

# FY22 Results



16 November 2022



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Numbers throughout the presentation may not add up due to rounding.

# About GrainCorp



## Our Vision

Lead sustainable and innovative agriculture through another century of growth



## Our Values

**Lead the Way** through inclusivity, integrity and innovation

**Own the Result** and be accountable for our actions

**Deliver for our Customers** by listening and coming through for them

**Commit to Safety** by taking responsibility for our employees, contractors, visitors and communities



## Our Purpose

Proudly connect with customers and rural communities to deliver value through innovation and expertise

GrainCorp is a leading diversified Australian agribusiness, with an integrated operating model connecting growers to domestic and international consumers in over 50 countries.

Our purpose is to proudly connect with customers and rural communities to deliver value through innovation and expertise.



# About GrainCorp

GrainCorp is a leading Australian agribusiness and processing company, with integrated operations across four continents and a proud history of delivering for customers for more than 100 years.

7

Ports across ECA

475kmt

Oilseed crush capacity

>160

Receival sites throughout ECA

290kmt

Oil refining, bleaching and deodorising (RBD) capacity

12

Marketing offices globally

4

Grain elevators and one port in western Canada\*<sup>^</sup>

\* Through GrainsConnect Canada, a 50-50 JV between GrainCorp and Zen-Noh.

<sup>^</sup> Fraser Grain Terminal owned through 50-50 JV between GrainsConnect Canada and Parish & Heimbecker



# How we operate



We partner with growers to maximise the value of their crops, connecting them to domestic and global marketplaces through our end-to-end supply chain and infrastructure assets. We develop innovative solutions to create high quality and sustainable products across the food, feed and industrial sectors.



## International

- Global network of offices, originating grain, pulses and oilseeds from different regions.
- Delivering to 350+ customers in 50+ countries.
- Includes GrainsConnect Canada joint venture and Saxon Agriculture



## East Coast Australia (ECA)

- Largest grain storage and handling network on ECA.
- >160 regional receival sites and seven bulk ports, connected by road and rail infrastructure.
- Import/export of other bulk materials, e.g. cement, woodchips and fertiliser.

## Oilseeds

- Leading oilseed crusher/refiner in Australia.
- Producing a range of canola oil and canola meal for domestic and international customers.

## Foods

- Leading refiner of edible fats and oils in Australia.
- Supplier of ingredients for infant formula, bakery and large-scale food manufacturing industries.

## Feeds, Fats & Oils

- Procurement, shipping, accreditation and value-added supply of tallow, vegetable oils and UCO, for delivery to food, feed, and renewable fuel customers.
- Manufacturer of feed solutions to meet nutritional needs and improve herd productivity.

# Agenda



## Speakers

### Robert Spurway

Managing Director and CEO

### Ian Morrison

Chief Financial Officer



## Contents

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GrainCorp acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia and embraces the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

# Record full year result

Strong operational execution; significant balance sheet flexibility



## Outstanding performance

**\$703m EBITDA<sup>1</sup>**

- Second consecutive bumper East Coast Australia (ECA) crop
- Strong delivery, demonstrating supply chain resilience
- Elevated global demand



## Executing our strategy

**27.9% ROIC<sup>2</sup>**

- Strong payback on ECA investments
- Record oilseed and Foods volumes
- Agri-Energy growth opportunities



## Delivering significant value

**Dividends of \$121 million in FY22<sup>3</sup>**

- Final dividend declared: 30cps, fully franked
- \$50 million share buy-back completed
- Strong balance sheet, \$177m core cash

**GrainCorp strongly positioned to invest in growth and deliver shareholder returns**

1. EBITDA is a non-IFRS measure representing earnings before interest, tax, depreciation and amortization

2. ROIC is a non-IFRS measure and is defined as Group Underlying Net Profit After Tax less interest expense (after tax) associated with core debt / average net debt (excluding commodity inventory) + average total equity. ROIC is inclusive of UMG Investment. ROIC exclusive of UMG investment was 31.3%

3. Comprises 24 cps FY22 interim dividend paid + 30 cps FY22 final dividend declared

# FY22 highlights

An outstanding operational and financial result



EBITDA

**\$703m**

↑ from \$331m

NPAT<sup>1</sup>

**\$380m**

↑ from \$139m

Return on invested capital (ROIC)

**27.9%**

↑ from 11.1%



Total grain handled<sup>2,3</sup>

**41.1mmt**

↑ from 34.4mmt

Oilseed crush volumes<sup>3</sup>

**471kmt**

↑ from 459kmt

Core cash / (debt)

**\$177m**

↑ from (\$1m) core debt

1. NPAT = Net Profit After Tax.
2. Composition of 'total grain handled' shown on Slide 18.
3. mmt = million metric tonnes. kmt = thousand metric tonnes



# Building on our sustainability commitment

ESG supporting sustainable growth into the future



## Our environment

- Mapped scope 3 emissions and progressed roadmap to adopt TCFD recommendations
- ISCC Certification<sup>1</sup> for Numurkah crush facility
- Improvements in energy use, water use and tradewater discharge (per tonne)
- Developing emission reduction roadmaps for Scope 1,2 and 3 to support rapid decarbonisation by 2030



## Our people

- Mental health and wellbeing programs
- Recognition of inclusion and diversity through:
  - Inclusion and Diversity Action Plan (iDAP)
  - New Reconciliation Action Plan (RAP)
- 87% satisfied working at GrainCorp (up from 85% in FY21)



## Our integrity

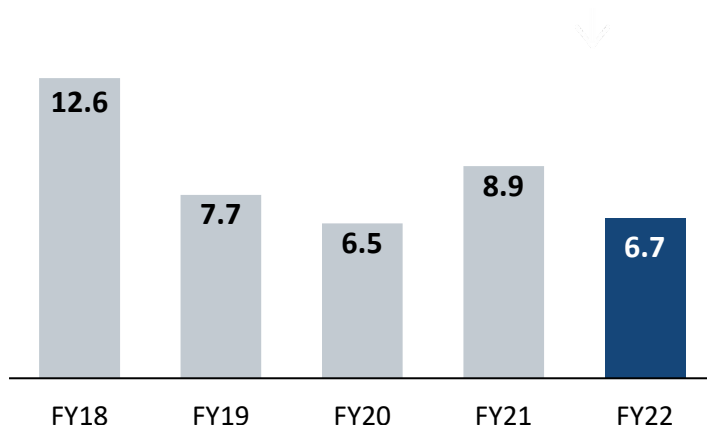
- Established Board Sustainability Committee
- Appointed Head of Sustainability
- Introduced sustainability strategy, with eight working groups to address material topics
- Human rights position statement developed

1. International Sustainability and Carbon Certification

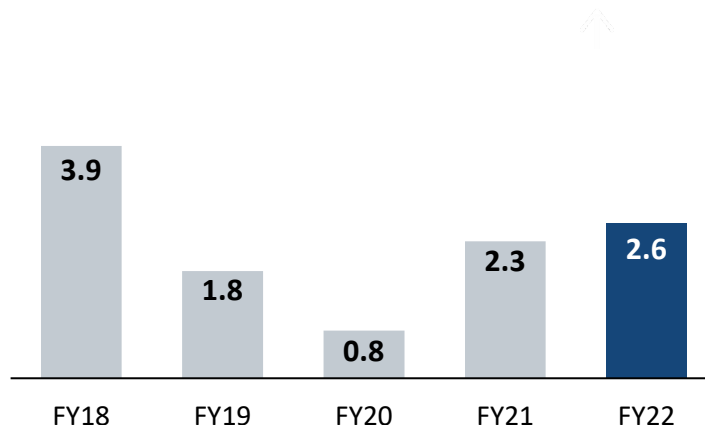
# Commitment to Zero Harm

Focus on the safety of our people

Recordable injury frequency rate (RIFR)<sup>1</sup>



Lost time injury frequency rate (LTIFR)<sup>2</sup>



- Improvement to RIFR, supported by rollout of Behavioural Safety Program and 'Safe Spine/Safe Mind' to operational leaders
- Harm prevention is a key priority, with initiatives focused on continuous improvement
- Programs include enhanced Safety, Health & Environment (SHE) site inductions, the Sentis Behavioural Safety program, and health and wellbeing programs including 'Stop for Safety Day', 'R U OK Day', 'Fit4Life', 'Wellbeing 360'

