

# Lindsay Australia Limited

ABN 81 061 642 733

ASX Code LAU

Half-Yearly Report

Half-Year Ended 31 December 2021

ASX Rule 4.2A.3

Information required by Appendix 4D

The information should be read in conjunction with the attached Half-Year Report for the period ending 31 December 2021.

## Lindsay Australia Limited (LAU)

### Results for announcement to the market

\$ A'000

Revenues from ordinary activities	up	25.27%	to	273,907
Profit from ordinary activities after tax attributable to owners	up	87.91%	to	12,235
Net Profit after tax attributable to members	up	87.91%	to	12,235
Dividends	Amount per security		Franked amount per security	Unfranked amount per security
Interim Dividend	1.4¢		-	1.4¢
Previous corresponding period	1.2¢		1.2¢	-

Record date for determining entitlements to the dividend.	25 March 2022

## 4D Management discussion and comments

Refer Half Year Financial Report which has been lodged concurrently with App 4D.

### Non-cash financing and investing activities

	31 December 2021 \$A'000	31 December 2020 \$A'000
Acquisition of right-of-use assets – plant and equipment	19,266	13,854
Acquisition of right-of-use assets – property	1,018	2,460
Acquisition of right-of-use assets – other	82	-
Shares issued pursuant to dividend reinvestment plan	103	83
Shares issued pursuant to employee share scheme	104	-

### Ratios

	31 December 2021	31 December 2020
<b>Profit before tax / revenue</b> Consolidated profit before tax as a percentage of revenue	6.39%	4.26%
<b>Profit after tax / equity interests</b> Consolidated net profit after tax attributable to owners as a percentage of equity at the end of the half year	12.26%	6.68%

### Earnings Per Security (EPS)

	31 December 2021	31 December 2020
Basic EPS	4.1¢	2.2¢
Weighted average number of ordinary shares used in the calculation of the Basic EPS	300,350,021	299,404,544
Earnings \$A'000's used in calculating basic EPS	\$12,235	\$6,511

### NTA backing

	31 December 2021 \$A'000	31 December 2020 \$A'000
Net Tangible Assets (NTA)	\$91,014	\$88,477
Net tangible asset backing per ordinary security (cents per share)	*30.15 cents	*29.54 cents
<i>*The net tangible asset backing per ordinary share is inclusive of right-of-use assets and lease liabilities.</i>		

## Dividends

Date the dividend is payable	08 April 2022
Record date to determine entitlements to the dividend	25 March 2022

## Dividend amount per security

		Amount per security ¢	Franked amount per security at 30% tax ¢	Unfranked amount per security ¢
<b>Interim dividend:</b>	Current year	1.4	-	1.4
	Previous year	1.2	1.2	-

## Dividend Reinvestment Plan

The company has a Dividend Reinvestment Plan. The last day for notification of an election to participate in respect of the dividend payable on 08 April 2022 is 29 March 2022. A discount of 5% to the volume weighted average price for the five business days prior to and including the record date will apply to reinvestments.

## Issued and Quoted securities at end of current period

Category of securities	Total number	Number quoted	Issue price per security (cents)
Ordinary securities 1/7/2021	300,129,488	300,129,488	
Changes during current period <i>Shares issued pursuant to:</i>			
Dividend reinvestment plan	294,732	294,732	35.0
Employee share scheme	400,000	400,000	36.5
Ordinary securities 31/12/2021	300,824,220	300,824,220	

Changes in accounting policies since the last annual report are disclosed as follows.

nil

**Audit Review/Status.**

This report is based on accounts that have been subject to review.

**Details of entities over which control has been gained or lost during the period.**

Nil

**Compliance statement**

1. This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act.
2. This report and the accounts, upon which the report is based, use the same accounting policies.
3. This report does give a true and fair view of the matters disclosed.
4. The entity has a formally constituted audit committee.



Justin T Green  
Chief Financial Officer

Date 18 February 2022



ABN 81 061 642 733

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## INTERIM FINANCIAL REPORT

for the half-year ended 31 December 2021



**LINDSAY RURAL**

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

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<b>Directors</b>	<i>Chair Non-executive Director</i> Mr Ian M Williams
	<i>Managing Director and Chief Executive Officer</i> Mr Michael K Lindsay
	<i>Non-executive Directors</i> Mr Robert L Green Mr Matthew R Stubbs Mr Stephen P Cantwell
<b>Group Legal Counsel &amp; Company Secretary</b>	Mr Broderick T Jones LLB
<b>Chief Financial Officer &amp; Company Secretary</b>	Mr Justin T Green BBus CPA
<b>Share Register</b>	Computershare Investor Services Pty Ltd Level 1, 200 Mary Street, Brisbane, QLD, 4000 Telephone: 1300 552 270 Website: <a href="http://www.computershare.com.au">www.computershare.com.au</a>
<b>Registered and Principal Administrative Office</b>	152 Postle Street, Acacia Ridge, QLD, 4110 Telephone: (07) 3240 4900 Fax: (07) 3054 0240 Website: <a href="http://www.lindsayaustralia.com.au">www.lindsayaustralia.com.au</a>
<b>Auditor</b>	Pitcher Partners Level 38, 345 Queen Street, Brisbane, QLD, 4000
<b>Stock Exchange Listing</b>	Lindsay Australia Limited shares are listed on the Australian Securities Exchange, code LAU.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities CONTENTS

