's leverage to economic activity.

ACCOUNTING POLICY

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity instruments, for example as the result of a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Qube Holdings Limited as treasury shares until the shares are cancelled or reissued.

Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Qube Holdings Limited.

Shares held by Qube Employee Share Accumulation Plan Pty Limited (Qube Employee Share Trust) are disclosed as treasury shares and deducted from contributed equity.

19. Reserves and retained earnings

	2024 $m	2023 $m
Reserves		
Business combination reserve	**28.4**	28.4
Transactions with non-controlling interests reserve	**(33.9)**	(33.9)
Share-based payments reserve	**24.1**	21.9
Foreign currency translation reserve	**(2.6)**	(2.2)
Cash flow hedging reserve	**(5.1)**	(5.2)
Share of other comprehensive income of joint venture	**2.6**	3.6
	13.5	12.6
(a) Movements in reserves:		
Share-based payments reserve		
Balance 1 July	**21.9**	15.5
Share-based payments	**(2.9)**	–
Employee share plan expense	**5.1**	6.4
Balance 30 June	**24.1**	21.9
Foreign currency translation reserve		
Balance 1 July	**(2.2)**	(10.8)
Currency translation differences, net of tax	**(0.4)**	8.6
Balance 30 June	**(2.6)**	(2.2)
Hedging reserve		
Balance 1 July	**(5.2)**	0.9
Cumulative (gain)/loss arising on changes in fair value of hedging instruments		
– Forward exchange contracts – Cash flow hedge reserve	**(0.3)**	0.7
– Cross-currency interest rate swaps – Cash flow hedge reserve	**(1.1)**	(5.9)
– Interest rate swap – Cash flow hedge reserve	**3.5**	–
Deferred tax arising on cash flow hedges	**(2.0)**	(1.0)
Reserve release, net of tax	**–**	0.1
Balance 30 June	**(5.1)**	(5.2)
Share of other comprehensive income of joint venture		
Balance 1 July	**3.6**	(0.1)
Share of Patrick's other comprehensive income	**(1.0)**	3.7
Balance 30 June	**2.6**	3.6

Nature and purpose of reserves

(i) Business combination reserve

The business combination reserve represents the difference between the consideration paid to acquire a non-controlling interest in a subsidiary, versus the carrying value of the shares acquired.

(ii) Share-based payments reserve

The share-based payments reserve is used to recognise the loans and value of share-based payments provided to employees under share-based payment schemes. The initial fair value of the benefit provided is recognised on a straight-line basis over the vesting period.

(iii) Transactions with non-controlling interests reserve

This reserve is used to record the differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

19. Reserves and retained earnings (continued)

(a) Movements in reserves (continued)

(iv) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 39(b) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(v) Hedging reserve

The hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve, see note 31 for details. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in note 31. Amounts are subsequently either transferred to the initial cost of the asset or reclassified to profit or loss as appropriate.

The Group defers the time value of option contracts in the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of the related asset when it is recognised.

Retained earnings

	2024 $m	2023 $m
Movements in retained earnings were as follows:		
Balance 1 July	**303.6**	272.5
Net profit for the year	**221.9**	167.9
Dividends paid	**(147.5)**	(136.8)
Balance 30 June	**378.0**	303.6

20. Borrowings

	2024 $m	2023 $m
Current		
Unsecured		
Bank loans	–	30.0
Subordinated notes	–	305.0
Medium term notes	**57.5**	–
Less: Capitalised establishment costs	–	(0.2)
Total current borrowings	**57.5**	334.8
Non-current		
Unsecured		
Bank loans	**1,210.4**	612.6
Medium term notes	**158.2**	213.5
Less: Capitalised establishment costs	**(7.3)**	(4.7)
Total non-current borrowings	**1,361.3**	821.4
Total borrowings	**1,418.8**	1,156.2

20. Borrowings (continued)

Bank and other facilities

The following table provides details of components of the borrowing facilities:

		2024		2023	
Facility	Maturity	Facility $m	Utilised* $m	Facility $m	Utilised* $m
Bank Loans					
Bilateral revolving facilities	Oct 2023	–	–	120.0	30.0
Bilateral revolving facilities	Oct 2024	–	–	140.0	120.0
Bilateral revolving facilities (NZD)**	Jul 2025	**36.6**	**36.6**	36.8	36.8
Bilateral revolving facilities	Oct 2025	**70.0**	–	70.0	–
Bilateral revolving facilities	Nov 2025	**170.0**	**170.0**	170.0	65.0
Bilateral revolving facilities	Dec 2025	**50.0**	**50.0**	50.0	–
Bilateral revolving facilities	May 2026	**90.0**	**90.0**	90.0	90.0
Bilateral revolving facilities	Aug 2026	**100.0**	**30.0**	100.0	–
Bilateral revolving facilities	Oct 2026	**50.0**	**50.0**	-	-
Bilateral revolving facilities	Nov 2026	**100.0**	**100.0**	100.0	68.0
Bilateral revolving facilities (NZD)**	Jul 2027	**54.9**	**7.3**	55.1	52.8
Bilateral revolving facilities	Oct 2027	**60.0**	**60.0**	–	–
Bilateral revolving facilities	Nov 2027	**215.0**	–	215.0	–
Bilateral revolving facilities	Dec 2027	**50.0**	–	50.0	–
Bilateral revolving facilities	May 2028	**100.0**	**100.0**	100.0	80.0
Bilateral revolving facilities	Jun 2028	**75.0**	**75.0**	75.0	–
Bilateral revolving facilities	Oct 2028	**550.0**	**200.0**	–	–
Bilateral revolving facilities (NZD)**	Oct 2028	**80.0**	**74.6**	-	-
Bilateral revolving facilities	Aug 2029	**100.0**	**100.0**	–	–
Bilateral revolving facilities	May 2030	**25.0**	–	25.0	–
Bilateral term facility	Aug 2024	–	–	100.0	100.0
Bilateral term facility (NZD)**	Jul 2025	**18.3**	**16.9**	18.3	–
Bilateral term facility	Oct 2026	**33.0**	**33.0**	–	–
Bilateral term facility	Oct 2027	**17.0**	**17.0**	–	–
US Private Placement					
Medium term notes (USD)**	Oct 2024	**57.5**	**57.5**	56.9	56.9
Medium term notes (USD)**	Oct 2027	**115.1**	**115.1**	113.9	113.9
Medium term notes (USD)**	Oct 2029	**43.1**	**43.1**	42.7	42.7
Subordinated notes	Oct 2023	–	–	305.0	305.0
		2,260.5	**1,426.1**	2,033.7	1,161.1

* Excludes bank guarantees drawn totaling $29.4 million (2023: $22.3 million) drawn under the Bilateral Revolving Facilities.
** Australian dollar equivalent.

20. Borrowings (continued)

During the year, Qube extended the maturity of $150 million of debt facilities and established $740 million of new facilities. The tenure of these facilities was between three to five years. The Group either terminated or let lapse $210 million of bi-lateral facilities, as well as redeemed $305 million of ASX listed subordinated notes during the year.

At 30 June 2024 Qube's debt facilities have a weighted average maturity of around 3.2 years (June 2023: 2.5 years). Debt facilities totalling $57.5 million, which are fully drawn, mature within the next 12 months and are classified as current liabilities by the Group. All other facilities terms extend beyond 12 months and have been disclosed as non-current liabilities.

The notes issued in United States dollars (USD) have been converted back to Australian dollar (AUD) principal and AUD floating coupons through cross-currency interest rate swaps (CCIRS). The CCIRS have been designated as cash flow and fair value hedges as described in note 31.

(a) Compliance with loan covenants

The Group has complied with the financial covenants of its borrowing facilities during the 2024 and 2023 reporting periods.

(b) Fair value

The carrying amounts and fair values of borrowings at the end of reporting period are:

	2024		2023	
	Carrying amount $m	Fair value* $m	Carrying amount $m	Fair value* $m
On-balance sheet				
Non-traded financial liabilities				
Bank loans	**1,203.5**	**1,210.4**	638.4	642.6
Medium term notes	**215.3**	**215.7**	213.0	213.5
Subordinated notes	**–**	**–**	304.8	305.0
	1,418.8	**1,426.1**	1,156.2	1,161.1

* Fair value excludes capitalised establishment fees offset against loan carrying amounts.

ACCOUNTING POLICY

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities which are material and not an incremental cost relating to the actual draw down of the facility, are offset against the loan and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Risk Management

This section provides information on the Group's exposure to various financial risks, explains how they affect the Group's financial position and performance and how the Group manages these risks.

21. Financial risk management

The Group has exposure to a variety of financial risks including credit risk, market risk (interest rate risk, foreign exchange risk and commodity price risk) and liquidity risk arising from the financial instruments it holds.

The Board of Directors is tasked with the oversight of the risk management process for Qube. The risk management process involves a detailed analysis of cash flows and forecasts. The Board of Directors undertakes a continuous review of the performance and prospects of Qube. This includes consideration of overall gearing levels and the impact of adverse movements in interest rates, the level and predictability of cash flows to meet debt obligations and capital expenditure, as well as any change in strategy that changes the underlying risk profile of the Group.

The carrying amounts of Qube's financial assets and liabilities at the balance sheet date approximate their fair value.

(a) Credit risk

Credit risk is the risk that a counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Qube is exposed to credit risk as a result of its deposits and favourable derivative financial instruments with financial institutions. Qube mitigates the credit risk arising by conducting transactions with financial institutions above a certain credit rating and regularly monitors the net exposure. In relation to trade receivables, where possible, Qube only transacts with credit worthy customers and monitors the outstanding amounts for impairment on an ongoing basis, as set out in note 6.

There was no significant credit risk to counterparties at 30 June 2024 or 30 June 2023, that has not already been recognised.

The carrying amounts of cash and cash equivalents, receivables and inventories best represent the maximum credit risk exposure at the balance sheet date. The credit quality of cash and cash equivalents is set out in the table below.

	2024 $m	2023 $m
Cash and cash equivalents	**184.9**	191.7

(b) Market risk

(i) Interest rate risk

Qube's primary interest rate risk relates to its variable rate borrowings and cash held on deposit, which expose the Group to interest rate risk. The primary objectives of Qube's interest rate risk management strategy therefore, are to achieve a conservative risk profile consistent with Qube's business risks and stakeholder expectations, and mitigate the adverse impact that higher interest rates would have on Qube's earnings and compliance with financial covenants. Interest rate exposures are to be hedged on a fixed/capped basis in accordance with the following time banding to create a rolling maturity profile: a hedge ratio of 25-75% of Net Debt up to three years forward, and a hedge ratio of 0-50% of Net Debt forward four to five years inclusive.

21. Financial risk management (continued)

(b) Market risk (continued)

	2024 $m	2023 $m
Qube's exposure to interest rate risk is set out in the following table:		
Borrowings (excluding capitalised establishment costs)	**1,426.1**	1,161.1
Less: Cash	**(184.9)**	(191.7)
Net exposure to interest rate risk	**1,241.2**	969.4
Interest rate hedging in place	**535.8**	235.9

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Qube's exposure to fair value interest rate risk relates primarily to interest rate hedging instruments referred to above.

Sensitivity analysis

The following table summarises the sensitivity of Qube's after tax operating profit and net assets attributable to shareholders to interest rate risk. The Group analyses its interest rate exposure on a dynamic basis. The analysis is based on the assumption that interest rates changed +/- 250 basis points (2023: +/- 250 basis points) from the year end rates with all other variables held constant.

The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies and markets in which Qube invests. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

	Interest rate risk			
	-250 bps		+250 bps	
	Profit $m	Equity $m	Profit $m	Equity $m
2024				
Total increase/(decrease)	**3.8**	**3.8**	**(5.8)**	**(5.8)**
2023				
Total increase/(decrease)	15.6	15.6	(14.2)	(14.2)

The above figures do not include Patrick's exposure to interest rate risk.

21. Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign exchange risk

Foreign exchange risk arises from commercial transactions and recognised liabilities that are denominated in or related to a currency that is not the Group's functional currency. The Group's foreign exchange exposure relates largely to the USD denominated medium term note borrowings issued in October 2017. The Group also has exposure to movements in foreign currency exchange rates through customer receipts related to the grain trading business.

To mitigate the risk of adverse movements in foreign exchange and interest rates in relation to the USD denominated medium-term notes, the Group has entered into CCIRS agreements through which it replaces the related foreign currency principal and interest liability payments with Australian Dollar principal and interest payments. The CCIRS have been designated as cash flow and fair value hedges in order to reduce the volatility in the Group's reported earnings.