1. Number of recordable injuries per million hours worked








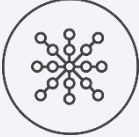


2. Number of lost time injuries per million hours worked



**Saeedeh Taheri**  
Product Development Technologist  
GrainCorp Foods, West Footscray, VIC

# Strategic priorities driving higher return on invested capital



	<b>Our vision</b>	Our vision is to lead sustainable and innovative agriculture through another century of growth.	
	<b>Our purpose</b>	Proudly connect with customers and rural communities to deliver value through innovation and expertise.	
	<b>Strategic priorities</b>	<b>Strengthen the core</b>	<b>Targeted growth opportunities</b>
		Lift returns 	Alternative Protein 
		Drive existing assets 	Digital and AgTech 
		Leverage capabilities 	Animal Nutrition 
			Grower services 

# Strategy aligned to macro trends

GrainCorp  
context



## Population growth / changing demographics

- Multi-origin strategy
- Leading position in ECA
- Australian and west coast Canadian proximity to Asian markets a competitive advantage



## Decarbonisation

- Sustainability and innovation embedded in our business and strategy
- Partnering with start-ups and growers, developing solutions to environmental challenges



## Disrupted global supply chains

- Resilient, end-to-end supply chains
- Leading assets and capabilities
- Strong global customer network



## Technology/digital acceleration

- Progressing digital capability through *CropConnect* platform, advanced analytics
- Supporting industry innovation and technology uptake through *GrainCorp Ventures*

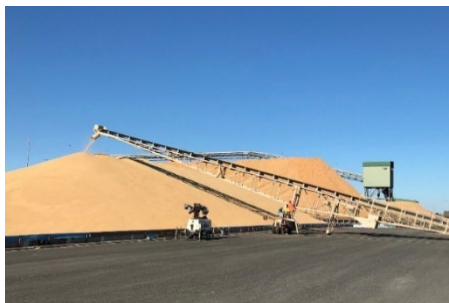
GrainCorp strongly positioned as Food and Agricultural industries evolve



# Strengthening our core businesses

Core initiatives driving \$40m EBITDA uplift by 2023/24<sup>1</sup>

## ECA network investment



- Significant upgrade of **storage capacity**:
  - Additional ~1.5mmt for FY22 harvest
  - Further capacity increase for FY23
- Upgrade of **mobile fleet** to improve truck turnaround times

## Asset utilisation



- **Diversification of port throughput** – sand export agreement in Queensland
- **Oilseed crush** volumes up 3% in FY22
- **Foods** volumes up 11% in FY22

## International expansion



- **Fraser Grain Terminal** commissioned in 1H22; Canadian volumes expected to ramp up as drought recovery continues

## Building capabilities



- **Advanced analytics** to improve supply chain processes, optimise decision-making, reduce inefficiencies, drive business uptake
- **Value chain optimisation** – improving end-to-end supply chain management

## Customer experience



- **Data and insights** driving customer retention and cross-sell opportunities
- **Digitisation of processes** to create consistency, improve service levels

1. Announced March 2021. \$40m in operating initiatives supporting \$240m 'through-the-cycle' EBITDA by 2023/24

# Pipeline of growth initiatives to support future earnings diversification



## Animal nutrition



- Developing **sustainable feed solutions**
- Investment in **FutureFeed** – commercialising feed additive made from asparagopsis

## Alternative protein



- Collaborating with CSIRO and v2food on the **separation of proteins** from canola, soy, chickpeas and fava beans

## Agri-Energy



- GrainCorp already a leading supplier of **renewable fuel feedstocks**
- Exploring opportunities to expand offering and take advantage of growing global demand

## Digital/AgTech



- **GrainCorp Ventures** launched May 2022
- Investing up to \$30m in AgTech over three years

## Grower services



### Loam Bio:

- Using Loam's seed inoculum to support grower productivity, soil health and drought resilience
- Promising trials; working with growers across New South Wales and Victoria

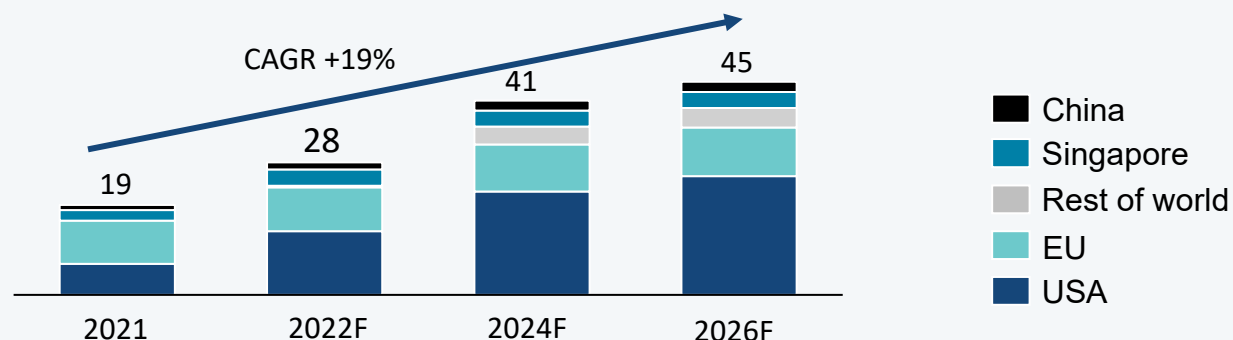
# Increasing renewable fuel feedstock capacity and capability

GrainCorp uniquely positioned to participate in rapidly rising renewable fuel market

## Transformative growth opportunity for GrainCorp

- Production of renewable transportation fuels is growing rapidly
- Renewable fuel feedstocks are in strong demand globally
- GrainCorp is a leading Australasian supplier of feedstocks and uniquely positioned to participate in market's growth
- Actively exploring growth opportunities, including additional feedstock capacity and supply

SAF + RD<sup>1</sup> forecast global production volumes, by major markets (mt/year)<sup>2,3</sup>



1. SAF: Sustainable Aviation Fuel; RD: Renewable Diesel  
2. mt: million tonnes  
3. Source: IEA 'Renewables 2021 Report' base case used, IBIS

## GrainCorp is a leading supplier of renewable fuel feedstocks

### Used Cooking Oil (UCO):

- A leading Australian UCO up-cycler; 50-year history
- 22m+ litres of UCO upcycled per annum



### Canola oil:

Australia's largest canola seed crusher, with 475kmt capacity across two sites in VIC and WA



### Tallow:

Australasia's leading supplier of tallow for use in renewable fuels and animal feed