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## **LINDSAY AUSTRALIA LIMITED and Controlled Entities**

### **DIRECTORS' REPORT**

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Your Directors present their report on the consolidated entity consisting of Lindsay Australia Limited and the entities it controlled (referred to as "the Group") at the end of, or during the half-year ended 31 December 2021.

This interim financial report does not include all the notes of the type normally included in an annual financial report and should be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Lindsay Australia Limited (ASX: LAU) in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

### **DIRECTORS**

The following persons were Directors of Lindsay Australia Limited during or since the end of the half year:

I M Williams – appointed 03 September 2021  
M R Stubbs – appointed 03 September 2021  
S P Cantwell – appointed 17 December 2021  
M K Lindsay  
R A Anderson – resigned 31 August 2021  
A R Kelly – resigned 05 November 2021  
R L Green

The above-mentioned Directors held office during and since the end of the half-year except as otherwise noted.

### **REVIEW OF OPERATIONS**

Lindsay Australia Limited ("the Group") incorporates the key divisions of Lindsay Transport (including Lindsay Fresh) and Lindsay Rural. These vertically integrated business units have a specific focus on servicing customers across several industries including fresh produce, horticulture, food processing, food services and logistics. As customers needs continue to evolve, the Group remains committed to deliver new and innovative solutions to meet these changing requirements.

### **Reconciliation of results from the Group's operations**

A summary of the Group's financial results from its continuing operations for the half-year ending 31 December 2021 and the prior comparative period is set out below.

Underlying operations defined in this report are the Group's reported financial results as set out in the financial statements, adjusted for significant items that are non-recurring or items incurred outside the ordinary operations of the Group. Significant items include the impact of AASB 16 *Leases*.

The below table provides a reconciliation of the Group's results as contained in the financial statements and non-IFRS (International Financial Reporting Standards) underlying operations. The Directors believe the additional information included in the report is useful for measuring the financial performance of the Group.

The following non-IFRS reconciliation has not been subject to the Group's audit but is extracted from the reviewed interim financial statements.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

6 months ended 31 December 2021 Reconciliation of results from the Group	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Group \$'000
<b>Reported profit (loss) before tax</b>	<b>23,521</b>	<b>4,905</b>	<b>(10,923)</b>	<b>17,503</b>
<b><u>Underlying adjustments</u></b>				
<b>Impact AASB 16 Leases (a)</b>				
Depreciation right of use property/other	3,340	512	1,218	5,070
Finance costs right-of-use property/other	1,229	58	440	1,727
Operating lease rental payments (c)	(3,845)	(537)	(1,522)	(5,904)
<b>Total underlying adjustment AASB 16</b>	<b>724</b>	<b>33</b>	<b>136</b>	<b>893</b>
<b>Other underlying adjustments</b>				
Reversal of fuel tax credit provision relating to prior years (b)	(1,866)	-	-	(1,866)
Reverse interest expense on fuel tax credit assessment relating to prior years (b)	-	-	(1,546)	(1,546)
<b>Total other underlying adjustments</b>	<b>(1,866)</b>	<b>-</b>	<b>(1,546)</b>	<b>(3,412)</b>
<b>Total underlying adjustments</b>	<b>(1,142)</b>	<b>33</b>	<b>(1,410)</b>	<b>(2,519)</b>
<b>Underlying profit (loss) before tax</b>	<b>22,379</b>	<b>4,938</b>	<b>(12,333)</b>	<b>14,984</b>
<b>Reported EBITDA</b>	<b>40,536</b>	<b>5,682</b>	<b>(7,018)</b>	<b>39,200</b>
<b><u>Underlying adjustments</u></b>				
<b>Impact AASB 16 Leases (a)</b>				
Operating lease rental payments (c)	(3,845)	(537)	(1,522)	(5,904)
<b>Other underlying adjustments</b>				
Reversal of fuel tax credit provision relating to prior years (b)	(1,866)	-	-	(1,866)
<b>Total underlying adjustments</b>	<b>(5,711)</b>	<b>(537)</b>	<b>(1,522)</b>	<b>(7,770)</b>
<b>Underlying EBITDA</b>	<b>34,825</b>	<b>5,145</b>	<b>(8,540)</b>	<b>31,430</b>

(a) Eliminates the impact of AASB 16 Leases.