The Group utilised forward exchange contracts to manage its foreign exchange risk arising from customer receipts related to the grain trading business. These contracts are hedging highly probable forecast foreign currency exposures. The forward exchange contracts are designated as cash flow hedges and are timed to mature when foreign currency receipts are scheduled to be received.

As at the reporting date, the Group's exposure to foreign exchange risk after taking into consideration hedges in relation to the USD medium term notes and the forecast foreign currency transactions is not considered material.

(iii) Commodity risk

During the year, a business proposal to trade grain through Qube's Agri assets was approved. The business began trading grain from 1 December 2023 which exposed the Group to grain price fluctuations. The Group's policy during the year was to ensure all purchase transactions were hedged at the time of grain purchase. To manage exposure to price risk, the Group enters into exchange traded commodity derivative contracts (futures) as well as OTC contracts with terms between 2 and 12 months. These contracts are in US based financial markets and denominated in USD.

The Group enters into forward physical purchase and sales contracts which are classified as non-derivative and not fair valued. The Group also enters into commodity derivative contracts to manage the underlying price risks in the purchase and the subsequent sale of grains which are fair valued.

As at the reporting date, the Group's exposure to commodity price risk after taking into consideration hedges in relation to the grain price fluctuations is not considered material.

(c) Liquidity risk

Liquidity risk is the risk that Qube will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments.

The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and undrawn borrowing facilities and by continuously monitoring forecast and actual cash flows, and where possible, matching the maturity profiles of financial assets and liabilities. Set out below is a listing of undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

21. Financial risk management (continued)

(c) Liquidity risk (continued)

Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of the reporting period:

	2024 $m	2023 $m
Floating rate		
Expiring within one year	–	90.0
Expiring beyond one year*	**805.0**	760.4
	805.0	850.4

* Undrawn facilities are adjusted for $29.4 million in bank guarantees (2023: $22.3 million) drawn under the working capital facilities. Subject to the continuance of satisfactory covenant compliance, the undrawn borrowing facilities may be drawn down at any time and revolving facilities have an average maturity of 3.3 years (2023: 3.1 years).

Maturity of financial liabilities

The table below analyses Qube's financial liabilities into relevant maturity groupings based on the remaining period to the earliest possible contractual maturity date at the financial year end date. The amounts in the table are contractual undiscounted cash flows including interest.

	< 1 year $m	1 to 5 years $m	> 5 years $m	Total $m
Consolidated as at 30 June 2024				
Trade and other payables	**392.3**	**1.0**	–	**393.3**
Financial liabilities at fair value through profit or loss	**1.8**	**(2.7)**	–	**(0.9)**
Lease liabilities	**109.1**	**360.3**	**1,311.0**	**1,780.4**
Borrowings	**70.7**	**1,343.1**	**39.2**	**1,453.0**
Total financial liabilities	**573.9**	**1,701.7**	**1,350.2**	**3,625.8**
Consolidated as at 30 June 2023				
Trade and other payables	383.7	1.6	-	385.3
Financial liabilities at fair value through profit or loss	(4.6)	(5.6)	-	(10.2)
Lease liabilities	102.6	344.0	1,407.7	1,854.3
Borrowings	367.7	795.9	41.2	1,204.8
Total financial liabilities	849.4	1,135.9	1,448.9	3,434.2

22. Fair value measurement

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments and non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments and non-financial assets into the three levels prescribed under the Accounting Standards. An explanation of each level follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's financial and non-financial assets and liabilities measured and recognised at their fair value at 30 June 2024 on a recurring basis:

	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
At 30 June 2024				
Recurring fair value measurements				
Assets				
Investment properties	–	–	62.0	62.0
Contingent consideration	–	–	23.7	23.7
Derivatives designated as hedges	–	25.0	–	25.0
Derivatives not designated as hedges	–	8.2	–	8.2
Total assets	–	33.2	85.7	118.9
Liabilities				
Derivatives not designated as hedges	–	–	–	–
Total liabilities	–	–	–	–
At 30 June 2023				
Recurring fair value measurements				
Assets				
Investment properties	–	–	55.0	55.0
Contingent consideration	–	–	71.0	71.0
Derivatives designated as hedges	–	20.7	–	20.7
Derivatives not designated as hedges	–	12.3	–	12.3
Total assets	–	33.0	126.0	159.0
Liabilities				
Derivatives not designated as hedges	–	0.7	–	0.7
Total liabilities	–	0.7	–	0.7

There were no transfers between levels 1 and 2 and out of level 3 for recurring fair value measurements during the financial year. For transfers in and out of level 3 measurements see (c(iv)) below. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. The Group did not measure any assets or liabilities at fair value on a non-recurring basis as at 30 June 2024 or 30 June 2023.

The $23.7 million of contingent consideration referenced above includes $41.3 million to be paid by LOGOS contingent upon completion of the Stage 1a construction and the achievement, over time, of specific volume (TEU) hurdles for the Interstate Terminal. The balance of the $23.7 million is after a net expected outflow of $17.6 million which comprises a number of contingent costs that Qube are required to incur as part of the overall MLP transaction.

22. Fair value measurement (continued)

(b) Valuation techniques used to determine fair values

Financial instruments

Specific valuation techniques used to value financial instruments include:

- CCIRS, interest rate swaps and collars – Present value of the estimated future cash flows using an appropriate market based yield curve, which is independently derived. Yield curves are sourced from readily available market data quoted for all major currencies.
- Forward exchange contracts and options – Quoted forward exchange rates at reporting date for contracts with similar maturity profiles.
- Other techniques, such as discounted cash flow analysis are used to determine fair value for the remaining financial instruments such as contingent consideration.

All of the resulting fair value estimates are included in levels 1 and 2 except for contingent consideration payable explained in (c) below.

Non-financial assets

The Group obtains independent valuations for its investment properties at least annually. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent valuations performed by an independent valuer who holds a recognised and relevant qualification and any other relevant factors. The directors determine a property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including independent valuations prepared by third party valuers. These valuations typically include information such as:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- Term and reversion calculations which reflect the certainty of income to lease expiry, the nature of any current property improvements, any deferred underlying land value and underlying re-development of a property;
- Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence; and
- Discounted cash flow projections based on reliable estimates of future cash flows.

In relation to properties under development for future use as investment property, where reliably measurable, fair value is determined based on the market value of the asset on the assumption it had already been completed at the valuation date (using the methodology as outlined in (c)(vi) below).

The Russell Park investment property utilised the discounted cash flow and capitalisation approaches, which resulted in fair value estimate for this property being included in level 3.

(c) Fair value measurements using significant unobservable inputs (level 3)

Financial instruments

(i) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers between the levels of the fair value hierarchy for financial instruments in year ended 30 June 2024 (30 June 2023: Nil).

Further, in the current year there were also no changes made to any of the valuation techniques applied as of 30 June 2023.

(ii) *Valuation inputs and relationships to fair value*

Valuation inputs and relationships to fair value are considered for level 3 instruments as per the accounting policy disclosed below.

22. Fair value measurement (continued)

(c) Fair value measurements using significant unobservable inputs (level 3) (continued)

(iii) Valuation processes

The main level 3 inputs used by the Group in measuring the fair value of financial instruments are derived and evaluated as follows:

- Contingent consideration – expected cash inflows: these are estimated based on the terms of the sale contract, the entity's knowledge of the ongoing discussions with relevant parties and other available external and internal information.
- Contingent payments – expected cash outflows: these are estimated based on the terms of the sale contract, the entity's knowledge of the ongoing discussions with relevant parties and other available external and internal information.

Non-financial assets

(iv) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers between the levels of the fair value hierarchy for the year ended 30 June 2024.

(v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements based on a discounted cash flow and capitalisation of earnings methodology.

Description	Fair value at 30 June 2024 $m	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
Investment property	**62.0**	Discount rate	**9.50%**	The higher the discount rate and terminal yield, the lower the fair value
		Terminal yield	**8.50%**	
		Capitalisation rate	**8.00%**	The higher the capitalisation rate and expected vacancy rate, the lower the fair value
		Current vacancy rate	**0.57%**	
		Rental growth rate	**3.35%**	The higher the rental growth rate, the higher the fair value
		Market rent (per sqm)	**$85**	Market rent represents the net market income per sqm used for valuation purposes. The higher the market rent, the higher the fair value

(vi) Valuation processes

For level 3 assets being independently valued the Group engages external, independent and qualified valuers to determine the fair value at least annually.

The main level 3 inputs used by the Group are derived and evaluated as follows: Property asset – discount rates, terminal yields, expected capitalisation rate, vacancy rates, rental growth rates and market rent are estimated by an independent valuer or management based on comparable transactions and industry data.

ACCOUNTING POLICY

Estimated fair value less costs to sell for Moorebank Logistics Park

The fair value less costs to sell for MLP has been determined with reference to the consideration that is likely to be received for the sale, which includes an element of contingent consideration, less the fair value of contingent payments, estimated transaction costs and completion adjustments.

- Contingent consideration – expected cash inflows: these are estimated based on the terms of the sale contract, the entity's knowledge of the ongoing discussions with relevant parties and other available external and internal information.
- Contingent payments – expected cash outflows: these are estimated based on the terms of the sale contract, the entity's knowledge of the ongoing discussions with relevant parties and other available external and internal information.

Group Structure

This section provides information on the Group structure and helps users understand how changes in the Group structure affect the financial position and performance of the Group, including relevant accounting policies applied and critical judgements and estimates used.

23. Business combinations

(a) On 1 May 2023, Qube acquired 100% of the issued share capital of Kalari Proprietary Limited for $117.0 million. Provisional disclosures made as at 30 June 2023 in relation to the Kalari Proprietary Limited acquisition were finalised as at 30 June 2024.

Details of the purchase consideration, the final determined net assets acquired and goodwill are as follows:

	$m
Purchase consideration:	
Cash paid	**117.0**
Total purchase consideration	**117.0**

The determined fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $m
Cash	**4.1**
Trade and other receivables	**31.3**
Inventory	**2.9**
Prepayment	**1.5**
Property, plant and equipment	**82.6**
Intangible assets	**18.3**
Right-of-use assets	**0.3**
Trade and other payables	**(5.5)**
Lease liability	**(0.3)**
Provision	**(12.7)**
Deferred tax liability	**(4.0)**
Net identified assets acquired	**118.5**
Add: Goodwill	**(1.5)**
Net assets acquired	**117.0**

Purchase consideration – cash outflow

	$m
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	**117.0**
Less: Cash balances acquired	**(4.1)**
Net cash consideration	**112.9**

23. Business combinations (continued)

(b) On 1 November 2023, Qube acquired 100% of the issued capital of Stevenson Logistics, an Australian owned and operated group of companies for $41.4 million.

Details of the purchase consideration, the provisionally determined net assets acquired and goodwill are as follows:

	$m
Purchase consideration:	
Cash paid	41.4
Total purchase consideration	41.4

The provisionally determined fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $m
Cash	2.2
Trade and other receivables	6.2
Inventory	0.1
Prepayments	1.6
Property, plant and equipment	15.4
Trade and other payables	(6.4)
Provision	(0.8)
Net identified assets acquired	18.3
Add: Provisional goodwill	23.1
Net assets acquired	41.4

(i) Acquisition related costs

Acquisition related costs of $0.4 million are included in professional fees in the consolidated statement of comprehensive income.

(ii) Acquired receivables

The trade and other receivables of $6.2 million have predominantly all been recovered for those amounts due and payable.

(iii) Revenue and profit contribution

The acquired business contributed revenues of $27.6 million and net profit of $2.2 million to the Group for the period from 1 November 2023 to 30 June 2024.

If the acquisition had occurred on 1 July 2023, consolidated revenue and profit for the year ended 30 June 2024 would have been $43.2 million and $2.9 million respectively.

Purchase consideration – cash outflow

	$m
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	41.4
Less: Cash balances acquired	(2.2)
Net cash consideration	39.2

23. Business combinations (continued)

(c) On 1 November 2023, Qube acquired a further 50% of Pinnacle Corporation, a New Zealand owned and operated group of companies, increasing its shareholding to 100%. The total consideration for the Pinnacle acquisition is AUD$64.4 million.