# FY22 financial performance



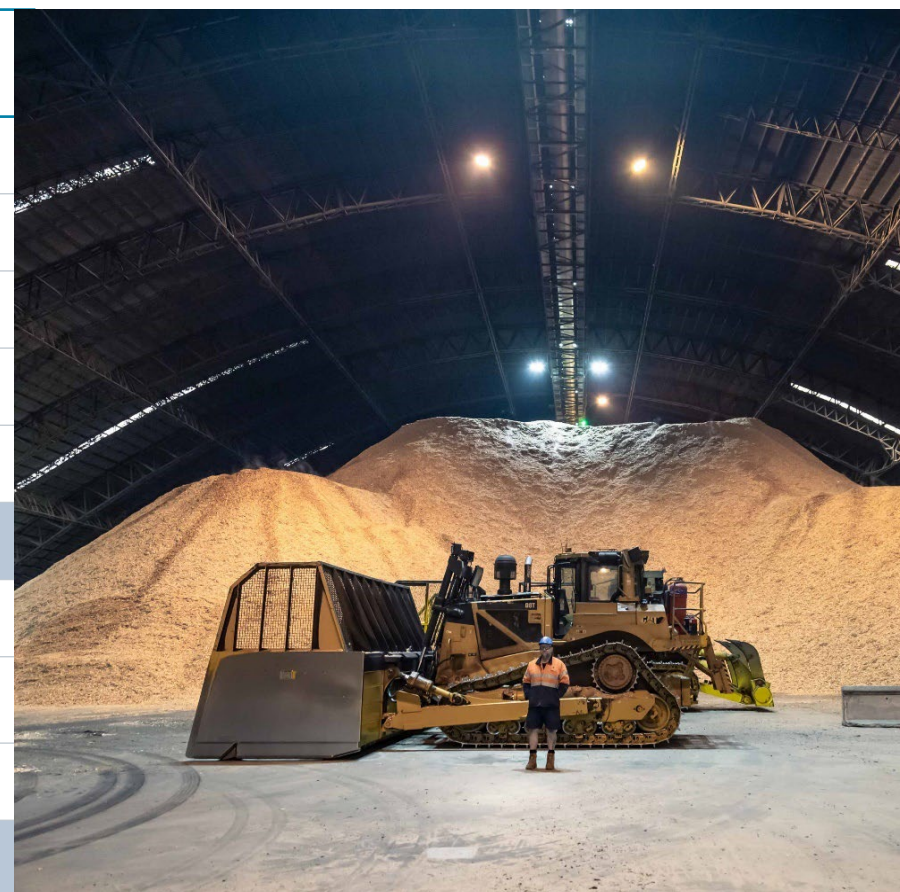


# FY22 financial performance

Record earnings for both business segments



\$m	FY22	FY21	Description
<b>Business segment EBITDA</b>			
Agribusiness	624	275	See slides 18-19 for further detail
Processing	127	78	See slide 20 for further detail
Corporate (excluding UMG)	(24)	(23)	Increased investment in growth initiatives; Higher STI / LTI
UMG <sup>1</sup>	(24)	1	Reflects decline in UMG share price
<b>Total EBITDA</b>	<b>703</b>	<b>331</b>	
Depreciation & Amortisation	(117)	(107)	Reflects increased leases; investment in tarpaulins
Interest	(36)	(26)	Reflects increase in commodity inventory, commodity values, and interest rates
Tax	(170)	(59)	In line with higher taxable earnings
<b>NPAT</b>	<b>380</b>	<b>139</b>	



1. Comprises movement in share price + dividends received

# Agribusiness

Outstanding execution, meeting strong global demand for Australian commodities



## East Coast Australia (ECA)

- Record ECA production in FY22<sup>1</sup>
- Significant increase in grain exports to 9.2mmt (FY21: 7.9mmt)
- Strong domestic outload at 6.4mmt. Customers seeking supply chain reliability.
- Exceptional end-to-end supply chain margins, demonstrating the value of our infrastructure assets, high ECA production and strong global demand
- High grain carry-out, supporting FY23 storage and export volumes
- Investing in ECA network to handle bumper crops

1. 'ECA production' represents the total ECA winter + ECA sorghum production, per the definition from Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES). FY22 production of 33.4mmt is based on ABARES' September 2022 estimate for ECA winter (30.8mmt) and ECA sorghum (2.6mmt) production for the 2021/22 season.
2. Receivals comprise total tonnes received up-country and direct-to-port.
3. Exports comprise bulk and container exports of grain and oilseeds.
4. 'Total grain handled' includes GrainCorp carry-in + receivals + imports + domestic outload + exports + GrainCorp carry-out.
5. Bulk materials handled (or 'non-grain') comprises in-bound receivals of sand, cement, sugar, woodchips, fertiliser and other materials

## Agribusiness

\$m	FY22	FY21
Revenue	7,559	5,194
EBITDA	624	275
EBIT	538	198
Capex & investments	70	68

## Key ECA metrics

mmt	FY22	FY21
ECA production <sup>1</sup>	33.4	32.0
Carry-in	4.3	0.7
Receivals <sup>2</sup>	16.3	16.5
<b>Total supply</b>	<b>20.6</b>	<b>17.2</b>
Domestic outload	6.4	5.0
Exports <sup>3</sup>	9.2	7.9
Carry-out	4.9	4.3
<b>Total grain handled<sup>4</sup></b>	<b>41.1</b>	<b>34.4</b>
Contracted grain sales – ECA	6.1	6.7
Bulk materials handled <sup>5</sup>	2.5	2.7

# Agribusiness

## Strong results from International and Fats & Oils businesses



### International<sup>1</sup>

- Strong export margins from WA following bumper crop
- Number one Australian exporter of cereals and feed grains to Vietnam, Japan and China
- Origination from Canada adversely impacted by drought; origination from Ukraine adversely impacted by conflict and subsequent trade disruptions
- Fraser Grain Terminal<sup>2</sup>, in Vancouver B.C., completed in first half of FY22; volumes expected to ramp up in FY23 as grain production normalises following drought

### Feeds, Fats & Oils

- Strong result for Agri-Energy business, driven by strong execution and high global pricing for renewable fuel feedstocks, e.g. animal fat and used cooking oil (UCO)
- Feeds marginally down on last year; NZ benefiting from strong demand for dairy herds, offset by weaker Australian demand due to favourable weather and pasture conditions

### Key International metrics

mmt	FY22	FY21
Contracted grain sales - ECA	6.1	6.7
Contracted grain sales - International	3.5	3.4
<b>Contracted grain sales</b>	<b>9.6</b>	<b>10.1</b>

### Key FFO metrics

	FY22	FY21
FFO sales volumes (mmt)	0.7	0.8
Auscol collection volumes (kmt)	20.1	19.4

1. 'International' represents grain originated from all areas outside of East Coast Australia

2. 50-50 joint venture ownership between GrainsConnect Canada and Parrish & Heimbecker

# Processing

Exceptional Oilseeds result driven by strong global demand for vegetable oils



## Oilseeds

- Record oilseed crush volumes, with continued operational efficiencies at our crush plants
- Oilseed crush margins well above average, driven by strong global demand for vegetable oils:
  - global supply adversely impacted by weather events in key oilseed-growing regions;
  - vegetable oil export restrictions imposed by several governments
  - the Ukraine conflict disrupting supply of vegetable oils out of Black Sea region; and
  - mandates for use of renewable fuel feedstocks in biofuel production

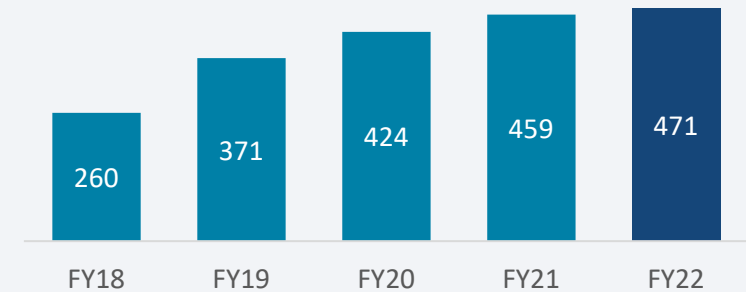
## Foods

- 11% increase in Foods sales volumes; benefiting from diversified customer base and securing of new customer partnerships
- Strong demand for refined vegetable oils
- Innovation team completed over 30 new product developments for customers during the year

