

Lindsay Reports Strong H1 FY23 Revenue, Profit and Dividend Growth

Highlights:

- **Strong execution of strategy delivered H1 FY23 revenue growth of +23.2% from H1 FY22 to \$337.4 million, with underlying¹ EBITDA growth of 36.2% to \$42.8 million.**
- **Diversified network and service offerings allowed the Company to capitalise on favourable market conditions and mitigated the effects of adverse weather and rising cost pressures.**
- **Ongoing investment in strategic assets and disciplined capital allocation continues to deliver sustainable returns. This positions the Company to continue to grow through strategic acquisitions or greenfield expansions.**
- **Lindsay Board of Directors has declared an interim unfranked dividend of 1.9 cents per ordinary share (up 35.7% from H1 FY22: 1.4 cents per share unfranked). The Company remains on track to deliver FY23 underlying EBITDA in the range of \$68 million - \$71 million.**

BRISBANE, 21 February 2023: Integrated transport, logistics and rural supply company Lindsay Australia Limited (ASX: LAU, "Lindsay" or "the Company") is pleased to announce its financial results for the half-year ended 31 December 2022, reporting uplifts in revenue, profit and dividends.

Financial Highlights

The Company's half-year revenues of \$337.4 million increased \$63.5 million (+23.2%) compared to the prior comparable period (pcp), leading to the growth of 36.2% in underlying earnings before interest, tax, depreciation and amortisation (EBITDA) to \$42.8 million. The strong revenue growth and favourable market conditions also boosted underlying profit before tax (PBT) by \$9.7 million (+64.5%) from H1 FY22 to \$24.6 million.

The Company's robust financial results have enabled the Board to declare an interim unfranked dividend of 1.9 cents per ordinary share, payable on 14 April 2023 to shareholders with a record date of 31 March 2023.

Lindsay ended H1 FY23 with \$36.0 million in cash and a rolling 12-month net leverage ratio² of 1.27 (H1 FY22: 2.04) driven by improved operating cash conversion and earnings, positioning the Company to continue to expand and deliver on its growth objectives.

¹ Underlying operations defined in this release are the Group's reported financial results as set out in the Interim Financial Report, adjusted for significant items that are non-recurring or items incurred outside the ordinary operations of the Group (noting none for this period) and excludes the impact of AASB 16 Leases. Refer to H1 FY23 Interim Financial Report for a detailed reconciliation of underlying operations.

² Net leverage ratio = Net debt/underlying EBITDA. Net debt excludes property and other lease liabilities relating to AASB 16 Leases.

Strategic and Operational Highlights

Lindsay remains committed to its status as a leading essential services provider and a critical link within Australia's food and agriculture sectors, delivering long-term value for its people, customers, community and shareholders. Safety remains the Company's first priority as it strives to deliver best-in-class service to its customers.

The performance of all divisions surpassed their prior year's results, demonstrating the successful execution of Lindsay's strategic goals and the resilience of its integrated and diversified business model. The Company's business model continues to mitigate the effects of adverse weather, labour shortages and rising cost pressures while delivering growth.

The Company's ongoing investments in strategic assets and disciplined capital allocation continue to deliver sustainable returns. H1 FY23 capital expenditure of \$21.3 million delivered 27 new refrigerated rail containers, 25 prime movers, 12 trailer sets, and other plant and equipment. In H2 FY23, the Company plans to make further capital investment of approximately \$34.3 million, including investment in road transport equipment and facilities.

Transport's revenue increased by \$58.5 million (+29.9% from the pcp) to \$253.9 million, driven by a combination of organic expansion in the road and rail segments (+10.1% and +11.2%, respectively) and disciplined diesel price fluctuation recoveries. The division achieved underlying EBITDA of \$48.3 million, a rise of \$13.5 million (+38.8%) from the pcp, aided by the impacts of industry consolidation and equipment shortages. The hybrid logistics model (road/rail) and diverse geographic footprint continue to support long-term value creation.

Rural generated moderate revenue growth of \$4.6 million (+5.6% from pcp) to \$87.0 million, with a larger and more effective sales team driving market share expansion, offsetting headwinds from unfavourable weather conditions. Rural's underlying EBITDA of \$5.1 million was on par with the pcp. The division is exploring new markets to expand its geographical reach and continues to assess strategic M&A options.

The Company remains committed to delivering more sustainable outcomes across its operating divisions. Lindsay has engaged experienced sustainability consultants to develop a customised sustainability strategy and ESG roadmap, focusing on meaningful initiatives to deliver positive outcomes. The Company has started to install solar power generation capacity across several key sites and is exploring the electrification of equipment where possible.

Commentary on H1 FY23 Results

Lindsay Australia CEO, Kim Lindsay, said:

"The Group continues to deliver strong year-on-year growth, despite headwinds from unfavourable weather, labour shortages and cost pressures. This highlights the successful implementation of Lindsay's strategic objectives, the robustness of the Group's integrated and diverse business model and the dedication of our employees."

"Demand remains strong in Transport, but we expect some softening of demand in the Rural segment in H2 FY23 due to unfavourable weather. We are positioned well to continue to grow through greenfield expansions and strategic acquisitions in both the Transport and Rural sides of the business. We remain focused on diversifying the Group's services and footprint to mitigate seasonality and weather risks to continue to deliver sustainable returns and value to our stakeholders."

"Our outlook remains positive for the year and the Company remains on track to deliver FY23 underlying EBITDA in the range of \$68 million - \$71 million."



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Release authorised by the Lindsay Australia Board of Directors.

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About Lindsay Australia Ltd (ASX: LAU)

Lindsay Australia Ltd is an integrated transport, logistics and rural supply company and a leading national service provider to the agriculture, horticulture and food-related industries. The Lindsay Australia Group comprises the two core divisions of Rural and Transport (including Fresh Logistics). Combined, these divisions offer products and services covering customers' key needs throughout their production lifecycle.

The Lindsay end-to-end solution begins with offering expert agronomy advice and continues with a diverse range of products and services along the supply chain to help farmers grow, package, transport and distribute their produce throughout Australia and the world. Lindsay's end-to-end solution is unique and offers customers with a single point of contact and accountability.

More information on Lindsay Australia is available at: <http://lindsayaustralia.com.au/>