Details of the purchase consideration, the provisionally determined net assets acquired and goodwill are as follows:

	$m
Purchase consideration:	
Cash paid	64.4
Total purchase consideration	64.4

The provisionally determined fair values of the assets and liabilities recognised as a result of the acquisition are as follows:

	Fair value $m
Cash	2.8
Trade and other receivables	11.8
Inventory	2.4
Prepayments	1.9
Property, plant and equipment	18.5
Trade and other payables	(9.4)
Provision	(1.2)
Net identified assets acquired	26.8
Add: Provisional goodwill	37.6
Net assets acquired	64.4

(iv) Acquisition related costs

Acquisition related costs of $0.02 million are included in professional fees in the consolidated statement of comprehensive income.

(v) Acquired receivables

The trade and other receivables of $11.8 million have predominantly all been recovered for those amounts due and payable.

(vi) Revenue and profit contribution

The acquired business contributed revenues of $59.3 million and net profit of $3.3 million to the Group for the period from 1 November 2023 to 30 June 2024.

If the acquisition had occurred on 1 July 2023, consolidated revenue and profit for the year ended 30 June 2024 would have been $87.4 million and $4.9 million respectively.

Purchase consideration – cash outflow

	$m
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	64.4
Less: Cash balances acquired	(2.8)
Net cash consideration	61.6

23. Business combinations (continued)

ACCOUNTING POLICY

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any preexisting equity interest in the subsidiary.

Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition- by-acquisition basis, the Group recognises any noncontrolling interests in the acquiree either at fair value or at the noncontrolling interests' proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred and the amount of any noncontrolling interests in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

24. Discontinued operations

On 5 July 2021, Qube announced that it had entered into binding transaction documentation with the LOGOS Consortium for the sale of 100% of its interest in the warehousing and property components of the MLP project (MLP Property Assets). This sale completed on 15 December 2021 for consideration before tax, transaction costs and adjustments of around $1.67 billion. Qube received the $53.0 million of outstanding deferred consideration during the year ended 30 June 2024.

The Group has also determined that the transaction meets the definition of discontinued operations based on the requirements of AASB 5 *Non-current Assets held for sale and discontinued operations.*

Financial performance and cash flow information

The financial performance and cash flow information presented are for the year ended 30 June 2024 and the year ended 30 June 2023.

	2024 $m	2023 $m
Revenue	–	0.1
Net finance income	**0.1**	0.1
Net loss on sale of MLP Property Assets	**(5.2)**	(7.6)
Loss before income tax	**(5.1)**	(7.4)
Income tax expense	–	(0.6)
Loss of discontinued operation	**(5.1)**	(8.0)
Net cash inflow/(outflow) from operating activities	**0.1**	(5.1)
Net cash outflow from investing activities	**(5.3)**	(4.6)
Net decrease in cash generated	**(5.2)**	(9.7)

The discontinued cash flows above should be read in conjunction with the Proceeds from sale of MLP Property Assets disclosed within the Consolidated Statement of Cash Flows.

24. Discontinued operations (continued)

MLP Interstate Terminal

On 30 January 2024, as part of the MLP monetisation, a new Joint Venture with Qube, National Intermodal Corporation (NIC) and the LOGOS Consortium was established whereby Qube retained 65% interest, the LOGOS consortium purchased a 25% interest and NIC obtained a 10% interest in the new Joint Venture. Refer to note 25 for further information.

Under the terms of the original contractual arrangements with NIC when the MLP was established, Qube was obliged to develop an interstate rail terminal with capacity of at least 250,000 TEU (Stage 1) and to increase the capacity through expansion to at least 500,000 TEU (Stage 2) if required by demand.

As noted previously pursuant to the MLP Property Assets sale, Qube retained responsibility to manage the construction of Stage 1 of the MLP Interstate Terminal, and to initially fund the Stage 1 construction which is estimated to cost $200 million (30 June 2023: $200 million).

Management views the arrangement as linked with the broader Moorebank sale given it was executed to obtain NIC consent.

In calculating the gain on sale, consideration has been made as to whether any other assets and liabilities need to be recorded as a result of the new arrangement. In doing so, management has performed an assessment as to whether the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. This assessment has been made with reference to the construction obligations Qube has with respect to the NIC, LOGOS and Qube shareholdings.

NIC shareholding

A provision of $20 million was recorded for construction costs to be borne by Qube in relation to NIC's 10% shareholding as part of the gain on sale calculation. The provision has been reduced proportionate to capital expenditure spent in satisfying the obligation to date.

Qube shareholding

A critical judgement exists with respect to whether a provision should be recorded in relation to Qube's shareholding. Any amount recognised is reflective of management's best estimate to settle the present obligation as at 30 June 2024.

Management have concluded the economic benefits expected to be received under the contract are equal to or greater than Qube's estimated costs to fund construction of Stage 1 for Qube's shareholding. Whilst this is management's best estimate, there is risk that these costs will not be recovered which may occur if management's assumptions are not realised.

In this instance, Qube may not fully recover through use or sale its proportionate share of the total construction costs which is expected to be around $130 million.

LOGOS shareholding

A provision for $50.0 million was recorded for construction costs to be borne by Qube in relation to LOGOS' shareholding as part of the gain on sale calculation. Around $41.25 million of this provision is recoverable from LOGOS under the terms of the sale agreement. The provision has been reduced proportionate to capital expenditure spent in satisfying the obligation to date.

Qube are entitled to receive $8.25 million in contingent consideration upon completion of the Stage 1a build which was achieved on the 4th of June 2024, as such this amount is recorded in current Trade and other receivables. An additional $33.0 million of contingent consideration will be received based on achieving specific volume (TEU) hurdles, which is recorded within non-current other assets.

AASB 10 *Consolidated Financial Statements* requires that contingent consideration is recognised at fair value. Qube holds a call option giving Qube the ability to purchase LOGOS's 25% shareholding at a future date in certain circumstances. LOGOS holds a counter call option should they wish to retain the 25% which triggers a requirement for LOGOS to pay all remaining contingent consideration to Qube irrespective of volume throughput.

Given the structure of the call and countercall, management have determined that the fair value of the consideration is $41.25 million, as Qube will either receive $41.25 million cash or shares which are considered to be worth at least $41.25 million assuming that Qube's equity accounted investment in Moorebank Interstate Terminals Pty Ltd is fully recoverable. Whilst this is management's best estimate, there is risk that these costs will not be recovered which may occur if management's assumptions are not realised.

25. Investment in equity accounted investments

(a) Movements in carrying amounts

Set out below are the associates and joint ventures of the Group as at 30 June 2024. The entities listed below have share capital/units consisting solely of ordinary shares/units, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. All entities are accounted for using the equity method.

Name of entity	Place of business/ country of incorporation	% ownership interest		Carrying amount	
		2024 %	2023 %	2024 $m	2023 $m
Patrick[1]	Australia	**50**	50	**526.5**	555.5
Moorebank Interstate Terminals Pty Ltd[2]	Australia	**65**	–	**113.2**	–
Other equity accounted investments[3]				**42.2**	72.9
				681.9	628.4

1. The Group's 50% investment in Patrick is held through PTH No.1 Pty Ltd. The carrying amount above excludes shareholder loans provided by Qube to PTH No.1 of $55.9 million ($100.9 million in June 2023) which also forms part of Qube's total investment in Patrick.
2. On 30 January 2024, Qube, NIC and the LOGOS Consortium established a new Joint Venture to undertake the management of the MLP Interstate Terminal following completion of the initial stage of construction. Refer to note 24 for further details.
3. On 1 November 2023, Qube acquired a further 50% of Pinnacle Corporation increasing its shareholding to 100%. Qube subsequently accounted for Pinnacle Corporation as a wholly-owned subsidiary. Refer to note 23 for further details.

Other than Patrick, the Group's equity accounted investments are considered individually immaterial and are discussed in part (d) below.

25. Investment in equity accounted investments (continued)

Summarised financial information of joint ventures

The tables below provide summarised statutory financial information for those joint ventures that are material to the Group.

The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not Qube Holdings Limited's share of those amounts. They have been amended to reflect the adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy where material.

	PTH No.1 Pty Ltd (Patrick)	
	30 June 2024 $m	30 June 2023 $m
Summarised balance sheet		
Current assets		
Cash and cash equivalents	**22.5**	23.5
Other current assets	**125.6**	126.3
Total current assets	**148.1**	149.8
Non-current assets	**3,785.0**	3,812.2
Current liabilities		
Financial liabilities*	**–**	59.9
Other current liabilities	**210.3**	168.4
Total current liabilities	**210.3**	228.3
Non-current liabilities		
Financial liabilities*	**1,271.7**	1,151.4
Shareholder loans	**111.8**	202.0
Other non-current liabilities	**1,413.5**	1,396.5
Total non-current liabilities	**2,797.0**	2,749.9
Net Assets	**925.8**	983.8

	PTH No.1 Pty Ltd (Patrick)	
	30 June 2024 $m	30 June 2023 $m
Reconciliation to carrying amounts		
Opening net assets	**983.8**	954.1
Profit for the period	**110.5**	56.0
Equity issued	**–**	72.5
Dividends	**(166.6)**	(106.0)
Movement in reserves	**(1.9)**	7.2
Closing net assets	**925.8**	983.8
Group's share in %	**50%**	50%
Group's share in $	**462.9**	491.9
Goodwill	**63.6**	63.6
Carrying amount	**526.5**	555.5
Summarised statement of comprehensive income		
Revenue	**922.0**	797.6
Interest income	**1.2**	1.2
Depreciation & amortisation	**(142.5)**	(143.6)
Interest expense	**(135.4)**	(132.1)
Income tax expense	**(47.5)**	(24.7)
Profit for the period	**110.5**	56.0
Other comprehensive income	**(1.9)**	7.2
Total comprehensive income	**108.6**	63.2

* – (excluding trade payables)

25. Investment in equity accounted investments (continued)

	Moorebank Interstate Terminals Pty Ltd	
	30 June 2024 $m	30 June 2023 $m
Summarised balance sheet		
Current assets		
Cash and cash equivalents	2.0	–
Other current assets	0.4	–
Total current assets	2.4	–
Non-current assets	194.6	–
Current liabilities		
Total current liabilities	2.0	–
Non-current liabilities		
Other non-current liabilities	20.9	–
Total non-current liabilities	20.9	–
Net Assets	174.1	–

	Moorebank Interstate Terminals Pty Ltd	
	30 June 2024 $m	30 June 2023 $m
Reconciliation to carrying amounts		
Opening net assets	–	–
Profit for the period	(1.3)	–
Equity issued	175.4	–
Closing net assets	174.1	–
Group's share in %	65%	–
Carrying amount	113.2	–
Summarised statement of comprehensive income		
Income tax benefit	0.3	–
Loss for the period	(1.3)	–
Other comprehensive income	–	–
Total comprehensive income	(1.3)	–

A reconciliation of the underlying trading performance of Patrick to Qube's share of underlying net profit after tax per note 2 is included in the tables below for the years ended 30 June 2024 and 30 June 2023.

Patrick underlying contribution reconciliation (100%) For the year ended 30 June 2024	Statutory $m	Underlying Adjustments[2] $m	Underlying $m
Revenue	922.0	(4.9)	917.1
EBITDA	434.8	(55.9)	378.9
EBITA	316.7	(15.2)	301.5
EBIT	292.3	(15.2)	277.1
Interest expense (net) – External	(120.1)	53.8	(66.3)
Interest expense – Shareholders	(14.2)	–	(14.2)
Net profit before tax	158.0	38.6	196.6
Tax (@ 30%)	(47.5)	(11.5)	(59.0)
Net profit after tax	110.5	27.1	137.6
Net profit after tax pre-amortisation	127.6	27.1	154.7
Qube share (50%) of net profit after tax	55.3	13.5	68.8
Qube interest income net of tax from Patrick[1]	5.0	–	5.0
Qube net profit after tax from Patrick	60.3	13.5	73.8
Qube share (50%) of net profit after tax pre-amortisation	63.8	13.5	77.3
Qube net profit after tax pre-amortisation from Patrick (50%)	68.8	13.5	82.3

25. Investment in equity accounted investments (continued)

(b) Summarised financial information of joint ventures (continued)

Patrick underlying contribution reconciliation (100%) For the year ended 30 June 2023	Statutory $m	Underlying Adjustments[2] $m	Underlying $m
Revenue	797.6	(17.0)	780.6
EBITDA	355.2	(49.7)	305.5
EBITA	237.9	(8.8)	229.1
EBIT	211.6	(8.9)	202.7
Interest expense (net) – External	(102.1)	53.2	(48.9)
Interest expense – Shareholders	(28.8)	–	(28.8)
Net profit before tax	80.7	44.3	125.0
Tax (@ 30%)	(24.7)	(12.8)	(37.5)
Net profit after tax	56.0	31.5	87.5
Net profit after tax pre-amortisation	74.4	31.6	106.0
Qube share (50%) of net profit after tax	28.0	15.8	43.8
Qube interest income net of tax from Patrick[1]	10.1	–	10.1
Qube net profit after tax from Patrick	38.1	15.8	53.9
Qube share (50%) of net profit after tax pre-amortisation	37.2	15.8	53.0
Qube net profit after tax pre-amortisation from Patrick (50%)	47.3	15.8	63.1

1. Qube's share of shareholder interest income is subject to a 30% tax charge, whereas Qube's share of profit from Patrick trading results has already been tax effected.
2. For the year ended 30 June 2024 underlying adjustments included AASB 16 leasing adjustments of $38.9 million (Qube share $19.4 million) and $44.2 million (Qube share of $22.1 million) in the prior corresponding period.

