

7 September 2022

## ASX Announcement

### Market update on banking arrangements and barley crop

- **Agreement with banks to amend Net Debt/EBITDA ratios at September 2022 and March 2023 to accommodate expanded funding needs**
- **Clear pathway maintained for Net Debt/EBITDA to return to target range (2.0 - 2.5 times) by 30 September 2023**
- **Positive barley crop outlook in key regions**

United Malt Group Limited (ASX: UMG) is pleased to announce it has received covenant amendments in respect of 30 September 2022 and 31 March 2023 and additional inventory funding capacity with its banks to accommodate expanded short term requirements.

As previously advised, the Company maintains a clear pathway to its target net debt/EBITDA range of 2.0 – 2.5 times by 30 September 2023.

United Malt CEO and Managing Director, Mark Palmquist, said: “The agreement with our banks reflects the strong relationship United Malt maintains with our lenders and their understanding of the short-term impact on our business of higher barley inventory costs and volume of barley required for the start-up of the Inverness facility in Scotland. We appreciate their ongoing support.

“As we outlined at the Investor Day on 3 August 2022, based on our FY23 earnings outlook, the significant step down in capital spending commitments in FY23 and the continued support from our banks, we remain confident that United Malt will not need to raise additional capital.”

The Company will complete its customary annual renewal of its working capital facilities in November 2022 and has no significant near-term refinancing requirements in relation to its long term debt facilities which mature in November 2024.

#### Barley Crop Update

In each of United Malt’s barley sourcing regions, the crop outlook remains positive. A significant improvement is expected in the volume and quality of the North American barley crop compared to last year.

The Canadian and US barley crop harvest is progressing in line with United Malt’s expectations regarding supply and quality. The latest Canadian barley production outlook is projected to be 10.2 million tonnes, 47% higher than 2021<sup>1</sup>.

New season barley has already been received and malted in the Company’s North American facilities and is producing quality malt.

England's malting barley harvest has finished and Scotland’s is 80% completed, with both demonstrating good quality and yields.

In Australia, rain across all major growing regions and moderate temperatures are creating favorable barley growing conditions.

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<sup>1</sup> RMI Analytics 25 August 2022

## **Additional information**

For further information regarding this announcement, please contact:

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***This announcement was authorised for release to ASX by the Disclosure Committee.***

## **About United Malt Group**

United Malt is the fourth largest commercial maltster globally, with approximately 1.25Mtpa of capacity across 12 processing plants in Canada, United States of America, Australia and the United Kingdom. We also operate an international distribution business, which provides a full service offering for craft brewers and distillers, including malt, hops, yeast, adjuncts and related products.