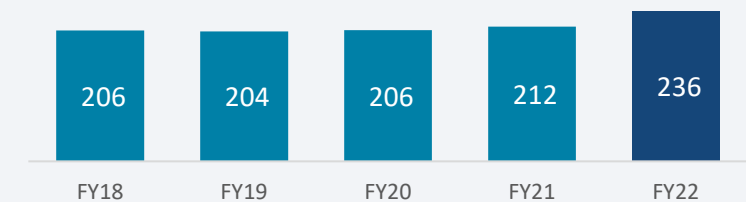
## Processing

\$m	FY22	FY21
Revenue	1,025	739
EBITDA	127	78
EBIT	101	52
Capex & investments	11	12

## Oilseed crush volumes (kmt)



## Foods sales volumes (kmt)



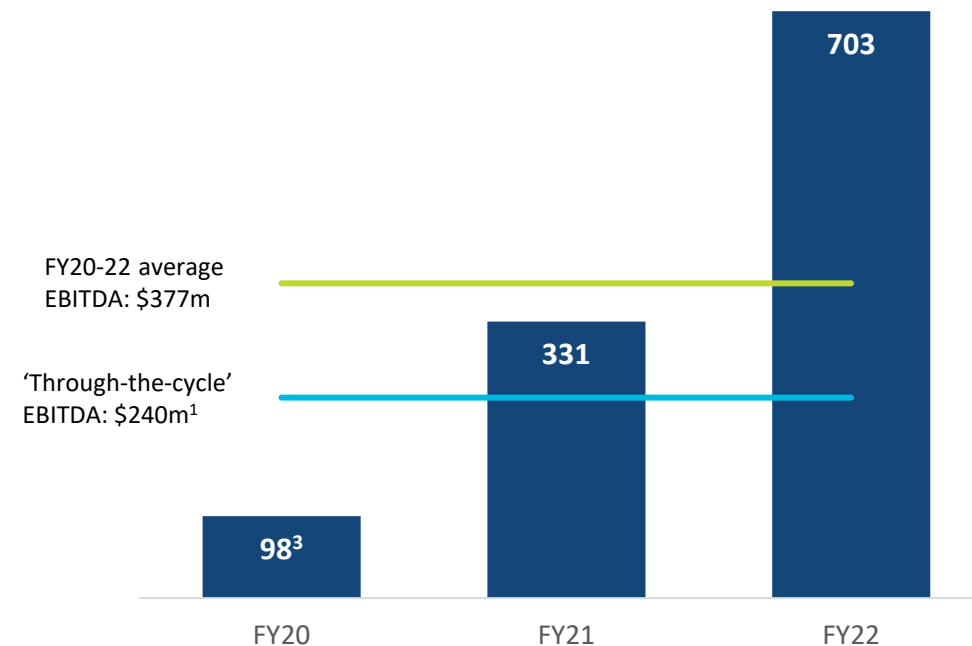


# Through the cycle earnings

Significant operating leverage in large ECA crop years

- GrainCorp has significant operating leverage in large ECA crop years, as demonstrated in FY21 and FY22 with EBITDA far exceeding the 'through-the-cycle' estimate (\$240m)<sup>1</sup>
- Our operating initiatives and Crop Production Contract have been effective at supporting earnings in small ECA crop years, as demonstrated in FY20, a severe drought year
- The ability to deliver substantially higher earnings than TTC in large ECA crop years supports long-term average earnings above TTC of \$240m

## Underlying EBITDA (\$m)<sup>2</sup>



ECA production (mmt) <sup>4</sup>	12.6	32.0	33.4
Tonnes handled (mmt) <sup>5</sup>	14.2	34.4	41.1

1. 'Through-the-cycle' (TTC) represents a theoretical year of average ECA grain production, average tonnes handled (by GrainCorp), and average oilseed crush margins. Assumptions include ECA production of 20.0mmt and total tonnes handled of 23.0 – 24.0mmt

2. FY20-22 represents period post demerger of malt business and introduction of Crop Production Contract

3. Includes proforma adjustment – removal of earnings from Australian Bulk Liquid Terminals

4. ECA production represents total ECA winter + ECA sorghum production, per the definition from Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES)

5. 'Tonnes handled' comprises GrainCorp carry-in + receivals + imports + domestic outload + exports + GrainCorp carry-out

# Balance sheet



# Balance sheet strength

## Core cash position, significant flexibility



- GrainCorp is in a very strong financial position with \$177 million core cash at 30 September 2022
- Net debt remains above the longer-term year-end average due to higher working capital and commodity inventory
- Retain financial flexibility of 8.5% stake in UMG, valued at \$80<sup>1</sup> million
- Term debt facility expires in March 2025

### Debt and liquidity profile

Components	30 Sep 2022	30 Sep 2021
Term debt	150	150
Inventory and working capital financing	713	576
Cash	(322)	(127)
<b>Net debt</b>	<b>540</b>	<b>599</b>
Commodity inventory	(717)	(598)
<b>Core cash / (debt)<sup>2</sup></b>	<b>177</b>	<b>(1)</b>
Core debt gearing	(14%)	0%
Retained UMG stake	(80)	(104)

### Debt facilities - overview

Facility type (\$m)	Facility <sup>3</sup>	30 Sep 2022 (utilised)	Expiry
Working capital	561	86	Nov 2022
Commodity inventory funding	908	626	Nov 2022
Term debt	150	150	Mar 2025
<b>Total – all borrowings</b>	<b>1,619</b>	<b>863</b>	

1. 'Fair value' based on share price of \$3.13 at 30 Sep 2022 (\$4.10 at 30 Sep 2021)

2. Refer to Appendix for a detailed breakdown of core debt movements in FY22

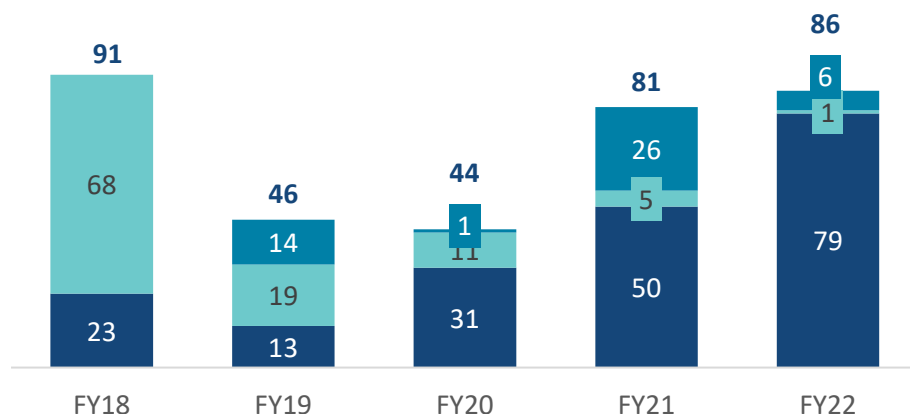
3. These represent facility limits as at 30 September. FY23 facility limits as follows – working capital \$561m (expiring in Nov 2023), commodity inventory funding \$2,272m (expiring Nov 2023), term debt \$150m (expiring in Mar 2025).