(c) Individually immaterial associates and joint ventures

In addition to the interests disclosed above in Patrick, the Group also has interests in a number of individually immaterial associates and joint ventures that are accounted for using the equity method.

	2024 $m	2023 $m
Aggregate carrying amount of individually immaterial associates and joint ventures[1]	**42.2**	72.9
Aggregate amounts of the Group's share of:		
Profit for the year	**12.5**	4.0
Other comprehensive income	**–**	–
Total comprehensive income	**12.5**	4.0

1. "K" Line Auto Logistics Pty Ltd, Northern Stevedoring Services Pty Ltd, Intermodal Group Pty Ltd, Intermodal Train Services Pty Ltd (IMG), Southern Export Terminals Pty Ltd.

(d) Contingent liabilities of associates and joint ventures

Qube's share of the contingent liabilities of its associates and joint ventures has been disclosed in note 28.

25. Investment in equity accounted investments (continued)

ACCOUNTING POLICY

Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has both joint operations and joint ventures.

Joint operations

Qube recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its joint arrangements and associates' post acquisition profits or losses is recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends received or receivable from joint arrangements or associates are recognised as reduction in the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint arrangement or associate.

Unrealised gains on transactions between the Group and its joint arrangements and associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint arrangements and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

26. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

			Equity holding	
Name of entity	**Country of incorporation**	**Class of shares/units**	**2024 (%)**	**2023 (%)**
AAT Port Kembla Pty Ltd [1]	Australia	Ordinary	**100**	100
Australian Amalgamated Terminals Pty Ltd [1]	Australia	Ordinary	**100**	100
Australian Automotive Terminals Pty Ltd [1]	Australia	Ordinary	**100**	100
Australian Grain Handlers Pty Ltd [1]	Australia	Ordinary	**100**	100
Australian Heavy Logistics Pty Ltd [1]	Australia	Ordinary	**100**	100
BBH Services Pty Ltd [1]	Australia	Ordinary	**100**	100
Beaumont Transport Pty Ltd [1]	Australia	Ordinary	**100**	100
Beveridge Terminals Holdings Pty Ltd [1]	Australia	Ordinary	**100**	100
Beveridge Terminals Holdings Trust [1]	Australia	Ordinary	**100**	100
Beveridge Warehouse Holdings Pty Ltd [1]	Australia	Ordinary	**100**	100
Beveridge Warehouse Holdings Trust [1]	Australia	Ordinary	**100**	100
Bluewood Industries Pty Ltd	Australia	Ordinary	**100**	100
Bowport All Roads Transport Pty Ltd [1]	Australia	Ordinary	**100**	100
Canopus Pty Ltd [1]	Australia	Ordinary	**100**	100
Cargo Marshalling Services Pty Ltd [1]	Australia	Ordinary	**100**	100
Container Cargo Specialist Pty Ltd [1]	Australia	Ordinary	**100**	–
C&H Acquisition Pty Ltd [1]	Australia	Ordinary	**100**	100
C&H Employee Services Pty Ltd [1]	Australia	Ordinary	**100**	100
C&H Finance Pty Ltd [1]	Australia	Ordinary	**100**	100
Chalmers 20 Cawley Road Pty Ltd [1]	Australia	Ordinary	**100**	100
Chalmers (Australia) Pty Ltd [1]	Australia	Ordinary	**100**	100
Chalmers Industries Brisbane Pty Ltd [1]	Australia	Ordinary	**100**	100
Chalmers Industries Pty Ltd [1]	Australia	Ordinary	**100**	100
Chalmers Pty Limited [1]	Australia	Ordinary	**100**	100
Continental Freight Employees Unit Trust [1]	Australia	Ordinary	**100**	100
CSR Trust	Australia	Ordinary	**100**	100
CTC Holdings (NSW) Pty Ltd	Australia	Ordinary	**100**	100
CTC Terminals Pty Ltd	Australia	Ordinary	**100**	100
D&J Holding Co Pty Ltd [1]	Australia	Ordinary	**100**	100
D&J Subsidiary Co Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Bros. Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Contracting Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Group Operations Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Holdings Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Limestone Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Management Services Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci NT Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci Port Services Pty Ltd [1]	Australia	Ordinary	**100**	100
Giacci SA Pty Ltd [1]	Australia	Ordinary	**100**	100
Harvestco Australia Pty Ltd	Australia	Ordinary	**100**	100
Independent Railroad of Australia Pty Ltd [1]	Australia	Ordinary	**100**	100
Independent Railways of Australia Pty Ltd [1]	Australia	Ordinary	**100**	100
Indy Equipment Pty Ltd [1]	Australia	Ordinary	**100**	100
Jamlewin Enterprises Pty Ltd [1]	Australia	Ordinary	**100**	100
Jingle SPV 1 Pty Ltd	Australia	Ordinary	**100**	100
Jingle SPV 2 Pty Ltd	Australia	Ordinary	**100**	100
Kalari Proprietary Ltd [1]	Australia	Ordinary	**100**	100
K-AATerminals Pty Ltd [1]	Australia	Ordinary	**100**	100

26. Subsidiaries (continued)

Name of entity	Country of incorporation	Class of shares/units	Equity holding 2024 (%)	Equity holding 2023 (%)
Keyhole Enterprises Pty Ltd [1]	Australia	Ordinary	100	–
KFM Property Logistics 1 Pty Ltd [1]	Australia	Ordinary	100	100
KFM Logistics Investments 2 Pty Ltd [1]	Australia	Ordinary	100	100
KIL Property Investments Pty Ltd [1]	Australia	Ordinary	100	100
K-NSS Pty Ltd [1]	Australia	Ordinary	100	100
K-POAGS Pty Ltd [1]	Australia	Ordinary	100	100
K-POTA Pty Ltd [1]	Australia	Ordinary	100	100
KW Auto Logistics Pty Ltd [1]	Australia	Ordinary	100	100
Lasso Logistics Pty Ltd	Australia	Ordinary	100	100
Latot Pty Ltd [1]	Australia	Ordinary	100	100
LB Consolidated Pty Ltd [1]	Australia	Ordinary	100	100
LCR Holdco Pty Ltd [1]	Australia	Ordinary	100	100
LCR Finance Pty Ltd [1]	Australia	Ordinary	100	100
LCR Finance Trust [1]	Australia	Ordinary	100	100
LCR Haulage Group Pty Ltd [1]	Australia	Ordinary	100	100
LCR Haulage Group Trust [1]	Australia	Ordinary	100	100
LCR Holdings Group Pty Ltd [1]	Australia	Ordinary	100	100
LCR Mining Group Pty Ltd [1]	Australia	Ordinary	100	100
LCR Mining Group Trust [1]	Australia	Ordinary	100	100
LCR Properties Group Pty Ltd [1]	Australia	Ordinary	100	100
LCR Properties Group Trust [1]	Australia	Ordinary	100	100
LPE Pty Ltd [1]	Australia	Ordinary	100	100
Macarthur Intermodal Shipping Terminal Pty Ltd [1]	Australia	Ordinary	100	100
Maritime Container Services Pty Ltd [1]	Australia	Ordinary	100	100
Markhaven Pty Ltd [1]	Australia	Ordinary	100	100
Minto Properties Pty Ltd [1]	Australia	Ordinary	100	100
Moorebank Industrial Hold Trust [1]	Australia	Ordinary	100	100
Moorebank Industrial Terminals Asset Hold Trust [1]	Australia	Ordinary	100	100
Moorebank Industrial Terminals Asset Trust [1]	Australia	Ordinary	100	100
Moorebank Industrial Terminals Operations Hold Trust [1]	Australia	Ordinary	100	100
Moorebank Industrial Terminals Operations Trust [1]	Australia	Ordinary	100	100
Moorebank Industrial Warehouse Hold Trust [1]	Australia	Ordinary	100	100
Newcastle Agri Terminal Pty Ltd	Australia	Ordinary	100	100
Newcastle Bulk Solutions Pty Ltd	Australia	Ordinary	100	100
Oversea & General Stevedoring Co Pty Ltd [1]	Australia	Ordinary	100	100
Oztran Assets Pty Ltd [1]	Australia	Ordinary	100	100
Oztran Aust Pty Ltd [1]	Australia	Ordinary	100	100
P&O Wharf Management Pty Ltd [1]	Australia	Ordinary	100	100
Quattro Grain Trust	Australia	Ordinary	100	100
Quattro P RE Services Pty Ltd	Australia	Ordinary	100	100
Qube Agri Investments Pty Ltd [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Holding Pty Ltd [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Investment Pty Ltd [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Intermodal Hold Trust [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Intermodal Trust [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Pty Ltd [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Terminals Assets Hold Trust [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Terminals Assets Trust [1]	Australia	Ordinary	100	100
Qube (AU) Moorebank Terminals Operations Hold Trust [1]	Australia	Ordinary	100	100

26. Subsidiaries (continued)

Name of entity	Country of incorporation	Class of shares/units	Equity holding 2024 (%)	2023 (%)
Qube (AU) Moorebank Terminals Operations Trust [1]	Australia	Ordinary	**100**	100
Qube (AU) Moorebank Unit Trust [1]	Australia	Ordinary	**100**	100
Qube (AU) Moorebank Warehouse Hold Trust [1]	Australia	Ordinary	**100**	100
Qube (AU) Moorebank Warehouse Trust [1]	Australia	Ordinary	**100**	100
Qube (AU) Moorebank Warehouse Lot Hold Trust [1]	Australia	Ordinary	**100**	100
Qube Beveridge Warehouse Trust	Australia	Ordinary	**100**	100
Qube Bulk Liquids Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Bulk Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Employee Share Accumulation Plan Pty Ltd	Australia	Ordinary	**100**	100
Qube Energy Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Equity Ltd [1]	Australia	Ordinary	**100**	100
Qube Forestry Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Grains Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Holdings Limited Employee Share Trust	Australia	Ordinary	**100**	100
Qube Heavy Lift Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Learning Pty Ltd	Australia	Ordinary	**100**	100
Qube Logistics (Aust) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (Global) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (H&S) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (NSW) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (Qld) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT1) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT2) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT3) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT4) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT5) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (QldT6) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (Rail) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (SA) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (SA1) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (SB) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (SL) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics Trust [1]	Australia	Ordinary	**100**	100
Qube Logistics (Vic) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (WA) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (WA1) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Logistics (WA2) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube MB Warehousing Pty Limited [1]	Australia	Ordinary	**100**	100
Qube Moorebank Warehousing Trust [1]	Australia	Ordinary	**100**	100
Qube Mooring Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Property Management Services Pty Ltd1 [1]	Australia	Ordinary	**100**	100
Qube Properties Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube RE Services Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube RE Services (No.2) Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Terminals Pty Ltd [1]	Australia	Ordinary	**100**	100
Qube Terminals Investments Pty Ltd	Australia	Ordinary	**100**	100
Qube Offshore Services Pty Ltd	Australia	Ordinary	**100**	100
Qube Ports (No 1) Pty Ltd [1]	Australia	Ordinary	**100**	100

