



HY22 Financial Results

11 May 2022

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Disclaimer



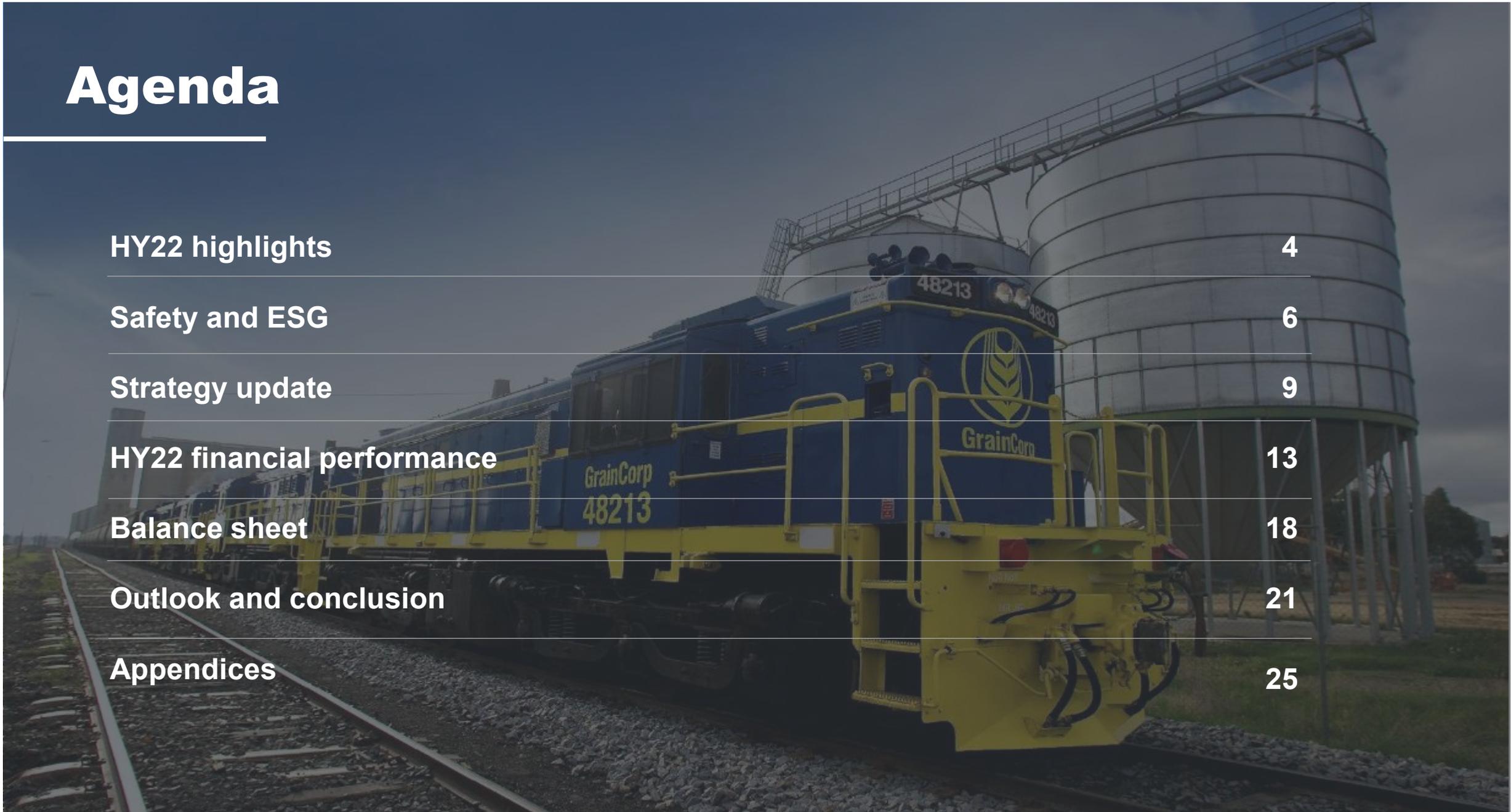
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Numbers throughout the presentation may not add up due to rounding.

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Record first half result

Strong global demand, outstanding supply chain performance

HY22 performance

- \$427 million EBITDA¹
- Excellent performance across all business areas
- Resilient supply chain
- Strong demand for soft commodities
- Disciplined cost control
- 24 cents per share (cps) total dividends declared, fully franked

FY22 outlook

- FY22 guidance reaffirmed:
 - Underlying EBITDA² \$590-\$670 million
 - Underlying NPAT³ \$310-\$370 million
- Favourable conditions for 2022/23 ECA winter crop
- Continued strong demand for Australian grain

Resilient supply chain – outstanding delivery – disciplined financial management

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

2. Underlying EBITDA is a non-IFRS measure representing earnings before net interest, tax, depreciation and amortisation, and excluding significant items and revaluation impact from UMG holding.

3. Underlying NPAT is a non-IFRS measure representing net profit after tax and excluding significant items and revaluation impact from UMG holding.

HY22 highlights

Outstanding financial and operational performance



EBITDA

\$427m  from \$140m

NPAT

\$246m  from \$51m

Return on invested capital (ROIC)¹

25.7%²  from 11.1% (Sep 21)

Total grain handled³

38.0mmt  from 30.4mmt

Oilseed crush volumes

232kmt  from 220kmt

Core cash / (debt)

\$129m  from (\$90m) core debt (Mar 21)

1. ROIC is a non-IFRS measure and is defined as Group net profit after tax less interest expense (after tax) associated with core debt / average net debt (excluding commodity inventory funding) + average total equity.
2. ROIC based on 12 months to 31 March 2022. ROIC is inclusive of UMG Investment. ROIC exclusive of UMG Investment is 28.4%.
3. Composition of 'total grain handled' shown on Slide 15. mmt = million metric tonnes.