# Continued discipline with capital expenditure

Investing prudently in ECA network to support exceptional results

Capex and investments (\$m)<sup>1,2</sup>

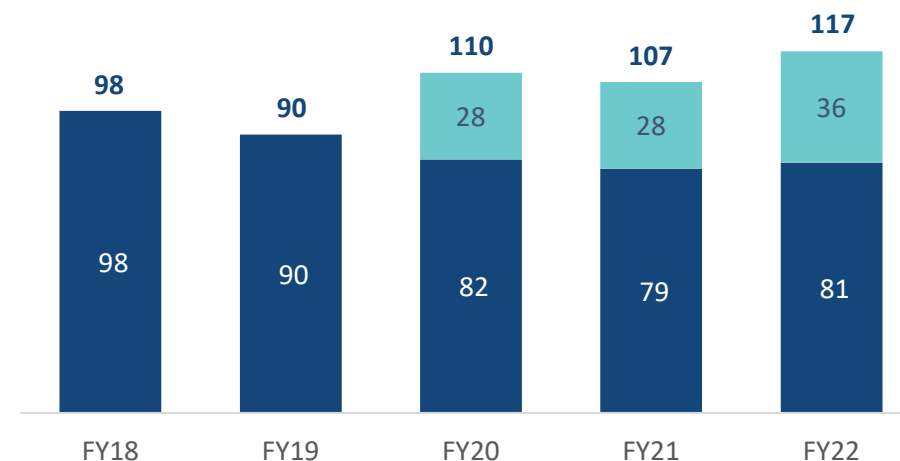
■ Sustaining ■ Growth ■ Investments



- Sustaining capex in FY21 and FY22 above target range (\$35-45m) due to investment in ECA storage capacity/network to handle consecutive large crops. Strong returns being generated
- \$27.5 million in cash generated in FY21 - FY22 from sale of non-operational sites

Depreciation & Amortisation (D&A) (\$m)<sup>1,2</sup>

■ D&A ■ AASB-16 impact



- Increase in FY22 D&A, reflecting leased assets and harvest-related investment – i.e. mobile fleet, tarpaulins – with shorter asset life
- FY23 D&A expected to be similar to FY22, before decreasing in line with capital investment
- High D&A relative to capex is supportive of strong future generation of cashflows

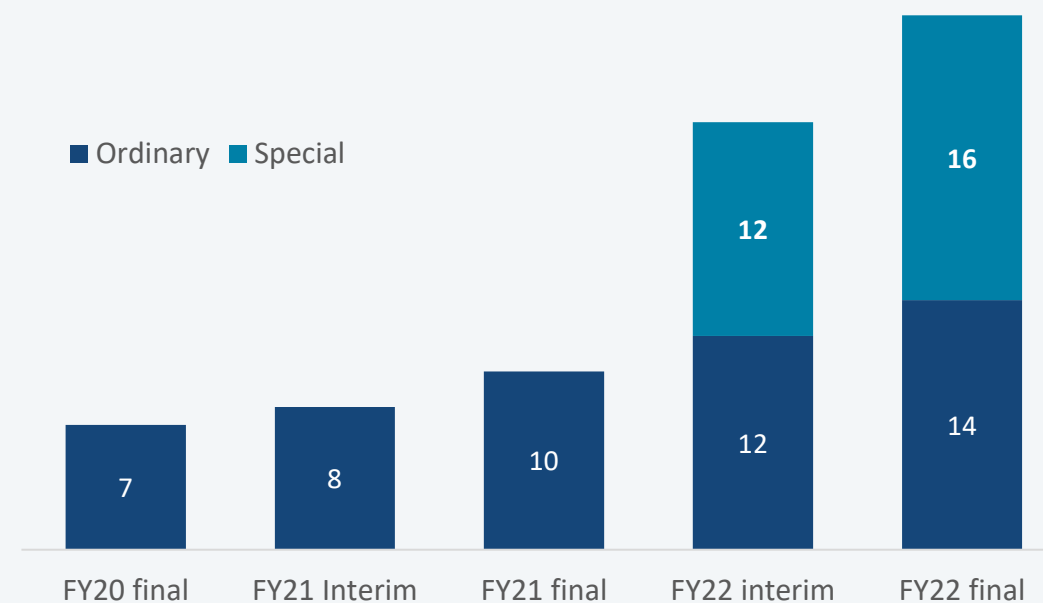
1. Excludes Australian Bulk Liquid Terminals.  
2. New AASB-16 lease standard introduced in FY20.



# Delivering significant value to shareholders

- FY22 final dividend announced: total 30cps, fully franked, comprising 14cps ordinary and 16cps special
- Increase in ordinary dividend reflects Board confidence in average earnings being greater than stated TTC earnings, supported by operating leverage in large crop years
- \$50 million on-market share buy-back announced 11 November 2021, completed July 2022
- \$171 million in capital returned to shareholders through FY22 dividends<sup>1</sup> and on-market share buy-back
- Further capital management will continue to be assessed in FY23 against growth opportunities and as franking credits accumulate

Dividends (cents per share)



1. Based on FY22 interim dividend paid (24cps) + FY22 final dividend declared (30cps)

# Outlook and conclusion



# FY23 outlook

- Conditions have supported an above-average ECA winter crop forecast for 2022/23. ABARES' September 2022 forecast - **27mmt**.
- ECA flooding has impacted a number of regions and delayed harvest by several weeks. We expect it to impact both yield and quality in parts of ECA, with a higher level of feed-grade receivals.
- GrainCorp is supporting growers with logistical challenges presented by flooding, and is focused on ensuring our sites are well prepared for the delayed harvest.
- Year-to-date receivals 1.1mmt; Year-to-date exports 0.6mmt.
- The exceptional margins achieved in 1H22 moderated in 2H22, as supply from the northern hemisphere improved. We anticipate continued good demand for Australian grain and oilseeds in FY23, including feed grades.
- Guidance to be provided at AGM on 16 February 2023.