(b) Reversal of fuel tax credit adjustments (FTC) and interest charges that were accounted for in FY2021. The adjustments are based on an amended assessment notice from the Australian Taxation Office. The adjustments relate to prior financial years.

(c) Operating lease rental payments were expensed prior to the adoption of AASB 16 Leases.

**LINDSAY AUSTRALIA LIMITED and Controlled Entities  
DIRECTORS' REPORT**

<b>6 months ended 31 December 2020 Reconciliation of results from the Group</b>	<b>Transport \$'000</b>	<b>Rural \$'000</b>	<b>Corporate unallocated \$'000</b>	<b>Group \$'000</b>
<b>Reported profit (loss) before tax</b>	<b>17,308</b>	<b>3,517</b>	<b>(11,502)</b>	<b>9,323</b>
<b><u>Underlying adjustments</u></b>				
<b>Impact of AASB 16 Leases (a)</b>				
Depreciation right of use property/other	3,214	365	1,218	4,797
Finance costs right-of-use property/other	1,311	48	484	1,843
Operating lease rental payments (b)	(3,683)	(397)	(1,475)	(5,555)
<b>Total underlying adjustment of AASB 16</b>	<b>842</b>	<b>16</b>	<b>227</b>	<b>1,085</b>
<b>Underlying profit (loss) before tax</b>	<b>18,150</b>	<b>3,533</b>	<b>(11,275)</b>	<b>10,408</b>
<b>Reported EBITDA</b>	<b>33,366</b>	<b>4,133</b>	<b>(5,789)</b>	<b>31,710</b>
<b><u>Underlying adjustments</u></b>				
<b>Impact AASB 16 Leases (a)</b>				
Operating lease rental payments (b)	(3,683)	(397)	(1,475)	(5,555)
<b>Underlying EBITDA</b>	<b>29,683</b>	<b>3,736</b>	<b>(7,264)</b>	<b>26,155</b>

(a) Eliminates the impact of AASB 16 *Leases*.

(b) Operating lease rental payments were expensed prior to the adoption of AASB 16 *Leases*.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

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### Summary of Operating Results

In H1 FY22, the Group continues to execute its long-term value creation strategy by growing and diversifying its range of services, products, and geographical reach to meet customers' evolving needs. Delivered through ongoing investments in capacity, facilities, equipment, technology, and cost efficiency initiatives to deliver value for customers, employees, shareholders, and the community. This was achieved despite continued challenges and disruptions caused by COVID-19.

Key drivers of revenue and earnings growth during H1 FY22 included the expansion of Transport's refrigerated rail operations and further development of the Rural sales team. During the half-year, the Group invested \$6.2 million in rail equipment, increasing operational capacity and creating a platform for the Group to add new customers and meet strong demand for road, rail, and rural services.

These factors underpinned the Group's delivery of a solid uplift in revenues and earnings before interest, tax, depreciation and amortisation (EBITDA). For the half-year ended 31 December 2021, the Group generated \$273.90 million in revenue, increasing \$55.26 million (25.3%) from the prior comparable period (pcp).

Reported net profit after tax of \$12.23 million increased \$5.72m (87.9%) compared to the pcp. Earnings per share for the half-year increased to 4.1 cents, up 86.4% compared with 2.2 cents per share for the pcp.

The Group delivered an Underlying EBITDA of \$31.43 million, which increased 20.2% compared with the pcp. The Underlying EBITDA result excludes the impact of AASB 16 Leases and fuel tax credit adjustments relating to prior reporting periods. Refer to page 4 for a reconciliation of results from operations.

### Transport

Transport revenues (both external and inter-segment) of \$195.41 million increased \$42.77 million (28.0%) compared to the pcp. The revenue growth was underpinned by growth in rail, which delivered \$15.2 million (62.5%) additional revenues and strong and growing demand for road services throughout the half-year. Additionally, increases in diesel fuel pricing and AdBlue were offset by higher fuel recovery revenue for the period.

The Transport division generated an Underlying EBITDA of \$34.82 million, an increase of \$5.14 million (17.3%) compared with the pcp. The division has managed COVID-19 operational disruptions and related costs throughout the half-year. COVID-19 related disruptions are expected to continue for the remainder of the financial year.

The expansion into rail has been a critical organic growth strategy for Transport, complimenting the division's refrigerated facility network, further diversifying operations and playing an integral role in the uplift in Transport. The integrated road and rail service offering uniquely meets customers' evolving logistic requirements. Transport acquired a further 50 refrigerated containers during H1 FY22, with 350 refrigerated containers in operation at the period end. Transport remains on track to have 400 refrigerated containers in its fleet by the end of the 2022 financial year. The Group will continue to assess growth opportunities to grow road and rail organically into the future.