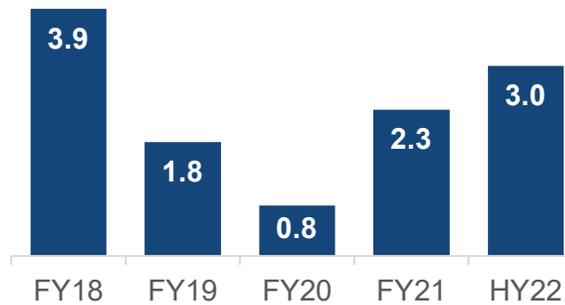
Commitment to Zero Harm

Relentless focus on safety of our people

RECORDABLE INJURY FREQUENCY RATE (RIFR)¹



LOST TIME INJURY FREQUENCY RATE (LTIFR)²



- Pleasing improvement to RIFR; however, increase in LTIFR.
- Multiple initiatives to improve Safety, Health & Environment (SHE) culture, compliance and performance:
 - Injury management training for people leaders
 - Behavioural safety programs
 - Fitness-for-work programs

1. Number of recordable injuries per million hours worked. HY22 is a rolling 12-months to 31 March 2022.
2. Number of lost time injuries per million hours worked. HY22 is a rolling 12-months to 31 March 2022.



Sustainability at the core of GrainCorp



Following our clear roadmap of actions for sustainable growth



Environment

- Aligning financial reporting with Task Force on Climate-related Financial Disclosures (TCFD)
- Defining and measuring **Scope 3** emissions
- Pilot programs with growers to assess carbon sequestration and measurement

Social

- **GrainCorp Community Foundation** approaching \$300,000 awarded in first six months
- Large employer of harvest casuals across regional Australia
- Developing Reconciliation Action Plan, a critical part of GrainCorp's Inclusion and Diversity Action Plan
- *One Grain Industry Scholarship, created with Nuffield Australia*

Governance

- Aligning with **GRI¹** and **UNSDG²**
- Expanded **stakeholder engagement**
- **ISCC³** certification for canola crushing at Numurkah

1. Global Reporting Initiative.
2. United Nations Sustainable Development Goals.
3. International Sustainability and Carbon Certification.

Operations in Ukraine

GrainCorp Ukraine:

- GrainCorp has a small trading team in Kyiv, with no fixed assets, and originates Ukrainian grain for international customers.
- Our priority is ensuring the safety of our team; and providing practical support to our colleagues.
- GrainCorp has no forward financial exposure in Ukraine; a full provision has been taken against grain held.
- We are supporting two Ukrainian-based humanitarian organisations including *Save the Children*.



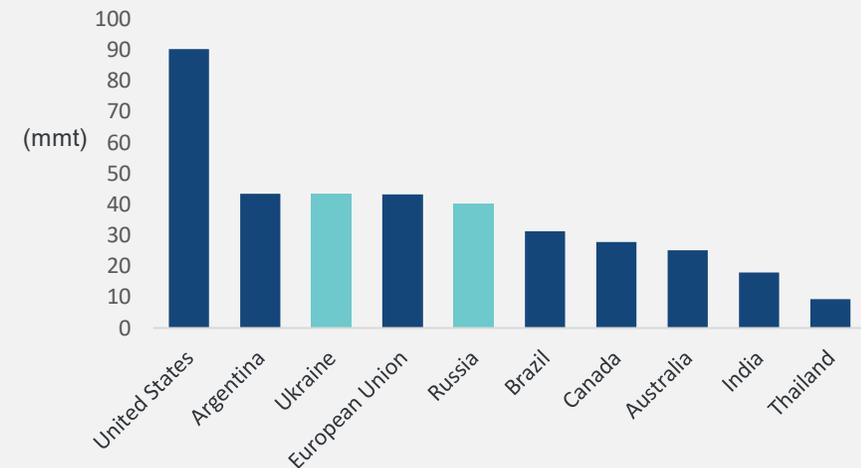
GrainCorp's Carrington silos in Newcastle lit up in blue and yellow in support of our Ukrainian colleagues, their families, friends and compatriots.



Impacts to global trade:

- Supply from Black Sea region has been disrupted; buyers are seeking alternative sources for grain, oilseeds and vegetable oils.
- GrainCorp is seeing strong demand for Australian, Canadian and UK soft commodities, and it is well positioned to play a role in this supply.

Top 10 grain exporters (2013-21) – average annual exports¹



1. Includes all grains.

Strategic priorities delivering shareholder value



VISION

Lead sustainable and innovative agriculture through another century of growth

PURPOSE

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

STRATEGIC PRIORITIES

Strengthen the core



Lift returns



Leverage capabilities



Drive existing assets

Targeted growth opportunities



Alternative protein



Digital and AgTech



Animal nutrition



Additional grower services

Delivering on our core initiatives



International expansion

- Improved performance in HY22; diversifying origination.
- Fraser Grains Terminal¹ operational, providing end-to-end supply chain capability in Western Canada.

\$15m



Core uplift

- Increase in bulk materials (e.g. wood pellets, woodchips, mineral sands) in HY22, from 0.9mmt to 1.3mmt.
- Cement importing capability in place at Port Kembla.

\$25m



Agri-energy

- Strong growth in Auscol earnings.
- Very strong demand for renewable fuel feedstocks, including Used Cooking Oil (UCO) and tallow



**On track for
\$40m
EBITDA uplift
by 2023/24**

Delivered 25.7% ROIC in HY22

1. Fraser Grains Terminal is a 50-50 Joint Venture between GrainsConnect Canada (a 50-50 joint venture between GrainCorp and Zen-Noh Grain) and Parrish & Heimbecker.