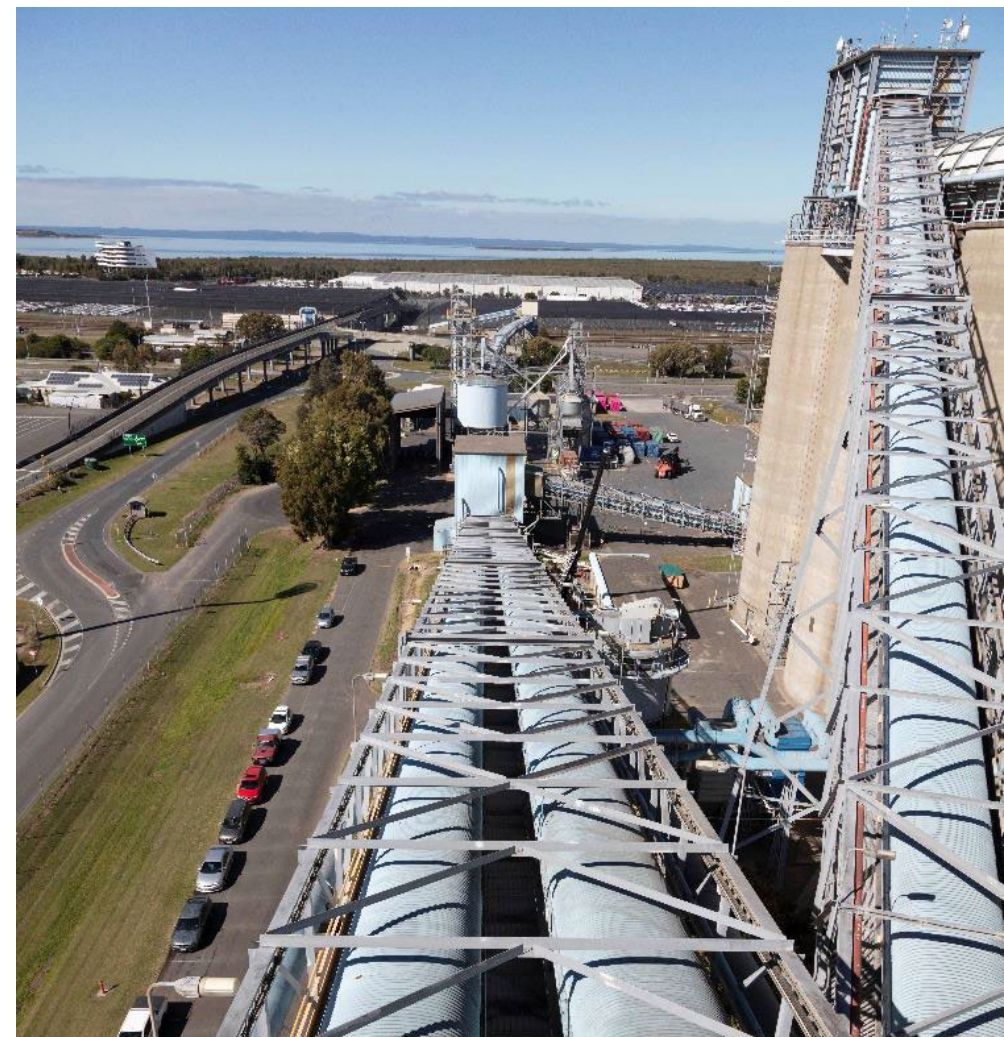
# Conclusion

Record financial result in FY22

Delivering on our commitments

Executing our strategy

Generating significant value for shareholders



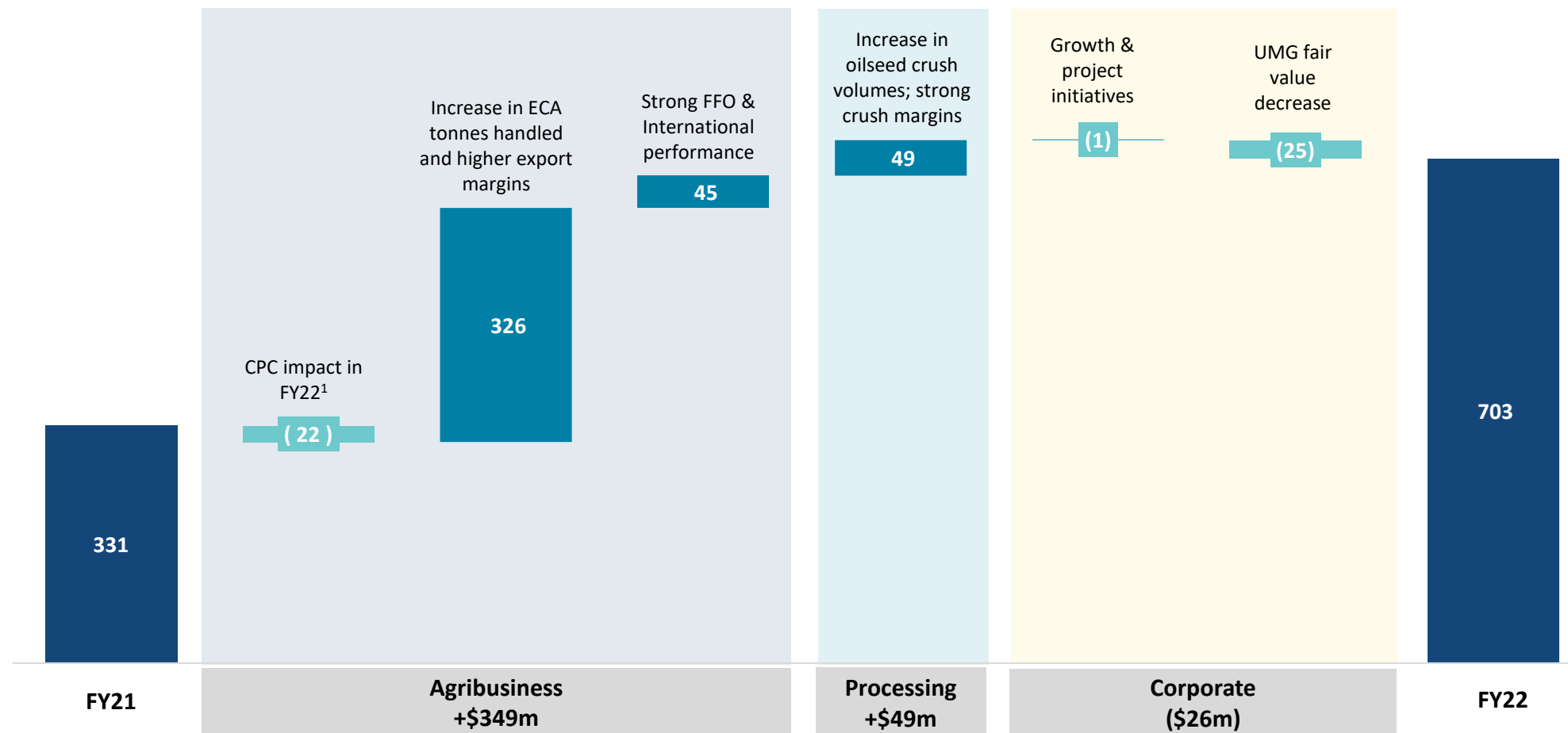


# Appendices



# Earnings bridge: FY21 to FY22

EBITDA (\$m)



<sup>1</sup> FY22 impact -\$93m (comprising -\$70m payout, -\$6m annual premium and -\$17m fair value movement). FY21 impact -\$71m (comprising \$70m payout, -\$6m annual premium and \$5.3m fair value movement).

# ECA tonnes handled

Total grain handled has a high correlation to ECA contribution margin

mmt	FY17	FY18	FY19	FY20	FY21	FY22
<b>ABARES – total ECA winter + sorghum production<sup>1</sup></b>	<b>29.2</b>	<b>18.0</b>	<b>9.7</b>	<b>12.6</b>	<b>32.0</b>	<b>33.4</b>
Carry-in	1.7	3.3	2.3	1.5	0.7	4.3
Receivals <sup>2</sup>	15.0	6.8	3.1	4.2	16.5	16.3
Imports (trans-shipments)	0.0	0.5	2.3	1.4	0.0	0.0
Domestic outload	6.2	5.6	5.8	5.1	5.0	6.4
Exports <sup>3</sup>	7.2	2.7	0.3	1.3	7.9	9.2
Carry-out	3.3	2.3	1.5	0.7	4.3	4.9
<b>Total grain handled<sup>4</sup></b>	<b>33.4</b>	<b>21.2</b>	<b>15.3</b>	<b>14.2</b>	<b>34.4</b>	<b>41.1</b>
Bulk materials (non-grain) handled <sup>5</sup>	2.8	2.9	2.9	2.1	2.7	2.5

1. 'ECA production' represents the total ECA winter + ECA sorghum production, per the definition from Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES). FY22 production of 33.4mmt is based on ABARES' September 2022 estimate for ECA winter (30.8mmt) and ECA sorghum (2.6mmt) production for the 2021/22 season.
2. Receivals comprise total tonnes received up-country and direct-to-port.
3. Exports comprise bulk and container exports of grain and oilseeds.
4. 'Total grain handled' comprises GrainCorp carry-in + receivals + imports + domestic outload + exports + GrainCorp carry-out.
5. Bulk materials (non-grain) comprises inbound receivals of sand, cement, sugar, woodchips, fertiliser and other materials