### Rural

Rural revenues (both external and inter-segment) of \$82.43 million increased by \$13.61 million (19.8%) compared to the pcp. Like for like branch sales increased \$10.06 million (14.6%), while new branches delivered \$3.55 million revenues for the half-year.

Rural continues to develop its dedicated sales team in established regions which has helped the division increase its share of wallet with customers. Rural delivered strong growth despite ongoing supply chain disruptions impacting inventory availability across several key product categories. The division has mitigated some supply chain constraints by holding additional inventories, and it is expected that the supply chain constraints will persist for the remainder of this financial year.

For the half-year, Rural delivered an Underlying EBITDA of \$5.14 million, an increase of \$1.41 million (37.7%) compared with the pcp. Rural remains focused on expanding operations to new high growth horticulture regions, further diversifying earnings and supporting the continued growth and development of the Group.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## DIRECTORS' REPORT

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### Cash Flow

The Group generated net operating cash flows of \$11.40 million for the half-year, \$8.4 million less than the pcp, attributable to an increase in working capital requirements for inventories and timing of receipts from trade receivables. The Group historically generates more operating cash flows in the second half of the financial year and forecasts this will continue in the 2022 financial year.

### Dividends

The Board of Directors has recommended paying a half-year unfranked dividend of 1.40 cents per share compared to the 1.20 cents per share (fully franked) dividend paid in the pcp. The increase in the dividend represents a rise of 16.6% compared with pcp, in line with Underlying EBITDA growth. The Board considers profits, working capital cash requirements and capital expenditure when recommending dividend payments.

### COVID-19 Impact

The Group implemented and continues to maintain many initiatives in response to the COVID-19 challenges. The Group remains focused on delivering clear communications, best-practice safety policies and compliance to ensure employee, customer, supply chain partner and community stakeholder well-being remains the highest priority.

Transport's import/export operations, which Lindsay Fresh Logistics performs, were materially impacted in 2021 financial year due to the shortage of available air freight services. Operating conditions for the segment have seen improvements in the first half of FY22, buoyed by increased domestic and sea freight volumes. Lindsay Fresh Logistics was eligible for the Australian Government JobKeeper wage subsidy scheme for the half-year ended 31 December 2020 and received wage subsidies of \$1.57 million. No subsidies were received for the half-year ended 31 December 2021.

The Group's Transport and Rural divisions remain fully operational as essential service providers, and the Board continues to monitor the impacts of COVID-19 closely as the circumstances are subject to sudden and continual change.

# LINDSAY AUSTRALIA LIMITED and Controlled Entities DIRECTORS' REPORT

## Segment revenue and contributions (refer Note 3):

Half-year	Dec 2021 \$'000	Dec 2020 \$'000	% Increase / (decrease)
<b>Transport</b>			
Revenue from provision of services	190,136	148,365	28.2%
Other revenue	1,688	1,315	28.4%
Inter-segment revenue	3,586	2,953	21.4%
<b>Total segment revenue</b>	<b>195,410</b>	<b>152,633</b>	<b>28.0%</b>
<b>Segment EBITDA</b>	<b>40,536</b>	<b>33,366</b>	<b>21.5%</b>
<b>Segment contribution to profit before tax</b>	<b>23,521</b>	<b>17,308</b>	<b>35.9%</b>
<b>Rural</b>			
Revenue from sale of goods	81,373	68,182	19.3%
Other revenue	359	68	427.9%
Inter-segment revenue	703	575	22.2%
<b>Total segment revenue</b>	<b>82,435</b>	<b>68,825</b>	<b>19.8%</b>
<b>Segment EBITDA</b>	<b>5,682</b>	<b>4,133</b>	<b>37.5%</b>
<b>Segment contribution to profit before tax</b>	<b>4,905</b>	<b>3,517</b>	<b>39.5%</b>

## DIVIDEND

Dividends are paid taking account of profit, future cash requirements for capital expenditure (sustaining and growth), working capital and the mix of debt and equity. An unfranked interim dividend of 1.4 cents per share was declared on 18 February 2022. This dividend is payable on 8 April 2022. Lindsay Australia Limited's dividend reinvestment plan continues in force. The dividend has not been recognised as a liability at the end of the half-year.

## ROUNDING OF AMOUNTS

Unless otherwise stated, the amounts in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) relying on rounding relief under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument (2016/191). The Group is an entity to which the instrument applies.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under the section 307C of the *Corporations Act 2001* accompanies this report.

This report is made in accordance with a resolution of the Directors.