Growth initiatives aligned with macro trends



Alternative Protein

- Partnering with CSIRO and v2food – plant-based protein research - \$1.8 million grant¹



AgTech

- Grower pilot programs to assess testing applications for crop quality, crop characteristics and carbon
- 15% investment in Hone

Corporate Venture Capital

- Today, launching '**GrainCorp Ventures**' – investing in AgTech start-ups (see next slide)
- Investing up to \$30 million over initial three year phase

1. Funding from Australian Government's Cooperative Research Centres Projects (CRC-P).

Launch of GrainCorp Ventures



Investing up to \$30 million into AgTech over next three years



Four key investment areas:



Analytics and optimisation

Optimising the value and quality of agricultural commodities from the farmgate



Smart supply chains

Driving increased value across the agricultural supply chain



Biotechnology

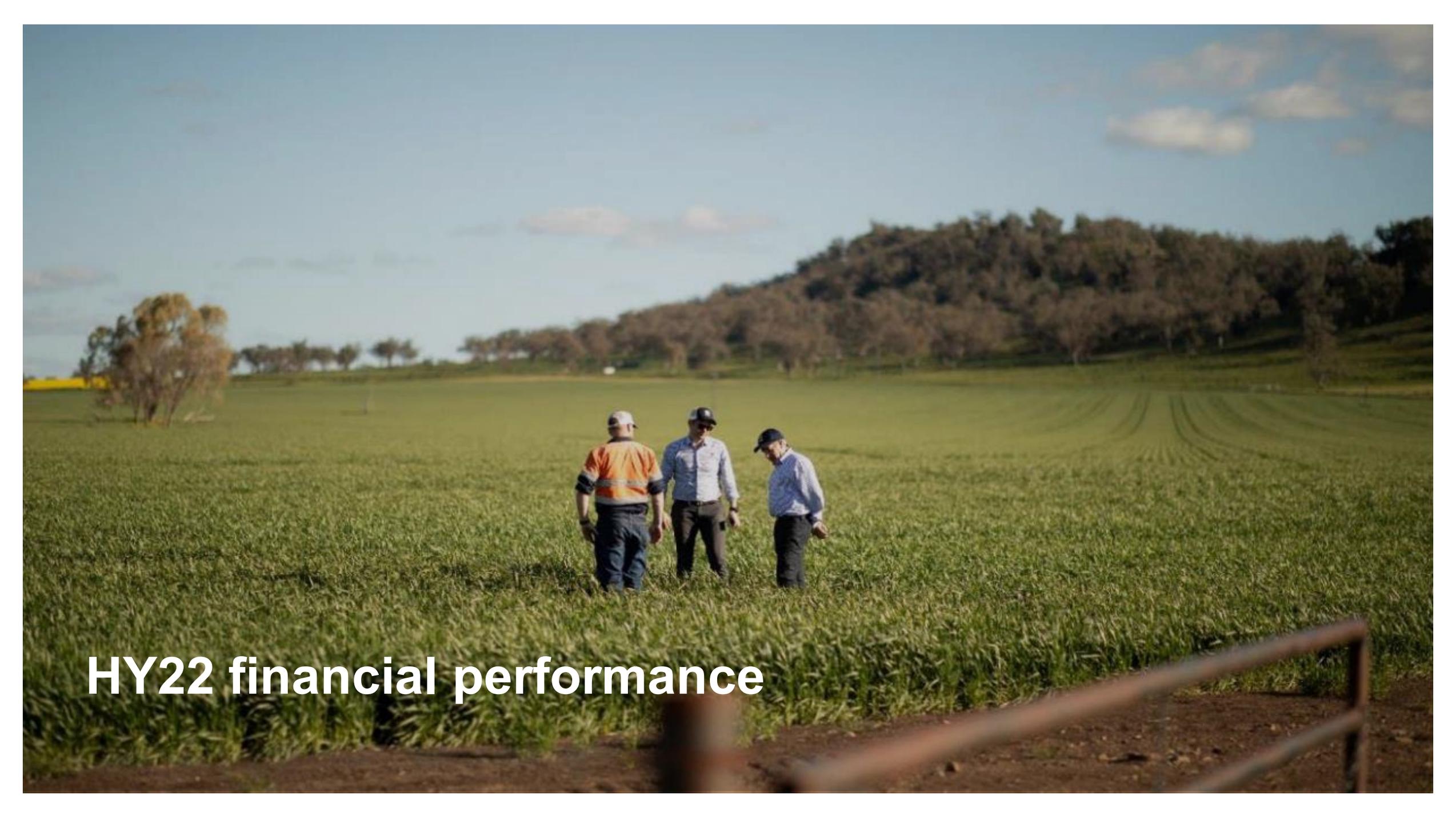
Improving crop production and sustainability outcomes



Sustainability & circular economy

Reducing the carbon footprint of agricultural commodities from the farmgate to point of consumption

Investing to build long term sustainable growth in the Australian agriculture industry

A photograph showing three people standing in a vast green field, likely a farm or agricultural site. The person on the left is wearing a high-visibility orange shirt and a white cap. The two people on the right are wearing light blue shirts and dark trousers. They appear to be engaged in a discussion or inspection. The background features a line of trees and a clear blue sky with some clouds. A metal fence is visible in the foreground on the right side.

