

1 May 2025

ASX Announcement

Trading and Business Update

Qube, Australia's largest provider of integrated import and export logistics services, is pleased to provide an update on its recent performance and outlook for FY25.

Continued business momentum in H2-FY25 despite challenges

Qube is pleased to reconfirm its FY25 underlying earnings guidance that underlying NPATA and EPSA will increase by at least 5.0%.

This guidance is despite the financial impact of the significant unexpected weather events in Western Australia and Brisbane in recent months which significantly disrupted vessel calls and Qube's operations for part of the period.

All of Qube's markets performed in line with or ahead of Qube's expectations, with key highlights as follows:

Containers (Qube)	Steady volumes for key activities across transport, container parks and broader logistics activities.
Containers (Patrick)	Steady volumes with market share remaining in line with expectations.
Agri	Continued high volumes across trading, rail and terminal activities.
Automotive	Steady import volumes (Qube Ports) and reduced AQIS related activities and related inspection and storage volumes (AAT) consistent with expectations. MIRRAT acquisition to contribute from 1 May.
Forestry (NZ)	Increased volumes ahead of expectations.
Forestry (Aus)	Steady volumes in line with expectations.
Resources	Steady bulk volumes in line with expectations.
Energy	Continued growth in energy related activities.

The actual full year earnings growth will depend on a range of factors including market conditions in Qube's key markets, any further adverse weather events, and the inflationary and interest rate environment over the remainder of the financial year.

Qube remains well placed to deliver sustainable long-term underlying earnings growth.

Other Achievements

In addition to the continued positive financial performance, Qube achieved a number of important milestones in H2-FY25 including:

- Completion of the MIRRAT acquisition on 1 May 2025.
- Finalisation of the new 4-year enterprise agreement for Qube Ports.
- Finalisation of a 3-year enterprise agreement extension for Patrick with early resolution of its December 25 EA expiry, with no industrial disruption.

Impact of Tariffs

The precise impact of the tariffs and a global trade war is hard to reliably forecast as it will depend on a range of factors including the severity and duration as well as the relevant Government responses in the affected countries.

To date, Qube has not been impacted by the imposition of tariffs by certain countries, and Qube does not expect that it will be materially impacted should the proposed tariff regime be fully implemented.

This is largely due to the fact that a large proportion of Qube's logistics services relate to non-discretionary products, or in markets where Australia has limited manufacturing capacity and therefore products need to be imported. Additionally, Qube's services in the energy and resources markets are frequently provided to customers who have made large investment in long-life projects and therefore are likely to continue operating despite market volatility.

Update on Patrick Ownership Structure

Qube notes the transaction recently undertaken by Brookfield Infrastructure and its co-investors (together, Brookfield) regarding its 50% holding in Patrick Container Terminals (Patrick).

Qube and Brookfield each hold a 50% interest in Patrick via a joint venture that was established in 2016.

Brookfield has advised that it has entered into a binding sale agreement that, subject to completion occurring, will result in a new consortium owning Brookfield's 50% interest in Patrick. The new consortium comprises a new Brookfield controlled fund which will be the largest investor and which also includes some of Brookfield's existing co-investors who will increase their existing interest in Patrick.

The enterprise value of Patrick for this transaction is at a modest premium to the latest valuation of \$6.6 billion which was disclosed in Qube's FY25 Half Year results presentation.

Completion of the transaction is subject to customary regulatory approvals including FIRB.

There will be no change to Qube's 50% ownership of Patrick as a result of this transaction.

Qube's Managing Director, Paul Digney said "Qube's investment in Patrick has been an outstanding success, delivering over \$2.5 billion of value to Qube's shareholders including over \$825 million of cash distributions since 2016."

This is equivalent to an internal rate of return (IRR) of over 17% over our approximately 9 year ownership period. This return reflects the quality of this business which has been enhanced by the significant reinvestment that has gone into Patrick's four terminals over this period to drive capacity and enhance productivity, which is expected to support continued long term earnings growth.

This transaction falls within the exceptions that apply to Qube's right of first offer and is not expected to result in any significant changes to the operation of, or outlook for Patrick, or the ongoing relationship between Brookfield and Qube with respect to Patrick.

Background

In August 2016, Qube acquired 50% of Patrick Container Terminals (Patrick) with Brookfield Infrastructure and its co-investors (together, Brookfield) acquiring the other 50%. The total enterprise value paid for Patrick (100%) at that time (excluding transaction costs and adjustments) was around \$2.9 billion.

Qube advised as part of its H1 FY25 results presentation that the latest enterprise valuation of Patrick (based on an internal Patrick management discounted cashflow valuation) was around \$6.6 billion.

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