26. Subsidiaries (continued)

			Equity holding	
Name of entity	Country of incorporation	Class of shares/units	2024 (%)	2023 (%)
Qube Ports Pty Ltd [1]	Australia	Ordinary	100	100
Rail Equipment Leasing Pty Ltd [1]	Australia	Ordinary	100	100
Rous Head Cargo Services Pty Ltd [1]	Australia	Ordinary	100	–
Stanton Oztran Pty Ltd [1]	Australia	Ordinary	100	100
Stevenson Logistics Pty Ltd [1]	Australia	Ordinary	100	–
Stonecrest Enterprises Pty Ltd [1]	Australia	Ordinary	100	100
TQ Holdings Australia Pty Ltd	Australia	Ordinary	100	100
True Blue Containers (2005) Pty Ltd	Australia	Ordinary	100	100
W Qube Port of Dampier PtyLtd [1]	Australia	Ordinary	100	100
BOMC Pte Ltd	Singapore	Ordinary	54	54
BOMC Services Pte Ltd [2]	Singapore	Ordinary	54	54
Diesel Engineering Services Ltd	New Zealand	Ordinary	100	50
Docks Transport Equipment Ltd	New Zealand	Ordinary	100	50
Gracefield Holdings Ltd	New Zealand	Ordinary	100	50
Hazardous Goods Containment Systems (2008) Ltd	New Zealand	Ordinary	100	50
LCR PNG Ltd	Papua New Guinea	Ordinary	100	100
Marshalling Solutions LLC	United States	Ordinary	–	100
Metrobox Ltd	New Zealand	Ordinary	100	50
Narrabri Finance Ltd	New Zealand	Ordinary	100	50
Narrabri Investments Ltd	New Zealand	Ordinary	100	50
Newco Logistics Limited	New Zealand	Ordinary	100	50
Pacific Shipping Services Ltd	New Zealand	Ordinary	100	100
Pinnacle Containers Ltd	New Zealand	Ordinary	100	50
PT Bintan Offshore Marine Centre [2]	Indonesia	Ordinary	54	54
Qube Energy Sdn Bhd	Malaysia	Ordinary	100	100
Qube Forestry NZ Ltd	New Zealand	Ordinary	100	100
Qube International Pte Ltd	Singapore	Ordinary	100	100
Qube Logistics Ltd	New Zealand	Ordinary	100	50
Qube Logistics (NZ) Ltd	New Zealand	Ordinary	100	100
Qube NZ Limited	New Zealand	Ordinary	100	100
Qube Ports NZ Ltd	New Zealand	Ordinary	100	100
Qube Pte Ltd	Singapore	Ordinary	51	51
Specialised Container Services (Auckland) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Christchurch) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Christchurch) 2022 Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Dunedin) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Hamilton) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Napier) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Nelson) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (New Plymouth) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Tauranga) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Timaru) Ltd	New Zealand	Ordinary	100	50
Specialised Container Services (Wellington) Ltd	New Zealand	Ordinary	100	50
Specialised Refrigeration Services New Zealand Ltd	New Zealand	Ordinary	100	50
Specialised Transport Services NZ Ltd	New Zealand	Ordinary	100	50

1. These entities are parties to a deed of cross guarantee under which each company guarantees the debts of the others. The above entities represent a 'closed group' for the purpose of the ASIC Corporations (Wholly-owned Companies) Instrument 2016/785, and as there are no other parties to the deed of cross guarantee that are controlled by the holding entity, they also represent the 'extended closed group'.
2. Qube's economic interest in these entities is 54% due to its holding in BOMC Pte Ltd (holding company of the BOMC group).

26. Subsidiaries (continued)

ACCOUNTING POLICY

Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 23).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet respectively.

Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Qube.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. If the ownership interest in an associate is reduced, but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

27. Non-controlling interests

(a) Non-controlling interests (NCI) share of equity

	2024 $m	2023 $m
Interest in:		
Share capital	–	–
Reserves	–	–
Accumulated losses	**(3.5)**	(3.5)
	(3.5)	(3.5)

Accumulated losses in FY24 and FY23 are in relation to BOMC Pte Ltd consolidated group.

Unrecognised Items

This section provides information about items that are not recognised in the financial statements, but could potentially have a significant impact on the Group's financial position and performance.

28. Contingencies

Contingent liabilities

Guarantees

The parent entity has provided unsecured bank guarantees amounting to $32.4 million (2023: $24.6 million).

Qube issued a parent company guarantee in support of its 50% share of Prixcar's transactional banking facilities. The guarantee is limited to $11.6 million plus accrued interest and costs should the guarantee be enforced.

MLP Monetisation Indemnities

As part of the MLP monetisation transaction, Qube and the LOGOS Consortium have entered into agreements that allocate responsibility for the ongoing development of the project between the parties and provides certain indemnities to each other, some of which, if triggered, could result in a substantial payment by Qube to the LOGOS Consortium. This includes indemnifying the LOGOS Consortium for certain financial loss that arises if there is a termination event under the Development and Operations Deed (DOD), events of default under the DOD caused by Qube and in respect of certain contamination claims that may be brought against the LOGOS Consortium. The nature and specific terms of these agreements are commercially sensitive and have therefore not been disclosed. Qube does not expect any material financial exposure to arise as a result of the indemnities provided and accordingly no contingent liability has been recognised in Qube's financial statements. It is noted in relation to PFAS contamination that Qube's exposure has not been considered sufficiently likely to warrant the disclosure of any contingent liability in prior years and the MLP monetisation has not changed this situation.

Interstate Terminal dispute with Martinus

Qube has been in disagreement with the previous head contractor for the MLP Interstate Terminal (Martinus Rail Pty Ltd (Martinus)) over variations to the construction price and delivery timeframe. On 25 September 2023, Qube terminated the contracts with Martinus and engaged another contractor to manage and construct the remainder of the project.

Qube announced on 22 February 2024 that it had received a post-termination payment claim from Martinus pursuant to section 13(1C) of the Building and Construction Industry Security of Payment Act 1999 (NSW) (Act). The claims totalled approximately $113 million (net of duplicate claim for termination of approximately $24 million) and mainly concerned re-pricing of historical variations, new claims for alleged delay and disruption, and claims for termination entitlements under the contracts. The Superintendent assessed the contractor's entitlement under the contracts for these claims and certified a negative amount, that is, a payment from Martinus to Qube of approximately $2.8 million.

As required under the Act, Qube and Martinus have been engaged in a confidential adjudication process in respect of those claims. The adjudicator has now determined that Qube make a payment of approximately $63 million (exclusive of GST) under the Act.

Qube notes that the adjudicator's determination is an interim determination only, was confined to the post termination payment claim and was not a determination of all of the issues in dispute between the parties including Qube's claims against Martinus. The effect of this determination under the Act is only to determine whether a payment should be made to the contractor in respect of the post termination payment claim pending a final determination of all the issues in dispute between the parties in arbitration.

Qube will be responding to the adjudication determination by pursuing remedies available to it.

Qube does not expect the final outcome of this dispute with Martinus to have a material impact on Qube's financial position, when it is finally determined in arbitration.

29. Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of each reporting period, but not recognised as liabilities, is as follows:

	2024 $m	2023 $m
Payable:		
Within one year	**126.1**	297.4
Later than one year but not later than five years	**–**	14.9
Later than five years	**–**	–
	126.1	312.3

The above balance comprises capital expenditure required for contracted works and new items of plant and equipment.

On 27 May 2024, the Group entered into a binding agreement to acquire Melbourne International RoRo & Automotive Terminal (MIRRAT). The total consideration for the acquisition is around $332.5 million (exclusive of stamp duty and other costs). Completion of the acquisition is conditional on ACCC and Port of Melbourne approval.

30. Events occurring after the reporting period

Matters subsequent to the end of the financial year

On the 21st of August 2024, Qube acquired the Colemans business and freehold properties (Colemans) from its private owners. Colemans is an integrated transport, logistics and storage business with a portfolio of specialised licensed infrastructure supporting the Security Sensitive Ammonium Nitrate1 (SSAN) supply chain in Western Australia. The total consideration for the acquisition was approximately $119 million (exclusive of stamp duty and other costs) and has been funded from Qube's available, undrawn debt facilities.

Controlled entities within the Group are and become parties to various legal actions in the ordinary course of business and from time to time. The Directors consider that any liabilities arising from this type of legal action are unlikely to have a material adverse effect on the Group.

Except as outlined in the Directors' report or noted above, no matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Other Notes

This section includes items requiring disclosure to comply with Australian Accounting Standards and other regulatory pronouncements, but are not considered critical in understanding the financial performance or position of the Group, including relevant accounting policies applied, as well as other accounting policies applied which are not covered elsewhere in the notes to the financial statements.

31. Derivative Financial Instruments

The Group enters into derivative financial instruments in the normal course of business in order to hedge its interest rate and foreign currency risk exposure in accordance with the Group's financial risk management policies (refer to note 21). Derivatives are only used for economic hedging purposes and not as speculative investments. The following table shows the notional value of the derivative instruments held by the Group, the nature of the hedge relationship with the underlying debt instrument and their fair value as at the reporting date.

Derivative instrument	Nature of hedge	Notional amount $m	Asset $m	Liability $m
Year ended 30 June 2024				
Cross-currency interest rate swaps	Cash flow hedge	189.6	**30.1**	–
	Fair value hedge	189.6	**(8.7)**	–
Forward exchange contracts	Cash flow hedge	126.3	-	-
Interest rate derivatives	Cash flow hedge	904.9	**3.6**	–
Interest rate derivatives	Not hedge accounted	190.0	**7.7**	–
Commodity swaps	Not hedge accounted	8.2	**0.5**	
Current			**16.4**	–
Non-current			**16.8**	–
Year ended 30 June 2023				
Cross-currency interest rate swaps	Cash flow hedge	189.6	**30.7**	–
	Fair value hedge	189.6	**(10.9)**	–
Forward exchange contracts	Cash flow hedge	3.5	**0.2**	–
Interest rate derivatives	Cash flow hedge	45.9	**0.7**	–
Interest rate derivatives	Not hedge accounted	190.0	**12.3**	0.7
Current			**0.2**	0.7
Non-current			**32.8**	–

31. Derivative Financial Instruments (continued)

Cross-currency interest rate swap (CCIRS)

The Group's medium term notes create both an interest rate and a foreign currency risk exposure. The Group's policy is to minimise its exposure to both USD interest rate and exchange rate movements. Accordingly, the Group has entered into a series of CCIRS which cover 100% of the USPP principals outstanding and are timed to expire when each USPP loan matures. These swaps also swap the obligation to pay fixed USD interest to floating AUD interest. If the swaps held are no longer effective in hedging the interest rate and foreign currency risk exposure, management will reassess the value in continuing to hold the swap.

In accordance with the accounting policy, these CCIRS have been designated as fair value and cash flow hedges with movements in fair value recognised through profit or loss together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk for fair value hedges or in equity in the cash flow hedge reserve for cash flow hedges, whilst they are still in an effective hedge relationship.

Interest rate derivatives

Borrowings of the Group (excluding leases) currently bear an average interest rate of 6.0% on drawn debt and total facilities in place at year end, including margin, commitment and establishment fees. The Group manages cash flow interest rate risk by using interest rate swaps, interest rate caps and interest rate collars.

Hedging instruments in place, cover approximately 38% (2023: 21%) of the variable loan principal outstanding and have a weighted average minimum and maximum base rate of 3.3% and 3.7% respectively.

The Group has designated those derivatives entered into from 1 December 2023 as hedging instruments for accounting purposes, while derivatives executed before this date will have changes in the fair value recognised immediately in profit or loss.

Forward exchange contracts and foreign exchange options

The Group has exposure to movements in foreign currency exchange rates through anticipated purchases of parts and equipment and customer receipts related to the grain trading business. There has been no material hedge ineffectiveness during the period between designation of these forward exchange rate contracts and the reporting date. The movement in fair value has been deferred in the cash flow hedge reserve and will be released when the anticipated transactions occur.

Commodity swaps

The Group has exposure to movements in commodity prices through purchases of grains as they pertain to the new grain trading business. The movement in fair value has been recognised immediately in profit or loss.

31. Derivative Financial Instruments (continued)

ACCOUNTING POLICY

Derivatives that qualify for hedge accounting

Qube has entered into derivative financial instruments to hedge its exposure to fluctuations in interest and foreign exchange rates. At the inception, Qube designates and documents these derivative instruments into a hedging relationship with the applicable hedged items, noting its risk management objective and strategy for undertaking the hedge transaction.

Qube documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be, highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedges

A fair value hedge is a hedge of the exposure to changes in fair value of an asset or liability that is attributable to a particular risk.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria. This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows attributable to a particular risk associated with an asset, liability or highly probable forecast transaction that could affect profit or loss.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within finance income or expense.