HY22 financial performance

Financial highlights

Record result for both business segments

Business segment EBITDA (\$m)	HY22	HY21
Agribusiness	376	125
Processing	70	24
Corporate	(19)	(9)
Total EBITDA	427	140
Depreciation & Amortisation	(57)	(53)
Interest	(15)	(13)
Tax	(109)	(24)
NPAT	246	51

Corporate result includes:

- net loss of \$7.2 million relating to investment in United Malt Group (UMG)¹
- \$2-3 million relating to investments in growth and innovation

1. Dividend income of \$0.9 million, offset by fair value loss of \$8.1 million.



Agribusiness

Outstanding result, driven by elevated global demand and strong export supply chain margins

East Coast Australia (ECA):

- Large increase in grain handled following second consecutive bumper ECA crop.
- Significant increase in carry-in contributing to stronger HY22 storage and export volumes.
- Outstanding supply chain execution; exports running at close to full capacity despite minor flood-related disruptions.
- Elevated global demand for Australian grain and oilseeds, driven by northern hemisphere supply issues (i.e. weather events, Ukraine conflict / Black Sea trade disruptions).
- Strong end-to-end supply chain margins, demonstrating significant value of infrastructure assets.
- Higher bulk material volumes.
- Result includes \$70m payment (by GrainCorp) under CPC.

1. ABARES' Mar-22 estimate for total ECA winter (30.3mmt) + sorghum (2.6mmt) production for 2021/22 season.
2. Grain receivals comprise total tonnes received up-country + direct-to-port.
3. Grain exports include bulk + container exports.
4. 'Total grain handled' includes carry-in + receivals + domestic outload + exports + carry-out.
5. Bulk materials (non-grain) handled includes sand, cement, sugar, woodchips, fertiliser and other materials.



Agribusiness

\$m	HY22	HY21
Revenue	3,879	2,560
EBITDA	376	125
EBIT	335	88
Capex & investments	19	18

Key Agribusiness metrics

Million metric tonnes (mmt)	HY22	HY21
ECA production	32.9 ¹	31.8
Carry-in	4.3	0.7
Receivals ²	14.7	14.5
Domestic outload	3.0	2.0
Exports ³	4.5	3.1
Carry-out	11.5	10.1
Total grain handled⁴	38.0	30.4
Contracted grain sales – ECA	3.7	3.5
Bulk materials (non-grain) handled ⁵	1.3	0.9

Agribusiness

Strong performance by International business, connecting Australian grain to global markets

International:

- Increase in contracted grain sales from both ECA and International (non-ECA) origins.
- Strong export margins from Western Australia following bumper crop.
- Origination from Canada adversely impacted by drought; origination from Ukraine adversely impacted by conflict and subsequent trade disruptions.
- GrainsConnect Canada (GCC): Fraser Grain Terminal, Vancouver, completed in HY22; volumes expected to ramp up as production normalises following drought.

Feeds, Fats & Oils (FFO):

- Exceptional result for Agri-energy business, driven by strong execution and high global pricing for renewable fuel feedstocks, including used cooking oil (UCO) and tallow.
- Feeds marginally down due to countercyclical nature of business to ECA production.



Key International metrics

Million metric tonnes (mmt)	HY22	HY21
Contracted grain sales – ECA	3.7	3.5
Contracted grain sales – International	2.1	2.0
Contracted grain sales	5.8	5.5

Key FFO metrics

Volume	HY22	HY21
FFO sales volumes (mmt)	0.4	0.4
Auscol collection volumes (kmt)	9.8	9.9

Processing

Exceptional Oilseeds and Foods results – driven by strong global demand for vegetable oils

Oilseeds:

- Continued high utilisation and delivery of efficiencies at GrainCorp’s crushing plants at Numurkah and Pinjarra.
- Elevated oilseed crush margins, with strong demand for vegetable oils, driven by:
 - Global production challenges in canola (e.g. Canadian drought) and soybean (e.g. South American drought)
 - Ukraine conflict disrupting supply of vegetable oils out of Black Sea
 - Strong demand for renewable fuels/feedstock, supported by mandates for biofuel use

Foods

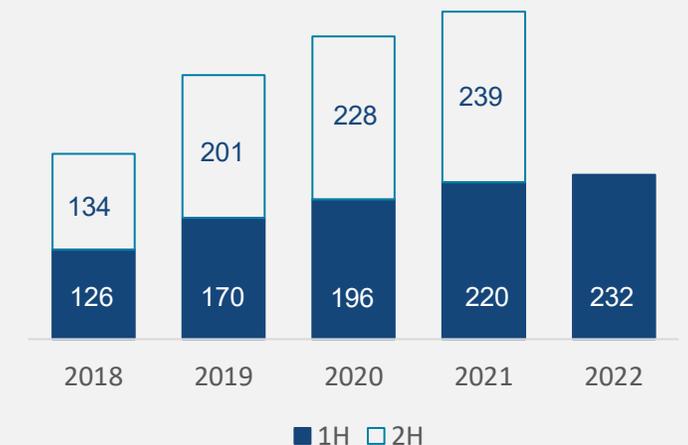
- Increase in Foods sales volumes; benefiting from diversified customer base.
- Strong demand for refined vegetable oils, driven partially by Black Sea supply disruptions.