**Ian M Williams**  
Chair of Directors

Brisbane, Queensland  
18 February 2022

Level 38, 345 Queen Street  
Brisbane, QLD 4000

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GPO Box 1144  
Brisbane, QLD 4001

**p.** +61 7 3222 8444

The Directors  
Lindsay Australia Limited  
152 Postle Street  
ACACIA RIDGE QLD 4110

### **Auditor's Independence Declaration**

In relation to the independent auditor's review for the half-year ended 31 December 2021, to the best of my knowledge and belief there have been:

- i. no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- ii. no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Lindsay Australia Limited and the entities it controlled during the period.

*Pitcher Partners*

PITCHER PARTNERS



DAN COLWELL  
Partner

Brisbane, Queensland  
18 February 2022

Brisbane Sydney Newcastle Melbourne Adelaide Perth

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**LINDSAY AUSTRALIA LIMITED and Controlled Entities**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>Revenues</b>	4	<b>273,907</b>	<b>218,644</b>
<b>Expenses</b>			
Changes in finished goods		(5,855)	(1,594)
Purchase of inventories		(61,231)	(54,947)
Employee benefits expense		(63,351)	(56,019)
Subcontractors		(52,698)	(31,875)
Depreciation and amortisation		(19,157)	(17,966)
Vehicle operating costs		(31,790)	(25,262)
Finance costs		(2,540)	(4,421)
Impairment loss on trade receivables		(68)	(39)
Rental and equipment hire costs		(848)	(587)
Professional fees		(847)	(714)
Other expenses		(18,019)	(15,897)
		(256,404)	(209,321)
<b>Profit before income tax</b>		<b>17,503</b>	<b>9,323</b>
Income tax expense		(5,268)	(2,812)
<b>Profit for the period</b>		<b>12,235</b>	<b>6,511</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>12,235</b>	<b>6,511</b>
Basic and diluted earnings per share		4.1¢	2.2¢

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

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>Current assets</b>			
Cash and cash equivalents		17,290	27,594
Trade and other receivables		83,696	56,717
Inventories		21,412	15,196
Prepayments		5,234	4,775
Current tax assets		-	668
<b>Total current assets</b>		<b>127,632</b>	<b>104,950</b>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income		25	25
Property, plant and equipment	8	68,920	64,928
Right-of-use assets	9	189,332	193,641
Intangible assets		8,741	8,963
<b>Total non-current assets</b>		<b>267,018</b>	<b>267,557</b>
<b>Total assets</b>		<b>394,650</b>	<b>372,507</b>
<b>Current liabilities</b>			
Trade and other payables		57,174	48,828
Borrowings	10	2,949	4,918
Lease liabilities	11	39,148	36,385
Provisions		12,165	11,047
Other		2,892	3,934
<b>Total current liabilities</b>		<b>114,328</b>	<b>105,112</b>
<b>Non-current liabilities</b>			
Borrowings	10	21,420	15,273
Lease liabilities	11	138,426	146,876
Deferred tax liabilities		10,477	5,206
Provisions		1,741	1,958
Other		8,503	9,205
<b>Total non-current liabilities</b>		<b>180,567</b>	<b>178,518</b>
<b>Total liabilities</b>		<b>294,895</b>	<b>283,630</b>
<b>Net assets</b>		<b>99,755</b>	<b>88,877</b>
<b>Equity</b>			
Contributed equity	6	73,958	73,709
Reserves		751	856
Retained earnings		25,046	14,312
<b>Total equity</b>		<b>99,755</b>	<b>88,877</b>

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

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>Cash flows from operating activities</b>			
Receipts in course of operations		272,882	229,851
Payments in the course of operations		(258,330)	(204,864)
Interest received		89	89
Finance costs paid		(3,910)	(4,344)
Income taxes reimbursed		668	-
Income taxes paid		-	(878)
<b>Net cash from operating activities</b>		<b>11,399</b>	<b>19,854</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(8,928)	(1,396)
Payments for intangibles		(81)	(11)
Proceeds from disposal of property, plant and equipment		1,343	626
<b>Net cash (used in) investing activities</b>		<b>(7,666)</b>	<b>(781)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		9,342	2,841
Repayment of borrowings		(4,000)	(4,000)
Repayment of equipment lease liabilities		(13,804)	(12,733)
Repayment of property lease liabilities		(3,958)	(3,712)
Repayment of other lease liabilities		(219)	-
Dividends paid	5	(1,398)	(1,414)
<b>Net cash (used in) financing activities</b>		<b>(14,037)</b>	<b>(19,018)</b>
Increase/(decrease) in cash and cash equivalents		(10,304)	55
Cash and cash equivalents at the beginning of the reporting period		27,594	17,895
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>17,920</b>	<b>17,950</b>