Changes in fair value of the foreign currency basis spread of a financial instrument when the foreign currency basis spread of a financial instrument is excluded from the designation of that financial instrument, as the hedging instrument are included in the cost of hedging reserve.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instrument. Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item are recognised within other comprehensive income (OCI) in the costs of hedging reserve within equity.

When the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously in the cash flow hedge reserve are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument matures or is sold, terminated or exercised, no longer qualifies for hedge accounting, or when Qube revokes designation. Any cumulative gain or loss recognised in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in equity is recognised immediately in profit or loss.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivatives that do not qualify for hedge accounting are recognised immediately in the profit or loss.

32. Reconciliation of profit after income tax to net cash inflow from operating activities

	2024 $m	2023 $m
(a) Net cash inflow from operating activities		
Profit for the year	**221.9**	166.6
Depreciation and amortisation	**307.4**	276.6
Non-cash employee benefits expense – share-based payments	**5.1**	6.6
Fair value adjustment to investment properties	**(7.0)**	(1.5)
Fair value loss on financial instruments at fair value through profit or loss	**3.5**	1.3
Finalisation of acquisition	**(1.4)**	–
Net loss on sale of MLP Property Assets	**5.2**	7.6
Profit on sale of property plant and equipment	**(3.1)**	(9.5)
Share of profit of associates (net of dividends received)	**18.9**	21.5
Capitalised debt establishment costs and interest	**(10.0)**	(11.6)
Loss/(gain) on cancellation of sub-lease	**0.1**	(0.8)
Change in operating assets and liabilities, net of effects from purchase of controlled entities:		
(Increase)/decrease in trade debtors and other receivables	**(55.0)**	72.5
(Increase)/decrease in inventories	**(72.0)**	5.9
(Increase)/decrease in deferred tax assets	**(5.9)**	2.8
Decrease in trade creditors	**(19.4)**	(18.5)
Increase/(decrease) in other operating liabilities	**10.9**	(3.1)
Increase/(decrease) in provision for income taxes payable	**29.4**	(135.1)
(Decrease)/increase in deferred tax liabilities	**(4.2)**	5.2
Increase in other provisions	**18.3**	5.5
Net cash inflow from operating activities	**442.7**	392.0

(b) Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets – note 10(a); and
- options and shares issued to employees under the employee share scheme – note 36.

32. Reconciliation of profit after income tax to net cash inflow from operating activities (continued)

(c) Net debt reconciliation

The table below details changes in the Group's net debt arising from financing activities, including both cash and non-cash changes.

	Borrowings[1] $m	Leases $m	Subtotal $m	Cash and cash equivalents $m	Total $m
Net debt as at 1 July 2022	1,062.6	895.0	1,957.6	(154.0)	1,803.6
Cash flows	93.2	(104.8)	(11.6)	(37.3)	(48.9)
Additions & acquisitions of subsidiaries	–	35.6	35.6	–	35.6
Lease interest expense capitalised	–	41.8	41.8	–	41.8
Fair value and foreign exchange adjustments	5.3	–	5.3	(0.4)	4.9
Modifications and lease re-assessments	–	6.0	6.0	–	6.0
Variable lease adjustments	–	8.1	8.1	–	8.1
Net debt as at 30 June 2023	**1,161.1**	**881.7**	**2,042.8**	**(191.7)**	**1,851.1**
Cash flows	**264.6**	**(109.5)**	**155.1**	**6.3**	**161.4**
Additions & acquisitions of subsidiaries	**–**	**111.4**	**111.4**	**–**	**111.4**
Lease interest expense capitalised	**–**	**44.7**	**44.7**	**–**	**44.7**
Fair value and foreign exchange adjustments	**0.4**	**–**	**0.4**	**0.5**	**0.9**
Modifications and lease re-assessments	**–**	**14.3**	**14.3**	**–**	**14.3**
Lease exited	**–**	**(32.2)**	**(32.2)**	**–**	**(32.2)**
Variable lease adjustments	**–**	**7.9**	**7.9**	**–**	**7.9**
Net debt as at 30 June 2024	**1,426.1**	**918.3**	**2,344.4**	**(184.9)**	**2,159.5**

1 Excludes capitalised establishment costs.

33. Remuneration of auditors

During the year, the following fees were paid or payable to the auditor of the parent entity, PricewaterhouseCoopers and its related practices:

	2024 $'000	2023 $'000
Audit or review of Financial Statements		
Australia	**1,381.0**	1,512.0
Overseas	**243.0**	–
Total remuneration for audit/review services	**1,624.0**	1,512.0
Taxation and advisory services		
Australia	**519.6**	556.6
Total remuneration for taxation and advisory services	**519.6**	556.6

It is the Group's policy to employ PricewaterhouseCoopers (PwC) on assignments additional to their statutory audit duties where PwC's expertise and experience with the Group are important and will not impact PwC's independence.

34. Related party transactions

(a) Parent entity

The ultimate parent entity and ultimate controlling party of the Group is Qube Holdings Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 26.

(c) Key management personnel

Disclosure relating to key management personnel are set out in note 35.

(d) Transactions with other related parties

The following transactions occurred with related parties:

	2024 $m	2023 $m
Stevedoring services		
received from other related entities and associates	**11.1**	5.7
paid to associates	**35.1**	31.4
Logistics, fuel services and management fees		
received from associates and other related parties	**0.2**	0.5
paid to associates and other related parties	**–**	0.5
Rental income received from associates	**3.4**	2.4
Dividend income received from associates	**86.9**	56.5

(e) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of each reporting period in relation to transactions with related parties:

	2024 $m	2023 $m
Associates and other related parties		
Current receivables (provision of services)	**2.0**	1.0
Current payables (payment for services)	**2.6**	2.2

(f) Loans to related parties

Loans to other associated entities totalled $82.1 million (2023:$122.2 million) at the end of the year. Included in this total is $55.9 million (2023: $100.9 million) in shareholder loans provided to Patrick, $24.2 million (2023: $24.2 million) in shareholder loans to Prixcar, a shareholder loan of $13.6 million (2023: $13.6 million) to IMG and a shareholder loan of $0.2 million (2023: $0.2 million) to P&O Trans (Malaysia) Sdn Bhd. Refer to note 8 for further information in relation to the loan with Patrick. Other loans to associates have been classified within other assets on the Balance Sheet.

Loan repayments of $45.0 million (2023: $63.9 million) were received from associated entities during the year.

The shareholder loan with Prixcar has been impaired to $12.4 million (2023: $7.5 million). No impairment issues were noted in relation to Patrick.

(g) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

35. Key management personnel disclosures

	2024 $'000	2023 $'000
(a) Key management personnel compensation		
Short-term employee benefits	**10,707.2**	10,380.2
Post-employment benefits	**246.4**	198.1
Long-term benefits	**61.8**	353.9
Share-based payments	**2,830.1**	2,749.8
	13,845.5	13,682.0

Detailed remuneration disclosures are provided in the Remuneration Report.

(b) Loans to key management personnel

No loans have been provided to the directors of Qube Holdings Limited and other key management personnel of the Group, including their personally related parties.

36. Share-based payments

(a) Performance Rights

Qube's current long-term incentive plan is a Performance Rights (PRs) plan with the objective of retaining and rewarding executives for effectively delivering Qube's strategy.

Participation	The Managing Director, other KMP and other executives who can directly influence the performance of Qube.
Grant date	10 November 2023 and 30 November 2023.
Instrument	Performance Rights (PRs) to be settled in Qube as fully paid ordinary shares.
Amount payable	PRs and subsequent shares upon vesting are issued for nil consideration.
Performance condition	The Performance Rights are subject to two performance conditions: Tranche 1 – 60% of PRs will be subject to Diluted Earning Per Share Pre-Amortisation (EPSA) on a Compound Annual Growth Rate (CAGR) basis; and Tranche 2 – 40% of PRs will be subject to Relative Total Shareholder Return (rTSR) against a peer group of companies sharing similar characteristics.

EPSA CAGR performance (60% weighting)	Relative TSR performance (40% weighting)	% of PRs to vest against relevant performance condition
Below 5%	Below 50th percentile	0%
5%	50th percentile	31%
Between 5% and 7.5%	Between 50th and 75th percentile	Straight line pro-rata vesting
7.5%	75th percentile	62%
Between 7.5% and 10%	Between 75th and 85th percentile	Straight line pro-rata vesting
10% or above	85th percentile or above	100%

Service condition	Eligible executives must continue to be employed by a Qube Group member until the vesting date.
Performance period	EPSA CAGR performance period is 1 July 2023 to 30 June 2026. Relative TSR performance period is 15 September 2023 to 14 September 2026.
Vesting date	30 September 2026.
Dividends	Each vested PR entitles the participant to one Qube share plus additional shares equal to the dividends paid by Qube during the vesting period and the exercise period, up to the exercise date.
Termination	If participant ceases to be an employee during the performance period, the LTI will be pro-rated. If terminated as a "bad leaver", all unvested LTI PRs will be forfeited.

36. Share-based payments (continued)

(a) Performance Rights (continued)

Set out below is a summary of Performance Rights granted under the scheme:

Grant date	Final vesting date	Original issue price ($)	Original issue (number)	Forfeited (number)	Vested/ transferable (number)	Closing balance (number)	No. of shares vested into and held in escrow at the end of the year (number)
30 Nov 23	30 Sep 26	2.87	560,989	-	-	560,989	-
10 Nov 23	30 Sep 26	2.92	1,833,481	-	-	1,833,481	-
14 Dec 22	30 Sep 25	2.82	1,798,424	(74,224)	-	1,724,200	-
1 Dec 22	30 Sep 25	2.75	561,649	-	-	561,649	-

Fair value of Rights granted

The fair value at grant date is independently determined in accordance with AASB 2 *Share-based Payment* using either a Black & Scholes Merton or a Monte Carlo simulation based model. The model inputs for Performance Rights expensed during the year ended 30 June 2024 included:

Vesting date	30 Sep 26	30 Sep 26	30 Sep 25	30 Sep 25
Grant date	30 Nov 23	10 Nov 23	1 Dec 22	14 Dec 22
Share price at grant date	$2.87	$2.92	$2.75	$2.82
Fair value on grant date – rTSR	$1.37	$1.33	$1.26	$1.40
Fair value on grant date – EPSA	$2.92	$2.87	$2.82	$2.88
Time to vesting (years)	2.83	2.89	2.83	2.8
Volatility (%)	20.15%-25.15%	20.17%-25.17%	31.5%-36.5%	31.5%-36.5%
Risk free interest rate (%)	4.07%	4.17%	3.17%	3.07%
Dividend yield (%)	2.82%-3.29%	2.88%-3.35%	2.53%-3.02%	2.53%-3.02%

Dividends paid throughout the performance period are re-invested at the close price on each ex-dividend date.

(b) Legacy Plan – Share Appreciation Rights

Qube's legacy long-term incentive plan is the Share Appreciation Rights (SARs) plan or LTI (SARs) plan. Grants were made under the legacy plan since FY17, of which the FY21 and FY22 remained on foot during FY24, details of which are outlined below. No further grants will be made under this plan.

The key terms and conditions are described below:

Participation	The Managing Director, other KMP and other executives who can directly influence the performance of Qube.
Instrument	Share Appreciation Rights, with an intrinsic share price hurdle.
Performance condition	As at the vesting date the share price must be higher than the initial price (exercise price) for the SARs to have any value. The initial prices for the SARs are: • FY21 LTI (SARs) – $2.75 • FY22 LTI (SARs) – $3.25 The initial prices have been adjusted for special dividends and the discount component of entitlement offers in accordance with market practice.
Service condition	Eligible executives must continue to be employed by a Qube Group member until the vesting date.
Exercise price	Nil
Performance period	3 years
Vesting date	The date of release of audited financial statements, approximately 3 years after the date of grant.
Dividends	Dividends are not paid on SARs but are paid on vested shares including during the retention period.
Termination	If participant resigns during the performance period, the LTI will be pro-rated. If terminated as a "bad leaver", all unvested LTI will be forfeited.