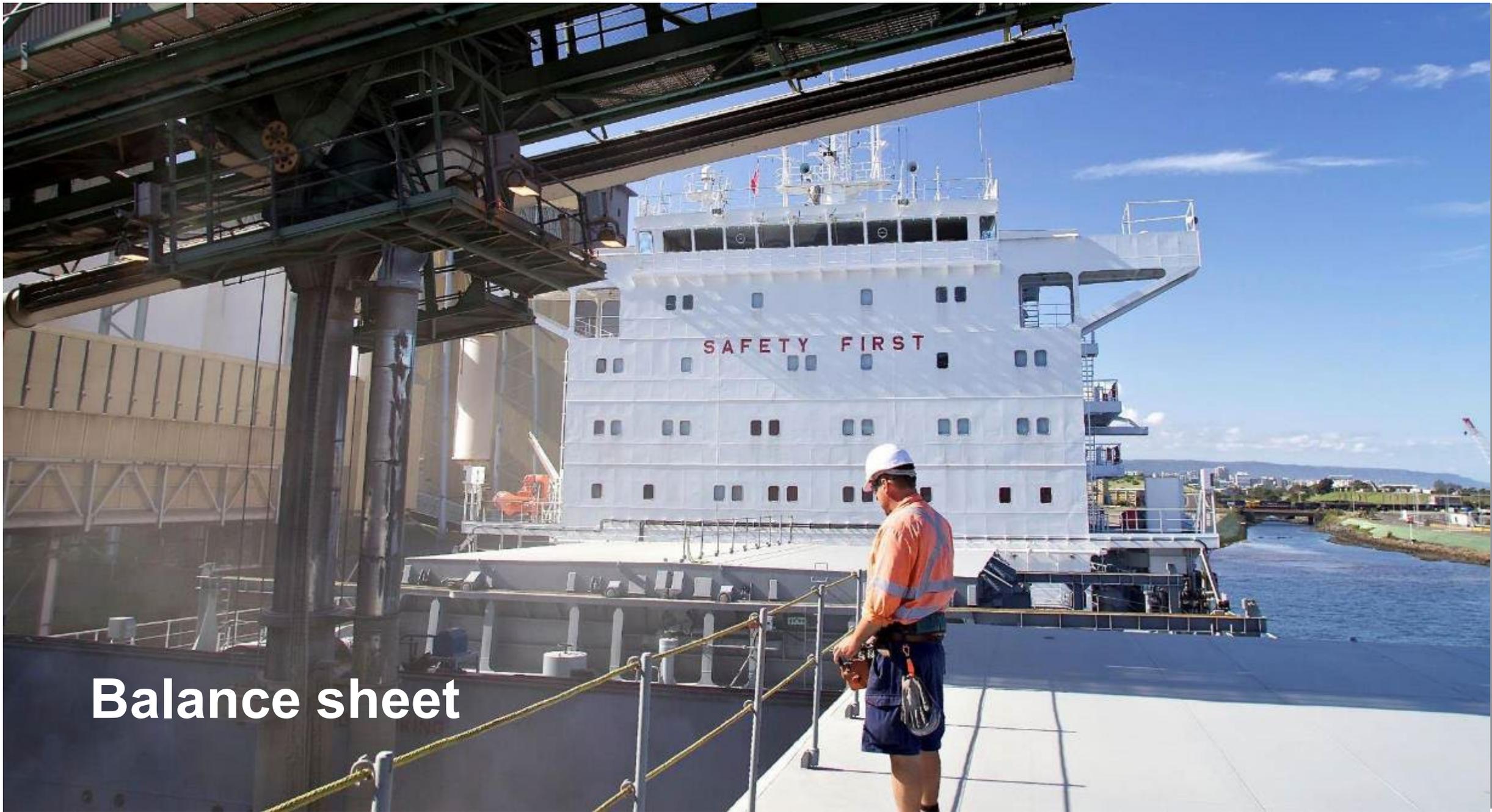


Processing

\$m	HY22	HY21
Revenue	456	320
EBITDA	70	24
EBIT	57	11
Capex and investments	3	5

GrainCorp oilseed crush volumes (kmt)





Balance sheet

Core debt vs net debt profile

Strong financial position with core net cash position

- GrainCorp in a \$129 million core cash position at 31 March 2022.
- Increase in net debt supporting grain accumulation – increased volumes and higher values – and asset utilisation.
- Expect net debt to remain elevated at September 2022 with export program continuing into FY23 and high commodity values persisting.
- Refer to Appendix for a detailed breakdown of core debt movements in HY22.
- Term debt facility renewed in 2021, out to March 2025.
- Retain financial flexibility of 8.5% stake in UMG, valued at \$96¹ million.

1. Fair value based on share price of \$3.78 at 31 Mar 2022 (\$4.10 at 30 Sep 2021).
2. Facility limit includes \$150m for the standby letter of credit to support the CPC.



DEBT AND LIQUIDITY PROFILE

Components (\$m)	31 Mar 2022	30 Sep 2021	31 Mar 2021
Term debt	150	150	150
Inventory and working capital financing	2,158	576	1,382
Cash	(311)	(127)	(131)
Net debt	1,997	599	1,401
Commodity inventory	(2,126)	(598)	(1,311)
Core debt / (cash)	(129)	1	90
Core debt gearing	(10%)	0%	7%
Retained UMG stake ¹	(96)	(104)	(104)

DEBT FACILITIES – OVERVIEW

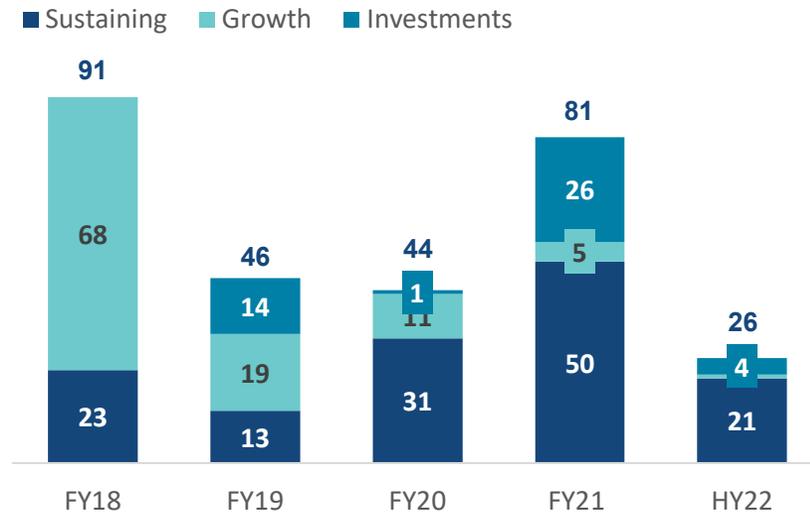
Facility type (\$m)	Facility	31 Mar 2022 (utilised)	Expiry
Working capital ²	695	349	Nov 2022
Working capital	14	9	Dec 2023
Commodity Inventory funding	2,101	1,800	Nov 2022
Term debt	150	150	Mar 2025
Total – all borrowings	2,960	2,308	