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

**LINDSAY AUSTRALIA LIMITED and Controlled Entities**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2021**

	Note	Contributed equity \$'000	Share-based payments reserve \$'000	Retained profits \$'000	Total equity \$'000
<b>At 1 July 2021</b>		73,709	856	14,312	88,877
Profit for the period		-	-	12,235	12,235
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	12,235	12,235
Share-based payment expense		-	41	-	41
Allocation of shares under share option plan		146	(146)	-	-
Dividends reinvested / (paid) during the period	5	103	-	(1,501)	(1,398)
<b>At 31 December 2021</b>		<b>73,958</b>	<b>751</b>	<b>25,046</b>	<b>99,755</b>
<b>At 1 July 2020</b>		73,421	794	18,148	92,363
Profit for the period		-	-	6,511	6,511
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	6,511	6,511
Share-based payment expense		-	41	-	41
Dividends reinvested / (paid) during the period	5	83	-	(1,497)	(1,414)
<b>At 31 December 2020</b>		<b>73,504</b>	<b>835</b>	<b>23,162</b>	<b>97,501</b>

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

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

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#### NOTE 1 CORPORATE INFORMATION

Lindsay Australia Limited (the “Company”) is a company limited by shares, domiciled and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The condensed consolidated interim financial statements (“interim financial report”) of the Company as at and for the half-year ended 31 December 2021 comprise the financial statements of the Company and its subsidiaries (together referred to in these financial statements as the “Group”). The consolidated half-year financial report was authorised for issue in accordance with a resolution of the Directors on the 18 February 2022.

#### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report for the half-year ended 31 December 2021 has been prepared in accordance with accounting standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the consolidated financial statements are consistent with those adopted in the Group’s annual financial report for the year ended 30 June 2021. All new accounting standards and amendments applicable for the first time for this financial period have been adopted and have had no material impact on the Group.

There are a number of new accounting standards, interpretations and amendments that have been issued but not yet effective, however these are not considered relevant to the activities of the Group and are not expected to have a material impact on the financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

#### NOTE 3 SEGMENTS

The Group has identified the following reporting segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources:

- Transport – Cartage of general and refrigerated products, ancillary sales and distribution; and
- Rural – Sale and distribution of a range of agricultural supply products.

Group revenues are derived predominately from customers within Australia.

6 months ended 31 December 2021	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Total \$'000
<b>Revenue</b>				
Revenue from provision of services (i)	193,722	-	-	193,722
Revenue from sale of goods (ii)	-	82,076	-	82,076
Other revenue (refer note 4 for breakdown)	1,688	359	351	2,398
<b>Total segment revenue/income</b>	<b>195,410</b>	<b>82,435</b>	<b>351</b>	<b>278,196</b>
Inter-segment revenue elimination	(3,586)	(703)	-	(4,289)
<b>Total segment revenue/income</b>	<b>191,824</b>	<b>81,732</b>	<b>351</b>	<b>273,907</b>
<b>EBITDA</b>	<b>40,536</b>	<b>5,682</b>	<b>(7,018)</b>	<b>39,200</b>
Total depreciation and amortisation	(15,786)	(719)	(2,652)	(19,157)
<b>EBIT</b>	<b>24,750</b>	<b>4,963</b>	<b>(9,670)</b>	<b>20,043</b>
Total finance costs	(1,229)	(58)	(1,253)	(2,540)
<b>Segment net profit before tax</b>	<b>23,521</b>	<b>4,905</b>	<b>(10,923)</b>	<b>17,503</b>

- (i) Revenue from provision of services is recognised over time.  
(ii) Revenue from sale of goods is recognised at a point in time.

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

#### NOTE 3 SEGMENTS (Continued)

6 months ended 31 December 2020	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Total \$'000
<b>Revenue</b>				
Revenue from provision of services (i)	151,318	-	-	151,318
Revenue from sale of goods (ii)	-	68,757	-	68,757
Other revenue (refer note 4 for breakdown)	1,315	68	714	2,097
<b>Total segment revenue/income</b>	<b>152,633</b>	<b>68,825</b>	<b>714</b>	<b>222,172</b>
Inter-segment revenue elimination	(2,953)	(575)	-	(3,528)
<b>Total segment revenue/income</b>	<b>149,680</b>	<b>68,250</b>	<b>714</b>	<b>218,644</b>
<b>EBITDA</b>	<b>33,366</b>	<b>4,133</b>	<b>(5,789)</b>	<b>31,710</b>
Total depreciation and amortisation	(14,747)	(568)	(2,651)	(17,966)
<b>EBIT</b>	<b>18,619</b>	<b>3,565</b>	<b>(8,440)</b>	<b>13,744</b>
Total finance costs	(1,311)	(48)	(3,062)	(4,421)
<b>Segment net profit before tax</b>	<b>17,308</b>	<b>3,517</b>	<b>(11,502)</b>	<b>9,323</b>

- (i) Revenue from provision of services is recognised over time.  
(ii) Revenue from sale of goods is recognised at a point in time.