36. Share-based payments (continued)

(b) Legacy Plan – Share Appreciation Rights (continued)

Set out below is a summary of SARs granted under the scheme:

Grant date	Final vesting date	Original issue price ($)	Original issue (number)	Forfeited (number)	Vested/ transferable (number)	Adjustments* (number)	Closing balance (number)	No. of shares vested into and held in escrow at the end of the year (number)
13 Sep 21	22 Aug 24	3.25	8,204,167	(166,136)	–	–	8,038,031	–
24 Aug 20	24 Aug 23	2.75	16,614,268	(1,646,040)	(15,234,056)	265,828	–	949,488

* Adjusted for the impact of special dividends and the Entitlement Offer completed in May 2020.

Fair value of Share Appreciation Rights granted

The fair value at grant date is independently determined in accordance with AASB 2 *Share-based Payment* using either a Black & Scholes Merton or a Monte Carlo simulation-based model.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were as follows:

	2024 $m	2023 $m
Equity-based compensation – expensed		
Share based payments	**5.1**	6.6

37. Deed of cross guarantee

Qube Holdings Limited, as holding entity, and the entities footnoted 1 in note 26, as group entities, are parties to a deed of cross guarantee under which each entity guarantees the debts of the others. The deed of cross guarantee is in the same terms as ASIC Pro Forma 24 referred to in ASIC Corporations (Wholly-owned Companies) Instrument 2016/785 (ASIC Instrument). The above entities represent a 'closed group' for the purposes of the ASIC Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by the holding entity, they also represent the 'extended closed group'.

(a) Consolidated income statement, statement of comprehensive income and summary of movements in consolidated retained earnings for the year ended 30 June 2024 of the closed group

Consolidated income statement	2024 $m	2023 $m
Revenue from continuing operations		
Revenue from sales and services	**2,959.6**	2,525.6
Other income	**13.8**	21.8
	2,973.4	2,547.4
Direct transport and logistics costs	**(903.4)**	(741.9)
Repairs and maintenance costs	**(185.3)**	(157.4)
Employee benefits expense	**(1,016.0)**	(886.9)
Fuel, oil and electricity costs	**(210.5)**	(206.9)
Occupancy and property costs	**(53.5)**	(45.1)
Depreciation and amortisation expense	**(259.6)**	(238.7)
Professional fees	**(22.9)**	(16.5)
Other expenses	**(35.9)**	(41.7)
Total expenses	**(2,687.1)**	(2,335.1)
Finance income	**15.8**	19.3
Finance costs	**(105.1)**	(77.6)
Net finance costs	**(89.3)**	(58.3)
Share of net profit of associates accounted for using the equity method	**66.7**	34.6
Profit before income tax	**263.7**	188.6
Income tax expense	**(65.4)**	(59.7)
Profit for the year	**198.3**	128.9
Other comprehensive income net of tax:		
Change in the fair value of cash flow hedges and cost of hedging	**0.6**	(6.5)
Share of other comprehensive income of joint venture	**(1.0)**	3.7
Total comprehensive income for the year	**197.9**	126.1
Total comprehensive income attributable to:		
Owners of Qube	**197.9**	126.1
Non-controlling interests	**–**	–
	197.9	126.1
Summary of movements in consolidated retained earnings		
Retained earnings at the beginning of the financial year	**181.4**	193.3
Profit for the year	**198.3**	128.9
Dividends provided for or paid	**(147.5)**	(136.8)
Entities leaving the closed group	**–**	(4.0)
Retained earnings at the end of the financial year	**232.2**	181.4

37. Deed of cross guarantee (continued)

(b) Consolidated balance sheet as at 30 June 2024 of the closed group

	2024 $m	2023 $m
ASSETS		
Current assets		
Cash and cash equivalents	**158.5**	133.8
Trade and other receivables	**784.5**	594.5
Inventories	**93.2**	21.5
Derivative financial instruments	**16.4**	0.2
Total current assets	**1,052.6**	750.0
Non-current assets		
Loans and receivables	**55.9**	100.9
Investments in equity accounted associates	**681.9**	593.5
Property, plant and equipment	**2,060.4**	1,874.5
Right-of-use assets	**647.3**	705.5
Deferred tax assets	**57.7**	51.0
Investment properties	**62.0**	55.0
Intangible assets	**852.0**	827.1
Other financial assets	**413.1**	352.1
Derivative financial instruments	**16.7**	32.1
Other assets	**64.9**	70.0
Total non-current assets	**4,911.9**	4,661.7
Total assets	**5,964.5**	5,411.7
LIABILITIES		
Current liabilities		
Trade and other payables	**658.7**	402.7
Borrowings	**57.5**	334.8
Lease liabilities	**77.2**	78.7
Current tax payable	**48.6**	19.9
Derivative financial instruments	**–**	0.7
Provisions	**155.0**	138.8
Total current liabilities	**997.0**	975.6
Non-current liabilities		
Trade and other payables	**20.6**	0.8
Borrowings	**1,225.9**	731.8
Lease liabilities	**709.2**	750.9
Provisions	**23.0**	20.7
Total non-current liabilities	**1,978.7**	1,504.2
Total liabilities	**2,975.7**	2,479.8
Net assets	**2,988.8**	2,931.9
EQUITY		
Contributed equity	**2,761.7**	2,757.5
Reserves	**(5.1)**	(7.0)
Retained earnings	**232.2**	181.4
Total equity	**2,988.8**	2,931.9

38. Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2024 $m	2023 $m
Balance sheet		
Current assets	**757.7**	232.3
Total assets	**6,081.3**	4,187.3
Current liabilities	**768.6**	58.1
Total liabilities	**3,319.7**	1,197.8
Shareholders' equity		
Issued capital	**2,884.3**	2,880.1
Reserves	**3.5**	(26.5)
Retained earnings	**(126.2)**	135.9
	2,761.6	2,989.5
(Loss)/profit for the year	**(114.6)**	67.1
Total comprehensive income	**(114.6)**	67.1

(b) Guarantees entered into by the parent entity

There are cross guarantees given by the parent entity and the companies noted in note 26. No deficiencies of assets exist in any of these companies. No liability was recognised by the parent entity or the consolidated entity in relation to this guarantee given the low likelihood of it being called.

(c) Net current asset deficiency

As at 30 June 2024, the parent entity's current liabilities exceeded its current assets by $10.9 million. Qube is satisfied that it will be able to meet all its obligations as they fall due given its strong profitability and operating cash flows, existing cash reserves and available finance facilities. Dividends not recognised at the end of the reporting period (refer to Note 17) to be paid by the parent entity after the reporting date will be paid out of distributions made by subsidiaries to the parent prior to dividend declaration date.

ACCOUNTING POLICY

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from subsidiaries and associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

(ii) Tax consolidation legislation

The parent entity and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The parent entity and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the parent also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate the parent entity for any current tax payable assumed and are compensated by the parent entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the parent entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the parent entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

38. Parent entity financial information (continued)

(ii) Tax consolidation legislation (continued)

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

39. Summary of other accounting policies

(a) Other income

(i) Asset sales

The gain or loss on disposal of assets is recognised when title has transferred on the assets.

(ii) Interest income

Interest income is recognised in the statement of comprehensive income for all debt instruments using the effective interest method. Interest income on assets held at fair value through profit or loss is included in the statement of comprehensive income.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, Qube estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options), but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(iii) Dividends

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). The consolidated financial statements are presented in Australian dollars, which is Qube's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

Income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

39. Summary of other accounting policies (continued)

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(d) Adoption of standards

(i) New and amended standards adopted by the Group

The following new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies as a result of adopting the following standards:

AASB 2023-2 *Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules*

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation is not yet substantively enacted in Australia, the jurisdiction in which the head entity of the Group is incorporated, but is scheduled to come into effect from fiscal year commencing on or after 1 January 2024. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the Amendments to AASB 112 issued in June 2023. The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect.

AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax Related to Assets and Liabilities Arising From a Single Transaction*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(e) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Consolidated Entity Disclosure Statement

These consolidated entity disclosure statements have been prepared in accordance with the *Corporations Act 2001* (Cth) and include information for each entity that was part of the Qube Holdings Limited consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
Qube Holdings Limited	Body corporate	100	Australia	Australian	Australia [1]
Jingle SPV 1 Pty Ltd	Body corporate	100	Australia	Australian	Australia
Jingle SPV 2 Pty Ltd	Body corporate	100	Australia	Australian	Australia
Qube Employee Share Accumulation Plan Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Qube Holdings Limited Employee Share Trust	Trust	100	Australia	Australian	Australia
Qube Terminals Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Qube Logistics Trust	Trust	100	Australia	Australian	Australia [1]
Qube Bulk Liquids Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
TQ Holdings Australia Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Equity Ltd	Body corporate	100	Australia	Australian	Australia [1]
K-POAGS Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
KFM Logistics Investments 2 Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
K-NSS Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Oversea & General Stevedoring Co Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
KW Auto Logistics Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
K-AATerminals Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
P&O Wharf Management Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Australian Amalgamated Terminals Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
AAT Port Kembla Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Cargo Marshalling Services Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Australian Automotive Terminals Pty Ltd	Body corporate	100	Australia	Australian	Australia
K-POTA Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
KIL Property Investments Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Minto Properties Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
KFM Property Logistics 1 Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube RE Services Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Moorebank Industrial Terminals Operations Hold Trust	Trust	100	Australia	Australian	Australia [1]
Moorebank Industrial Terminals Asset Hold Trust	Trust	100	Australia	Australian	Australia [1]
Moorebank Industrial Hold Trust	Trust	100	Australia	Australian	Australia [1]
Moorebank Industrial Warehouse Hold Trust	Trust	100	Australia	Australian	Australia [1]
Qube Properties Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Property Management Services Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube RE Services (No.2) Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Moorebank Industrial Terminals Asset Trust	Trust	100	Australia	Australian	Australia [1]
Moorebank Industrial Terminals Operations Trust	Trust	100	Australia	Australian	Australia [1]
Qube MB Warehousing Pty Limited	Body corporate [2]	100	Australia	Australian	Australia [1]
Qube Moorebank Warehousing Trust	Trust	100	Australia	Australian	Australia [1]
Qube Terminals Investments Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube (AU) Moorebank Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube (AU) Moorebank Holding Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Qube (AU) Moorebank Unit Trust	Trust	100	Australia	Australian	Australia [1]
Qube (AU) Moorebank Warehouse Hold Trust	Trust	100	Australia	Australian	Australia [1]

Consolidated Entity Disclosure Statement (continued)

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
Qube (AU) Moorebank Warehouse Lot Hold Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Intermodal Hold Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Terminals Assets Hold Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Terminals Operations Hold Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Investment Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Warehouse Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Intermodal Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Terminals Assets Trust	Trust	100	Australia	Australian	Australia[1]
Qube (AU) Moorebank Terminals Operations Trust	Trust	100	Australia	Australian	Australia[1]
Qube Agri Investments Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Quattro P RE Services Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
Quattro Grain Trust	Trust	100	Australia	Australian	Australia[1]
Qube Logistics (Aust) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (Rail) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (NSW) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (Vic) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (SB) Pty Ltd	Body corporate[3]	100	Australia	Australian	Australia[1]
Qube Logistics (SL) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (SA) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (SA1) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (Global) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (Qld) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT1) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT2) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT3) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT4) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT5) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (QldT6) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (WA) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (WA1) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (WA2) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (H&S) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Newcastle Agri Terminal Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
CTC Holdings (NSW) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
CTC Terminals Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics (NZ) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Lasso Logistics Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
True Blue Containers (2005) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Keyhole Enterprises Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Stevenson Logistics Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Container Cargo Specialists Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Rous Head Cargo Services Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Macarthur Intermodal Shipping Terminal Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]

Consolidated Entity Disclosure Statement (continued)

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
Qube Grains Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Bowport All Roads Transport Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Rail Equipment Leasing Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Independent Railways Of Australia Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Independent Railroad Of Australia Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Indy Equipment Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Beveridge Terminals Holdings Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
Beveridge Terminals Holdings Trust	Trust	100	Australia	Australian	Australia[1]
Beveridge Warehouse Holdings Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
Beveridge Warehouse Holdings Trust	Trust	100	Australia	Australian	Australia[1]
Qube Beveridge Warehouse Trust	Trust	100	Australia	Australian	Australia[1]
Chalmers Pty Limited	Body corporate	100	Australia	Australian	Australia[1]
Chalmers Industries Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Chalmers (Australia) Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Chalmers 20 Cawley Road Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Chalmers Industries Brisbane Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
D&J Holding Co Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Maritime Container Services Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
D&J Subsidiary Co Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Australian Grain Handlers Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Logistics Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Diesel Engineering Services Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Narrabri Finance Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Narrabri Investments Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Auckland) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Christchurch) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Christchurch) 2022 Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Dunedin) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Hamilton) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Napier) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Nelson) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (New Plymouth) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Tauranga) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Timaru) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Container Services (Wellington) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Refrigeration Services New Zealand Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Specialised Transport Services NZ Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Docks Transport Equipment Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Gracefield Holdings Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Hazardous Goods Containment Systems (2008) Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Newco Logistics Limited	Body corporate	100	New Zealand	Foreign	New Zealand