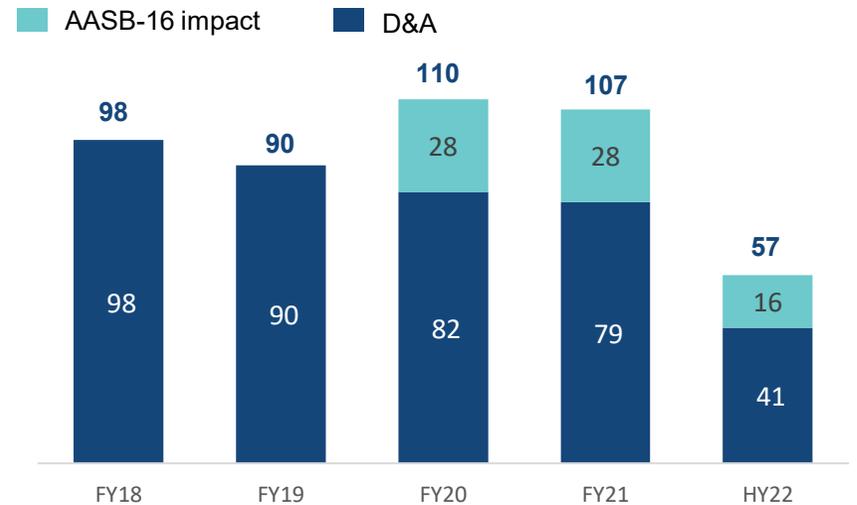
Disciplined capital expenditure

Lifting return on invested capital

Capex and investments – Continuing Operations (\$m)¹



Depreciation & Amortisation (D&A) (\$m)^{1,2}



- Expect FY22 sustaining capex to remain above through-the-cycle range (\$35-45m) to support storage capacity increases for FY22 and FY23 crops.
- Strong returns generated from recent capacity expansion. Planning underway for additional investment in lead up to 2022-23 harvest.
- Targeting \$50m cash generation over FY21-23 from sale of non-operational sites; \$26.5m realised to date.

- D&A (pre AASB-16 impact) peaked in FY18 following completion of significant capital investment program.
- High D&A relative to capex is supportive of strong future generation of cashflows.
- FY22 D&A marginally elevated on FY21 due to increased harvest-related investment including tarpaulins (shorter asset life).

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



Outlook and conclusion

FY22 outlook

FY22 earnings guidance^{1,2}

- Underlying EBITDA \$590-\$670 million
- Underlying NPAT \$310-\$370 million

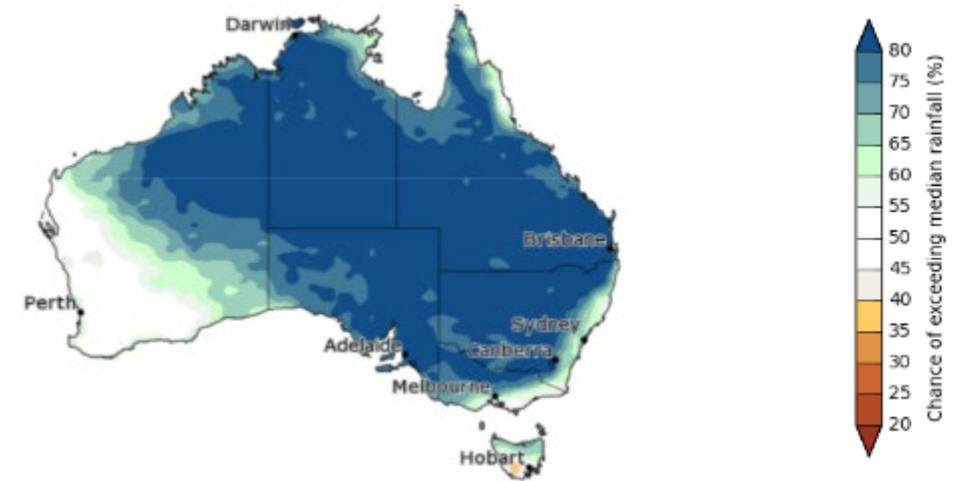
FY23 outlook

- High carry-out grain expected at Sep-22
- Positive conditions for FY23 winter crop
- Northern Hemisphere supply expected to remain disrupted, supporting demand for Australian grain
- First ABARES 2022–23 winter crop forecast - 7 June 2022

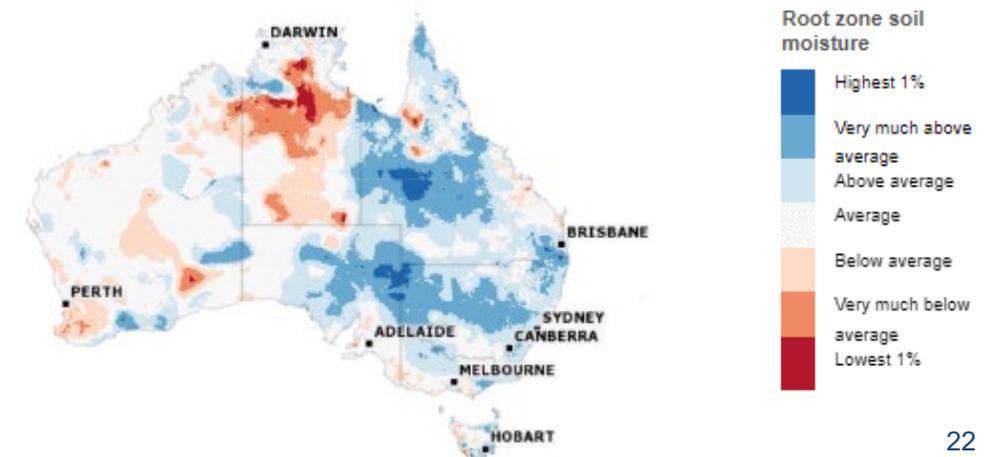
1. FY22 guidance subject to: 2H grain receipt and export volumes, supply chain margins, oilseed crush margins, outlook for 202/23 crop, and duration/extent of global trade disruptions.
2. FY22 grain volume assumptions shown on Slide 27.
3. Source: Bureau of Meteorology ('Chance of above median rainfall' 5 May 2022; 'Root zone soil moisture' 8 May 2022).