## LINDSAY AUSTRALIA LIMITED and Controlled Entities

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

#### NOTE 4 REVENUE

In the following table, revenue from contracts with customers is disaggregated by customer type.

##### Horticulture customers

Customers are classified as horticulture if they are predominately exposed to the primary production of fresh fruit and vegetables. Horticulture customers include primary producers (growers), produce market agents and produce packing groups. Revenues for horticulture customers can fluctuate depending on season and can be impacted by weather related events.

##### Commercial customers

All other customers are classified as commercial customers. These customers do not have any direct involvement in the production of fresh fruit and vegetables. They are predominately manufacturers, food processors or distributors and third-party transport operators.

6 months ended 31 December 2021	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Group \$'000
<b>Revenue</b>				
Horticulture	88,695	81,373	-	170,068
Commercial	101,441	-	-	101,441
<b>Revenue from contracts with customers</b>	<b>190,136</b>	<b>81,373</b>	<b>-</b>	<b>271,509</b>
Other revenue	1,688	359	351	2,398
<b>Total revenue</b>	<b>191,824</b>	<b>81,732</b>	<b>351</b>	<b>273,907</b>
<b>Other revenue comprises:</b>				
Rent received				72
Interest received				89
Insurance and other recoveries				635
Other				1,602
<b>Total other revenue</b>				<b>2,398</b>

6 months ended 31 December 2020	Transport \$'000	Rural \$'000	Corporate unallocated \$'000	Group \$'000
<b>Revenue</b>				
Horticulture	77,256	68,182	-	145,438
Commercial	71,109	-	-	71,109
<b>Revenue from contracts with customers</b>	<b>148,365</b>	<b>68,182</b>	<b>-</b>	<b>216,547</b>
Other revenue	1,315	68	714	2,097
<b>Total revenue</b>	<b>149,680</b>	<b>68,250</b>	<b>714</b>	<b>218,644</b>
<b>Other revenue comprises:</b>				
Rent received				59
Interest received				89
Insurance and other recoveries				681
Other				1,268
<b>Total other revenue</b>				<b>2,097</b>

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>NOTE 5 DIVIDENDS</b>		
Paid in cash	1,398	1,414
Satisfied by issue of shares	103	83
Dividends paid during the half-year	1,501	1,497
<b>Dividends not recognised at the end of the half-year</b>		
Since the end of the half-year, the directors have declared the payment of an interim dividend of 1.4 cents (2021: 1.2 cent full franked) per fully paid ordinary share unfranked. The aggregate amount of the proposed interim dividend is expected to be paid on 8 April 2022 (2021: 9 April 2021), but not recognised as a liability at the end of the half-year.	4,206	3,595

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>NOTE 6 CONTRIBUTED EQUITY</b>		
Fully paid ordinary shares	73,958	73,709
<b>Shares issued during the period:</b>		
Pursuant to dividend reinvestment plan	103	83
Pursuant to employee share scheme	146	-

Movement in fully paid ordinary share capital	Number of Shares	Issue Price ¢	\$'000
Opening balance at 1 July 2021	300,129,488		73,709
Issue of shares pursuant to the dividend reinvestment plan	294,732	35.0	103
Issue of shares pursuant to employee share scheme	400,000	36.5	146
Closing balance at 31 December 2021	<b>300,824,220</b>		<b>73,958</b>
Opening balance at 1 July 2020	299,290,033		73,421
Issue of shares pursuant to the dividend reinvestment plan	252,476	33.0	83
Closing balance at 31 December 2020	<b>299,542,509</b>		<b>73,504</b>

	31 Dec 2021 \$'000	31 Dec 2020 \$'000
<b>NOTE 7 NON-CASH FINANCING AND INVESTING ACTIVITIES</b>		
Acquisition of right-of-use assets – plant and equipment	19,266	13,854
Acquisition of right-of-use assets – property	1,018	2,460
Acquisition of right-of-use assets – other	82	-
Shares issued pursuant to dividend reinvestment plan	103	83
Shares issued pursuant to employee share scheme	104	-

LINDSAY AUSTRALIA LIMITED and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>NOTE 8 PROPERTY, PLANT &amp; EQUIPMENT</b>		
<b>Freehold land and buildings</b>		
Land – at cost	7,039	7,034
Buildings – at cost	16,034	16,034
Accumulated depreciation	(2,543)	(2,338)
	<b>20,530</b>	<b>20,730</b>
<b>Leasehold improvements</b>		
At cost	25,297	25,188
Accumulated depreciation	(6,885)	(6,016)
	<b>18,412</b>	<b>19,172</b>
<b>Total property</b>	<b>38,942</b>	<b>39,902</b>
<b>Plant and equipment</b>		
At cost	125,498	116,316
Accumulated depreciation	(95,520)	(91,290)
	<b>29,978</b>	<b>25,026</b>
<b>Total plant and equipment</b>	<b>29,978</b>	<b>25,026</b>
<b>Total property, plant and equipment</b>	<b>68,920</b>	<b>64,928</b>