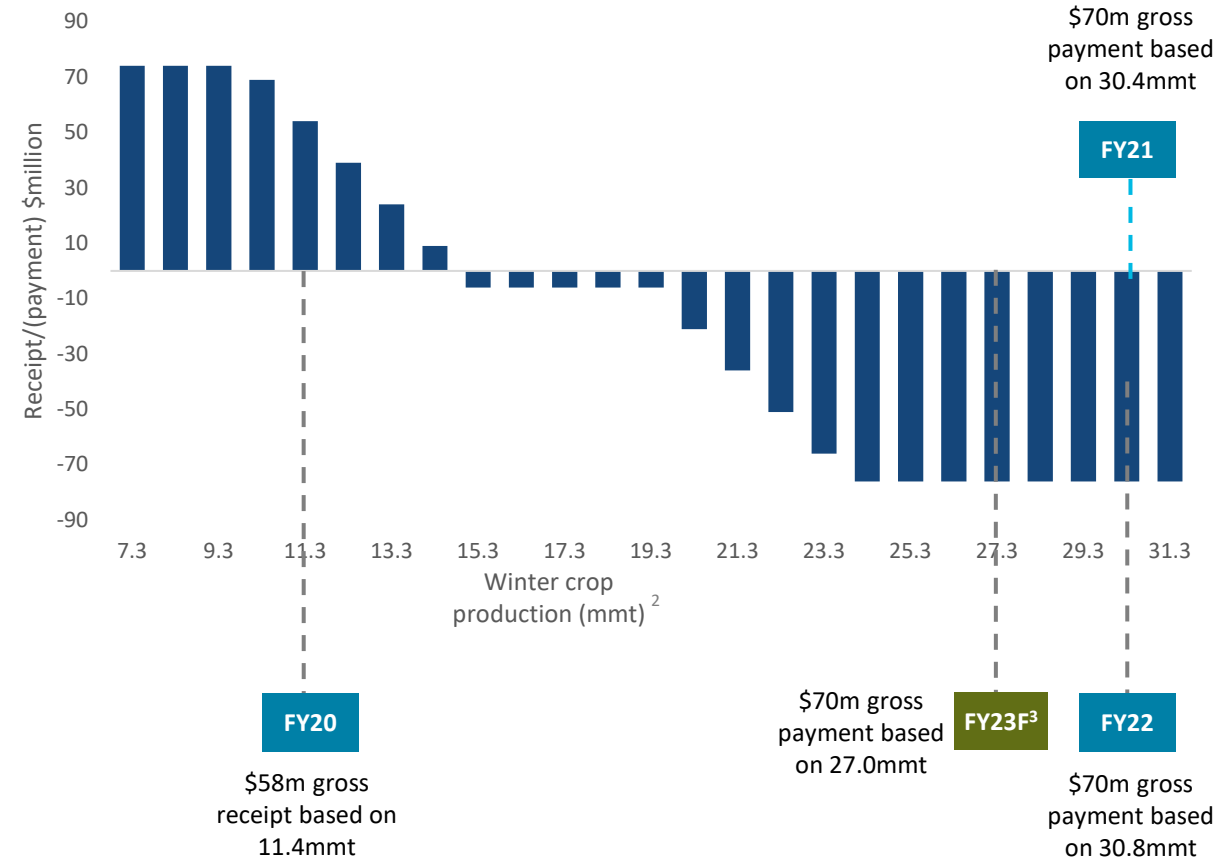
# Crop Production Contract

## Smoothing GrainCorp's cash flows through the cycle



- 10-year contract (started FY20) with White Rock Insurance
- Production payments based on ABARES' **"total ECA winter crop production"**<sup>2</sup> estimate, disclosed in quarterly *Australian Crop Report*
- Maximum annual production payments (excluding \$6m annual premium):
  - GrainCorp payment \$70m
  - GrainCorp receipt \$80m
- Aggregate net limit \$270m over the length of the contract
- Production payment schedule:
  - February crop report: determines initial production payment
  - March: 90% of production payment is made/received
  - June crop report: determines final production payment amount
  - August: balance of production payment is made/received – with 'true-up' based on June update

### CROP PRODUCTION CONTRACT – PRODUCTION PAYMENT PROFILE<sup>1</sup>



1. CPC payment profile includes the annual premium of ~\$6M.

2. 'Total ECA winter crop production' = ABARES' winter crop production for the Australian states of Queensland, New South Wales and Victoria for all commodities.

3. FY23F (forecast) based on Sep 2022 ABARES estimate of 2022/23 ECA winter harvest. \$5.9m annual premium and \$70m CPC cash payment.

# Cash flow

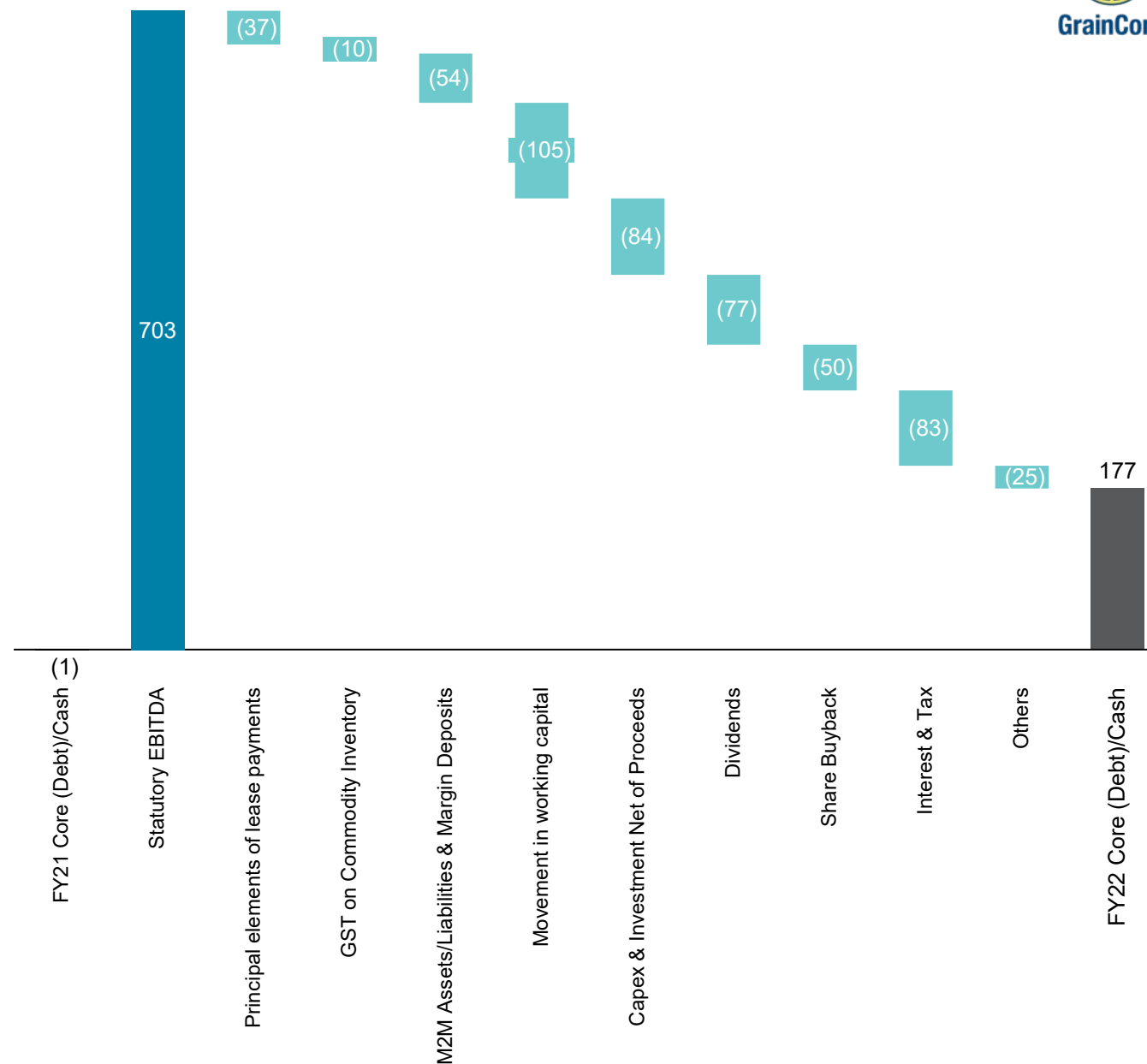
(\$m)	30-Sep-22	30-Sep-21
Statutory EBITDA	703	331
Net Interest	(36)	(26)
Income taxes paid	(47)	-
Changes in working capital related items	(169)	(164)
<b>Net operating cash flow excl inventory funding &amp; commodity inventory</b>	<b>451</b>	<b>141</b>
Proceeds for bank loans – inventory funding	112	418
Commodities inventory	(119)	(383)
<b>Net cashflows from operating activities</b>	<b>444</b>	<b>176</b>
Capital expenditure and investments	(86)	(80)
Proceeds from asset sales	2	26
Loans to related parties & other payments/receipts	(20)	2
<b>Net cashflows from investing activities</b>	<b>(104)</b>	<b>(53)</b>
Net borrowings	25	(56)
Dividends paid	(77)	(35)
Share buyback	(50)	-
Principal elements of lease payments	(37)	(31)
Other payments/receipts	(5)	-
<b>Net cashflows from financing activities</b>	<b>(144)</b>	<b>(121)</b>
<b>Net increase in cash and cash equivalents</b>	<b>196</b>	<b>2</b>



