

14 August 2025

ASX Announcement

FY25 Statutory Accounts Preliminary Items

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As part of the preparation of Qube's annual financial statements, Qube undertakes an impairment assessment and a fair value assessment of certain assets in accordance with the applicable accounting standards.

Based on Qube's preliminary assessment, it expects to record several material adjustments, including an impairment, onerous contract provisions and fair value adjustments as at 30 June 2025. As set out below, the adjustments are largely related to Qube's obligations with respect to the Moorebank Logistics Park (MLP) Interstate Rail Terminal (MLP Interstate).

Background

Qube's obligations with respect to developing the MLP Interstate arose as part of the broader Moorebank transaction that was entered into by a Qube led consortium in June 2015. As part of that transaction, in return for being granted a 99-year lease of Commonwealth owned land for the development of extensive industrial warehousing, the consortium committed to develop an interstate rail terminal on that land with capacity for up to 500,000 containers a year.

In July 2021, Qube (which by that stage fully owned the consortium entity) entered into a binding agreement to sell 100% of the warehousing and property components of the MLP to the LOGOS Consortium (now ESR) for total consideration of around \$1.67 billion. This transaction, which completed in December 2021, delivered significant value and cash to Qube.

As part of securing the required approvals for that transaction, a new joint venture was established to own and operate the MLP Interstate comprising Qube (65%), ESR (25%) and National Intermodal Company (NIC) (10%). As part of that structure, Qube retained the obligation to manage the construction of Stage 1 of the terminal and to initially fund the Stage 1 construction. It is that obligation, combined with a weak medium to long term volume outlook for the MLP Interstate, that has resulted in most of the adjustments outlined below.

Impairments and Fair Value Adjustments

Qube expects to reflect the following material items in its FY25 accounts (all amounts are pre-tax):

- An impairment of around \$127.6 million on the carrying value of Qube's investment in Moorebank Interstate Terminals Pty Ltd (MITCo), being Qube's 65% interest in the JV. This impairment reduces the carrying value of this investment to nil.
- A fair value reduction of \$29.8 million being most of the balance of the volume-based milestone amounts receivable from ESR relating to its 25% interest in MITCo which was acquired from Qube to satisfy NIC's requirements for approval of the sale of Qube's interest in the warehousing and property components of the MLP.

The above adjustments are both non-cash items and reflect the assessed value of the asset using a discounted cashflow based on the current medium to long term volume outlook (which reflects the very low current volumes and no expectation of any material improvement).

- Onerous contract and other liabilities relating to the forecast increased cost to complete Stage 1 of the Moorebank Interstate and related rail access works of \$62.0 million. This amount includes Qube's 65% interest as well as the 35% interest of our JV partners which Qube is obligated to fund. The cash expenditure for this item is expected to be incurred between FY26 and FY29, with the majority expected to be incurred from mid FY27 to late FY28.
- A profit of around \$89.7 million on the sale of Qube's Minto freehold property that was completed in the period. Gross cash proceeds for this sale, received in H2 of FY25, were \$201.7 million.

No Impact On Underlying Earnings

All of the items noted in this announcement will be treated as non-underlying items in Qube's FY25 accounts given their non-recurring and/or non-cash nature. This is consistent with Qube's historical approach to determining underlying earnings.

Qube will continue to look for opportunities to maximise the value of its interest in the MLP Interstate which may result in a partial or full reversal of some of these items in the future.

Further information on the above items will be included in Qube's FY25 financial statements and related disclosure material.

Subject to finalisation of the FY25 audit, Qube's underlying earnings are expected to be in the previously announced range of at least 5.0% above the corresponding FY24 underlying earnings.

Qube will be releasing its FY25 results on 21 August 2025.

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