Chance of above median rainfall for June-August 2022³



Root zone soil moisture³





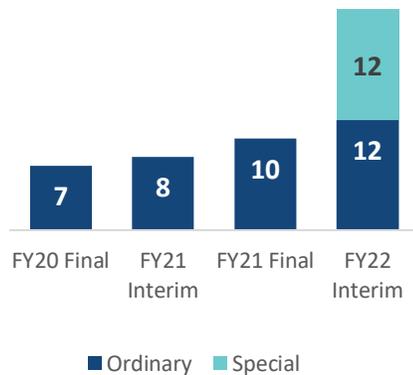
Capital management framework

Conservative capital structure and disciplined investment approach

Capital Management Framework



Dividends per share (cps)



HY22 dividends:

- Interim ordinary dividend declared: 12 cents per share, fully franked.
- Interim special dividend declared: 12 cents per share, fully franked
- Dividends are in addition to the planned on-market share buy-back of up to \$50 million, announced in November 2021.

24 cents per share total dividends

Conclusion

Record financial result delivered in HY22

On track for exceptional result in FY22

Resilient supply chain; disciplined cost control

Ongoing strong global demand for Australian soft commodities

Favourable ECA conditions, positive outlook for FY23

Strong financial position - well positioned for investment in growth and capital returns to shareholders



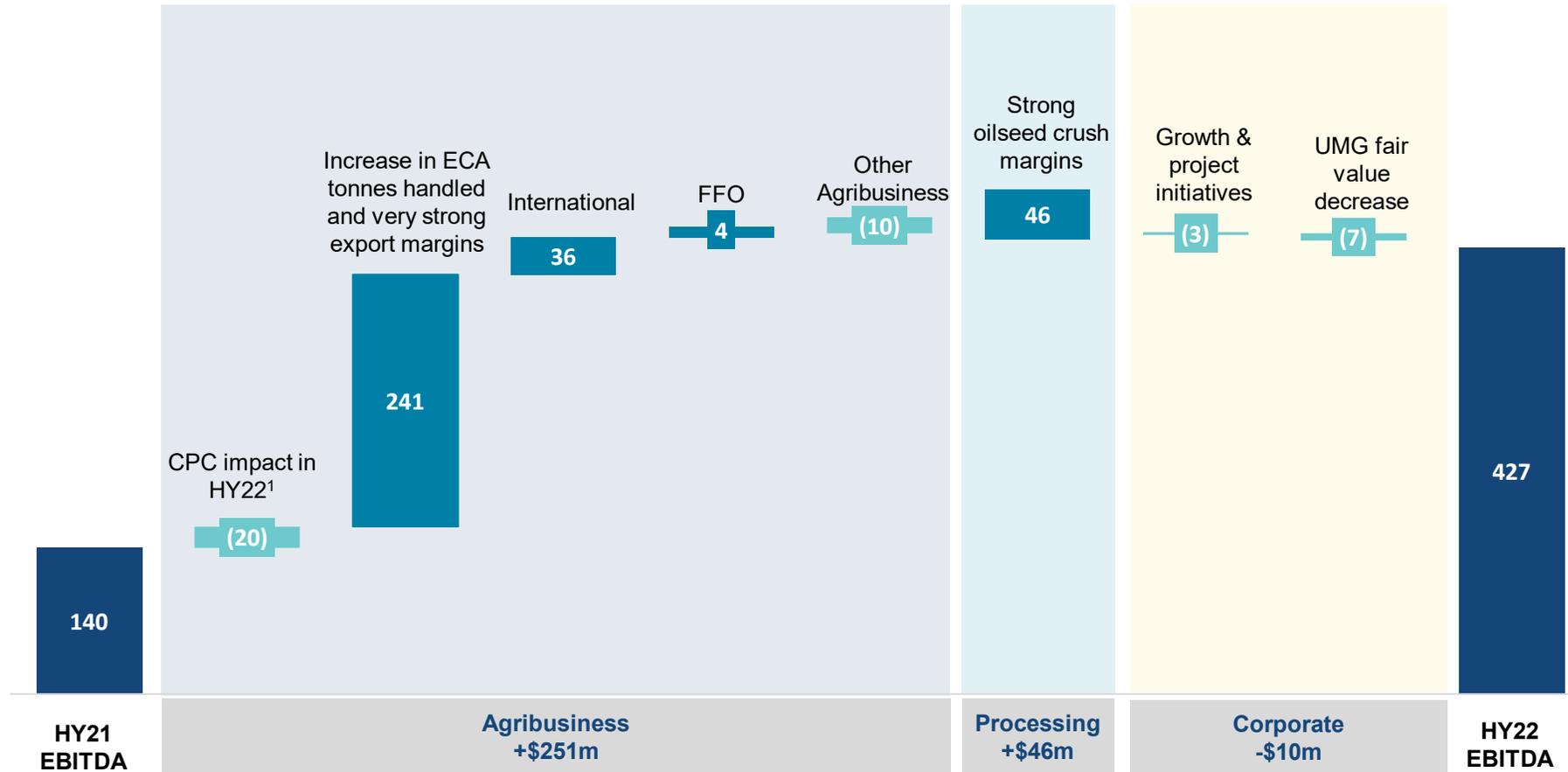


Appendices

Earnings bridge: HY21 to HY22



UNDERLYING EBITDA FROM CONTINUING OPERATIONS (\$m)



¹ HY22 impact -\$91m (comprising \$70m payout, -\$6m annual premium and - \$15m fair value movement). HY21 impact -\$71m (comprising \$70m payout, -\$6m annual premium and +\$5m fair value movement).