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>NOTE 9 RIGHT-OF-USE ASSETS</b>		
<b>Right-of-use property leases</b>		
At cost	103,546	103,802
Accumulated depreciation	(32,569)	(29,066)
	<b>70,977</b>	<b>74,736</b>
<b>Right-of-use other leases</b>		
At cost	2,323	2,240
Accumulated depreciation	(561)	(328)
	<b>1,762</b>	<b>1,912</b>
<b>Right-of-use equipment leases</b>		
At cost	182,214	177,792
Accumulated depreciation	(65,621)	(60,799)
	<b>116,593</b>	<b>116,993</b>
<b>Total right-of-use assets</b>	<b>189,332</b>	<b>193,641</b>

LINDSAY AUSTRALIA LIMITED and Controlled Entities

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>NOTE 10 BORROWINGS</b>		
<b>Current</b>		
<i>Secured</i>		
Equipment loans	1,031	-
Bank loans	2,000	5,000
Bank loans – borrowing costs offset	(82)	(82)
<b>Total secured current borrowings</b>	<b>2,949</b>	<b>4,918</b>
<b>Total current borrowings</b>	<b>2,949</b>	<b>4,918</b>
<b>Non-current</b>		
<i>Secured</i>		
Equipment loans	7,106	-
Bank loans	14,500	15,500
Bank loans – borrowing costs offset	(186)	(227)
<b>Total secured non-current borrowings</b>	<b>21,420</b>	<b>15,273</b>
<b>Total non-current borrowings</b>	<b>21,420</b>	<b>15,273</b>
<b>Total borrowings</b>	<b>24,369</b>	<b>20,191</b>

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
<b>NOTE 11 LEASE LIABILITIES</b>		
Lease liabilities – current		
Property	8,160	7,695
Other	454	431
Equipment (i)	30,534	28,259
<b>Total current lease liabilities</b>	<b>39,148</b>	<b>36,385</b>
Lease liabilities – non-current		
Property	71,308	74,652
Other	1,342	1,502
Equipment (i)	65,776	70,722
Total non-current lease liabilities	138,426	146,876
<b>Total lease liabilities</b>	<b>177,574</b>	<b>183,261</b>

(i) The carrying amount of equipment lease liabilities includes an offsetting fair value gain of \$410,000 (June 2021: \$534,000)

# LINDSAY AUSTRALIA LIMITED and Controlled Entities

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

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### NOTE 12 CONTINGENT LIABILITIES

#### Guarantees

	31 Dec 2021 \$'000	30 Jun 2021 \$'000
Guarantees to secure property lease obligations	7,726	7,726
	<b>7,726</b>	<b>7,726</b>

#### Other

From time to time the consolidated entity is subject to claims and litigation during the normal course of business. The directors have given consideration to such matters and are of the opinion that except for bank guarantees detailed above totalling \$7.726 million, there are no further material contingent liabilities as at reporting date or subsequently up to the date of this report that are likely to arise.

### NOTE 13 EVENTS OCCURRING AFTER THE REPORTING PERIOD

Other than the dividends recommended after the end of the half-year as disclosed in the Directors' Report, to the Directors' knowledge, no matter or circumstance has arisen since the end of the half-year that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

## DIRECTORS' DECLARATION

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In the opinion of the directors the attached financial statements and notes:

- (a) comply with Accounting Standard AASB 134: *Interim Financial Reporting and Corporations Regulations 2001*; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- (b) there are reasonable grounds to believe that Lindsay Australia Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



**Ian M Williams**  
*Chairman of Directors*

Brisbane, Queensland  
18 February 2022

## Independent Auditor's Review Report to the Members of Lindsay Australia Limited

### Conclusion

We have reviewed the half-year financial report of Lindsay Australia Limited, (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Lindsay Australia Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Brisbane Sydney Newcastle Melbourne Adelaide Perth



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MARK NICHOLSON	JASON EVANS	NORMAN THURECHT	WARWICK FACE	SIMON CHUN	TOM SPLATT	DANIEL COLWELL	FELICITY CRIMSTON	KIERAN WALLIS	ANDREW ROBIN

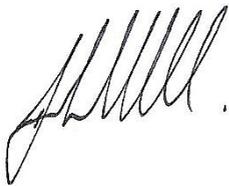
### Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Pitcher Partners*

PITCHER PARTNERS



DAN COLWELL  
Partner

Brisbane, Queensland  
18 February 2022