# Core debt bridge: FY21 – FY22

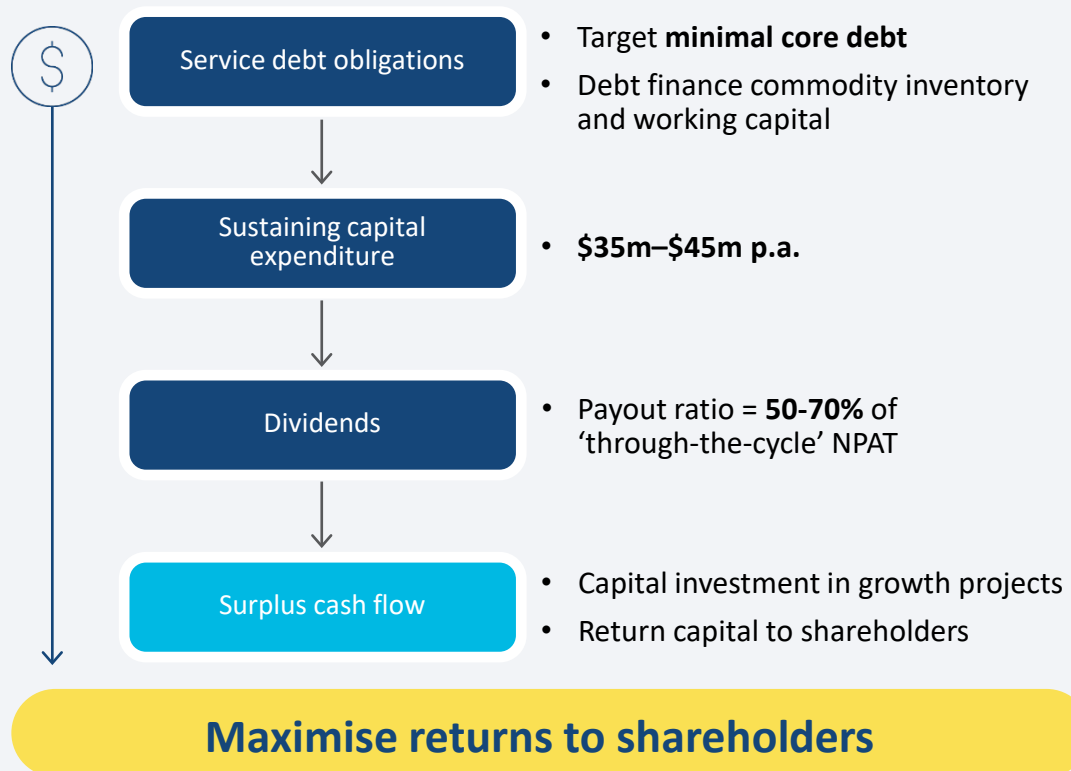


- Core debt reduced from 30-Sep-21 to a core cash position at 30-Sep-22, attributable to strong earnings
- Working capital increase in FY22 largely driven by ongoing export program and higher commodity values
- Mark-to-market asset reflective of strong unrealised gains in the year
- Margin deposits reflective of volatility in market conditions in the year and higher commodity inventory



1. Comprises 24 cps FY22 interim dividend paid + 30 cps FY22 final dividend declared

# Capital management framework



# Glossary

Term	Definition
<b>AASB</b>	Australian Accounting Standards Board
<b>ABARES</b>	Australian Bureau of Agricultural and Resource Economics
<b>CAGR</b>	Compound Annual Growth Rate
<b>Carry-in</b>	Grain inventory at beginning of period (1 October)
<b>Carry-out</b>	Grain inventory at end of period (30 September)
<b>Core debt</b>	Net debt less commodity inventory
<b>CPC</b>	Crop Production Contract
<b>CSIRO</b>	The Commonwealth Scientific and Industrial Research Organisation
<b>Demerger</b>	The demerger of the Malt business effective 23 March 2020
<b>EBIT</b>	Earnings Before Interest and Tax
<b>EBITDA</b>	Earnings Before Interest, Tax, Depreciation & Amortisation
<b>ECA</b>	East Coast Australia (NSW, QLD and VIC)
<b>EPS</b>	Earnings per Share
<b>ESG</b>	Environment, Social and Governance
<b>Executive KMP</b>	Executives who are also Key Management Personnel
<b>FFO</b>	Feeds, Fats & Oils
<b>FGT</b>	Fraser Grain Terminal
<b>GCC</b>	GrainsConnect Canada JV
<b>iDAP</b>	GrainCorp's Inclusion & Diversity Action Plan

Term	Definition
<b>IFRS</b>	International Financial Reporting Standards
<b>JV</b>	Joint Venture
<b>KMP</b>	Key Management Personnel
<b>LTI</b>	Long-term incentive
<b>LTIFR</b>	Lost Time Injury Frequency Rate
<b>MD and CEO</b>	Managing Director & Chief Executive Officer
<b>mmt</b>	Million metric tonnes
<b>Net debt</b>	Total debt less cash
<b>NPAT</b>	Net Profit After Tax
<b>RBD</b>	Refine, Bleach & Deodorise
<b>RIFR</b>	Recordable Injury Frequency Rate
<b>ROE</b>	Return on Equity
<b>ROIC</b>	Return on Invested Capital
<b>SHE</b>	Safety, Health & Environment
<b>STI</b>	Short-term incentive
<b>TSR</b>	Total Shareholder Return
<b>TTC</b>	Through-the-cycle
<b>UCO</b>	Used Cooking Oil
<b>UMG</b>	United Malt Group Limited (ASX: UMG)

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