Consolidated Entity Disclosure Statement (continued)

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
Pinnacle Containers Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Metrobox Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Qube Ports Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Ports (No 1) Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Markhaven Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
Continental Freight Employees Unit Trust	Trust	100	Australia	Australian	Australia [1]
Qube Energy Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Learning Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Offshore Services Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
W Qube Port of Dampier Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Australian Heavy Logistics Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Mooring Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube Forestry Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Harvestco Australia Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Qube NZ Limited	Body corporate	100	New Zealand	Foreign	New Zealand
Qube Ports NZ Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Qube Forestry NZ Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Pacific Shipping Services Ltd	Body corporate	100	New Zealand	Foreign	New Zealand
Newcastle Bulk Solutions Pty Ltd	Body corporate	100	Australia	Australian	Australia
Qube Energy Sdn Bhd	Body corporate	100	Malaysia	Foreign	Malaysia
Qube International Pte Ltd	Body corporate	100	Singapore	Foreign	Singapore
Qube Pte Ltd	Body corporate	51	Singapore	Foreign	Singapore
BOMC Pte Ltd	Body corporate	54	Singapore	Foreign	Singapore
BOMC Services Pte Ltd	Body corporate	54	Singapore	Foreign	Singapore
PT Bintan Offshore Marine Centre	Body corporate	54	Indonesia	Foreign	Indonesia
Qube Bulk Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Oztran Aust Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Oztran Assets Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Stanton Oztran Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Bluewood Industries Pty Ltd	Body corporate [2]	100	Australia	Australian	Australia [1]
CSR Trust	Trust	100	Australia	Australian	Australia [1]
Kalari Proprietary Ltd	Body corporate	100	Australia	Australian	Australia [1]
Jamlewin Enterprises Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Beaumont Transport Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
BBH Services Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Latot Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Stonecrest Enterprises Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci Holdings Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci Port Services Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci Limestone Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci Group Operations Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci SA Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]
Giacci Bros. Pty Ltd	Body corporate	100	Australia	Australian	Australia [1]

Consolidated Entity Disclosure Statement (continued)

	Type of entity	% of share capital	Country of incorporation	Australian resident or foreign resident	Countries of residence for tax purpose
Giacci Management Services Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Giacci NT Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Giacci Contracting Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
C&H Finance Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
C&H Employee Services Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
C&H Acquisition Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
LCR Holdco Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
LCR Finance Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
LCR Holdings Group Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
LCR Finance Trust	Trust	100	Australia	Australian	Australia[1]
LCR Properties Group Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
LCR Properties Group Trust	Trust	100	Australia	Australian	Australia[1]
LCR Mining Group Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
LCR Mining Group Trust	Trust	100	Australia	Australian	Australia[1]
LCR Haulage Group Pty Ltd	Body corporate[2]	100	Australia	Australian	Australia[1]
LCR Haulage Group Trust	Trust	100	Australia	Australian	Australia[1]
LB Consolidated Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
LPE Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Canopus Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
Qube Heavy Lift Pty Ltd	Body corporate	100	Australia	Australian	Australia[1]
LCR PNG Ltd	Body corporate	100	Papua New Guinea	Foreign	Papua New Guinea

1. These subsidiaries are part of a tax consolidated group with Qube Holdings Limited as the head entity and taxpayer.
2. Trustee.
3. Partner.

Key assumptions and judgements

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, 'Australian resident' has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as it is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations.

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regards to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

- **Foreign tax residency**
  The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency.

Trusts

Australian tax law does not contain specific residency test for trusts. Generally, these entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain tax purposes but this does not mean the trust itself is an entity that is subject to tax.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 77 to 149 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(c) the consolidated entity disclosure statement on pages 150 to 154 is true and correct, and

(d) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 26 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 37.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by 295A of the *Corporations Act 2001.*

This declaration is made in accordance with a resolution of the directors.

Allan Davies
Director

Sydney
22 August 2024

Independent auditor’s report

To the members of Qube Holdings Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Qube Holdings Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2024
- the directors’ declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

- The Group operates largely across Australia and New Zealand, with its key operating segments being Operating Division and a 50% interest in Patrick Terminals. These divisions are supported by a corporate function in Sydney.
- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- We decided the nature, timing and extent of work that needed to be performed by us and component auditors operating under our instruction.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

Key audit matter	*How our audit addressed the key audit matter*
Accounting for the Moorebank sale transaction *(Refer to note 24 – Discontinued operations) $(5.1)m* The Group has determined that the assets and liabilities that were sold to Logos Property Group met the classification of Discontinued operations under Australian Accounting Standards at reporting date. The Group had previously measured these assets and liabilities at the lower of their carrying amounts and fair value less costs to sell as required by Australian Accounting Standards. This included an assessment of the fair value of any contingent consideration and contingent payments that may be required to be paid as part of the sale.	We have performed the following procedures: • Assessed the appropriateness of the classification of the sale of assets and liabilities as a discontinued operations in the context of the Australian Accounting Standards. • Agreed the sales consideration cash flows to appropriate supporting documentation. • Assessed the appropriateness of key assumptions made in determining the fair value of contingent consideration included in the loss from discontinued operations disclosed. • Assessed the appropriateness of key assumptions

Key audit matter	How our audit addressed the key audit matter
The Group is required to assess the fair value of the remaining contingent consideration and payments at the balance date. These assessments involve significant judgements in estimating expected cash flows. This was considered a key audit matter given: • the significant judgement and subjectivity involved in the fair value assumptions; • the judgement and subjectivity relating to the outcome of the Interstate terminal dispute with Martinus; and • the significant disclosures required given the transaction triggers discontinued operations disclosures.	made in determining the fair value of contingent payments included in the loss from discontinued operations disclosed. • Tested the mathematical accuracy of the loss from discontinued operations disclosed. • Assessed the appropriateness of the contingent liability recorded in respect to the Interstate Terminal Dispute with Martinus with reference to supporting documentation. • Assessed whether the disclosures within the financial report are reasonable in light of the requirements of Australian Accounting Standards.
Recoverable amount of goodwill *(Refer to note 12 – Intangible assets) $812.7m* Under Australian Accounting Standards the Group is required to test goodwill at least annually for impairment or more frequently if impairment indicators exist. The Group performed impairment assessments relating to goodwill by preparing discounted cash flow models (the ‘models’) to determine the recoverable amounts of each cash generating unit (‘CGU’). These assessments are inherently complex and require judgement in forecasting the operational cash flows of the CGU’s and determining discount rates and terminal value growth rates. This was considered a key audit matter given: • the relative size of goodwill in the consolidated balance sheet; and	In considering the recoverable amount of goodwill ldetermined by the Group’s impairment assessment, amongst other procedures, we: • Tested the mathematical accuracy of the models. • Evaluated the appropriateness of the impairment assessment methodology. • Compared the key budget assumptions (such as revenue and EBITDA) used in the model to the Board approved budget. • Evaluated the Group’s ability to forecast future results for the business by comparing previous budgets with reported actual results for previous financial years. • Evaluated the appropriateness of the discount rate and terminal growth rate assumptions with the assistance of PwC valuation experts. • Performed sensitivity analysis over certain assumptions used in the models to assess any impact

Key audit matter	*How our audit addressed the key audit matter*
• the significant judgement and subjectivity involved in reliably forecasting cash flows within the models.	of a reasonable possible change. • Assessed whether the disclosures within the financial statements are reasonable in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Qube Holdings Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

Brett Entwistle
Partner

Elizabeth Stesel
Partner

Sydney
22 August 2024

Shareholder Information

Top 20 Shareholders

As at 14 August 2024, the top 20 shareholders of Qube were as follows:

Rank	Name	Number of Shares	% of Capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	482,547,396	27.31
2	CITICORP NOMINEES PTY LIMITED	233,662,721	13.22
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	227,934,143	12.90
4	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	112,485,051	6.37
5	TAVERNERS NO 10 PTY LTD	65,248,838	3.69
6	NATIONAL NOMINEES LIMITED	64,768,395	3.67
7	MUTUAL TRUST PTY LTD	49,950,921	2.83
8	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	30,125,724	1.70
9	BNP PARIBAS NOMS PTY LTD	19,550,777	1.11
10	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	19,054,802	1.08
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	14,208,278	0.80
12	MR PETER GIACCI	13,657,420	0.77
13	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	11,845,647	0.67
14	MR WILLIAM HARA	4,393,094	0.25
15	IOOF INVESTMENT SERVICES LIMITED <IPS SUPERFUND A/C>	4,337,883	0.25
16	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	4,242,645	0.24
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,225,528	0.24
18	INVIA CUSTODIAN PTY LIMITED <MAURICE ALAN JAMES A/C>	4,137,789	0.23
19	BOND STREET CUSTODIANS LIMITED <CAJ - D09461 A/C>	4,000,000	0.23
20	BNP PARIBAS NOMS (NZ) LTD	3,994,737	0.23
	Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**1,374,371,789**	**77.78**
	Total Remaining Holders Balance	**392,740,223**	**22.22**

Substantial Shareholders

As at 15 August 2024, Qube has been notified of the following substantial shareholdings:

Substantial Shareholder	Number of Shares	Date of Change	Voting Power
UniSuper Limited as trustee for UniSuper and UniSuper Management Pty Limited	92,677,268	2 December 2022	5.25%
Vanguard Group (The Vanguard Group Inc. and its controlled entities)	88,495,055	26 October 2023	5.01%
State Street Corporation and subsidiaries	106,138,210	24 April 2024	6.01%
Challenger Limited (and its entities)	146,499,185	10 May 2024	8.24%
Greencape Capital Pty Ltd	92,123,685	12 June 2024	5.21%

Distribution Schedule

As at 14 August 2024, the distribution of holdings of Qube shares was as follows:

Range	Total Holders	Shares	% of Capital
1 – 1,000	5,571	2,579,427	0.15
1,001 – 5,000	7,734	21,123,954	1.20
5,001 – 10,000	4,800	35,517,007	2.01
10,001 – 100,000	7,196	192,627,571	10.90
100,001 and over	502	1,515,264,053	85.75
Total	**25,803**	**1,767,112,012**	**100.00**

Unmarketable Parcels

As at 14 August 2024, details of parcels of Qube shares with a value of less than $500 were as follows:

	Minimum Parcel Size	Holders	Units
Minimum $500.00 parcel at $3.7900 per unit	135	585	14,652

Voting Rights

Each ordinary share carries with it one vote.

Restricted Securities

Qube does not have any restricted securities.

Unquoted Equity Securities

As at 15 August 2024, there were:

- 8,047,774 share appreciation rights on issue to 15 holders pursuant to Qube's LTI (SARs) Plan.
- 7,777,391 rights to ordinary shares on issue to 88 holders pursuant to Qube's LTI, STI and STIC Plans.

Current On-Market Buy-Backs

There are no current on-market buy-backs of shares in Qube.

On-Market Purchases of Securities

During the 2024 financial year, Qube's employee share trust acquired 852,719 shares on-market at an average price of $2.9806 for the purposes of satisfying obligations under Qube's employee incentive schemes.

Qube Subordinated Notes

On 5 October 2016, Qube issued 3,050,010 subordinated notes (Notes) which commenced trading on the ASX on 6 October 2016 under ASX code 'QUBHA'. On 5 October 2023, Qube successfully completed the redemption of all outstanding Notes in accordance with their terms. Holders of Notes received payment of the face value (principal amount) of $100.00 per Note plus an interest payment of $2.0588 per Note for the last quarterly payment period. The Notes were removed from official quotation on the ASX at close of business on 5 October 2023.

Corporate Governance Statement

A copy of Qube's 2024 Corporate Governance Statement and Appendix 4G is available in the Governance section on Qube's website at:

www.qube.com.au/about/governance/

Corporate Directory

Directors

Allan Davies (Chairman)

Sam Kaplan (Deputy Chairman)

Paul Digney (Managing Director)

Alan Miles

Steve Mann

Jackie McArthur

Lindsay Ward

Jill Hoffmann

James Fazzino

Company Secretaries

William Hara

Adam Jacobs

Principal Registered Office in Australia

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Security Exchange Listing

Qube Holdings Limited shares are listed on the Australian Securities Exchange (ASX)

Share Registry

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