ECA tonnes handled

Total grain handled has a high correlation to ECA contribution margin¹

mmt	FY17	FY18	FY19	FY20	FY21	FY22e ²
ABARES – Total ECA winter + sorghum production	29.2	18.0	9.7	12.6	31.8	32.9³
Carry-in	1.7	3.3	2.3	1.5	0.7	4.3
Receivals	15.0	6.8	3.1	4.2	16.5	16.0 - 17.0
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	5.5 - 6.0
Exports ⁴	7.2	2.7	0.3	1.3	7.9	8.5 - 9.5
Carry-out	3.3	2.3	1.5	0.7	4.3	5.5 - 6.5
Total grain handled	33.4	21.2	15.3	14.2	34.4	39.8 - 43.3
Bulk materials (non-grain) handled	2.8	2.9	2.9	2.1	2.7	n/a

1. Contribution margin is revenue less variable costs.
2. FY22e represents GrainCorp's current estimates.
3. ABARES' March 2022 estimates for total ECA winter (30.3mmt) + ECA sorghum (2.6mmt) production.
4. Grain exports include bulk and container exports.

Crop Production Contract

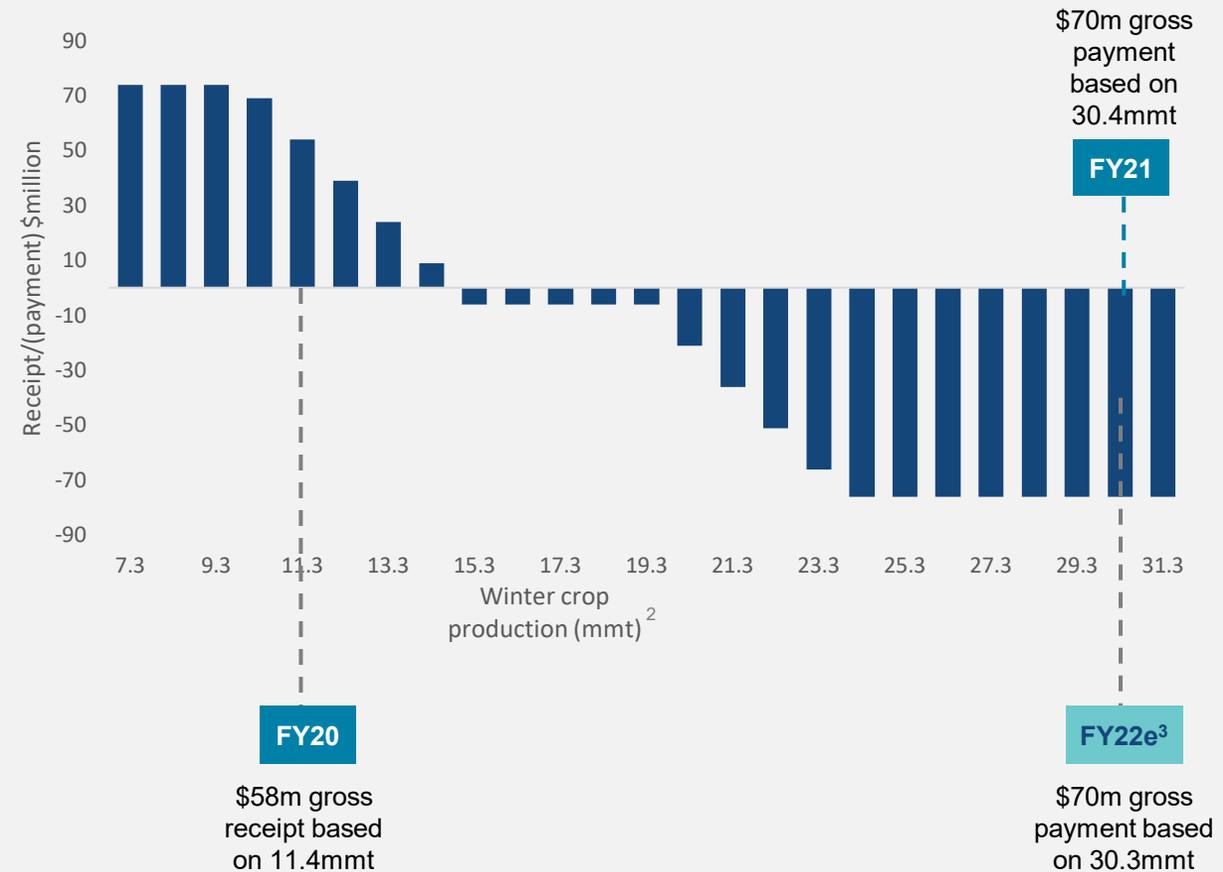
Smoothing GrainCorp's cash flows through the cycle

- 10-year contract (started FY20) with White Rock Insurance
- Production payments based on ABARES' "total ECA winter crop production"² 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

- CPC payment profile includes the annual premium of ~\$6M.
- 'Total ECA winter crop production' = ABARES' winter crop production for the Australian states of Queensland, New South Wales and Victoria for all commodities.
- FY22 based on March 2022 ABARES forecast. \$5.9m annual premium and \$63m CPC cash payment representing 90% of gross amount. Balance due 2H22.



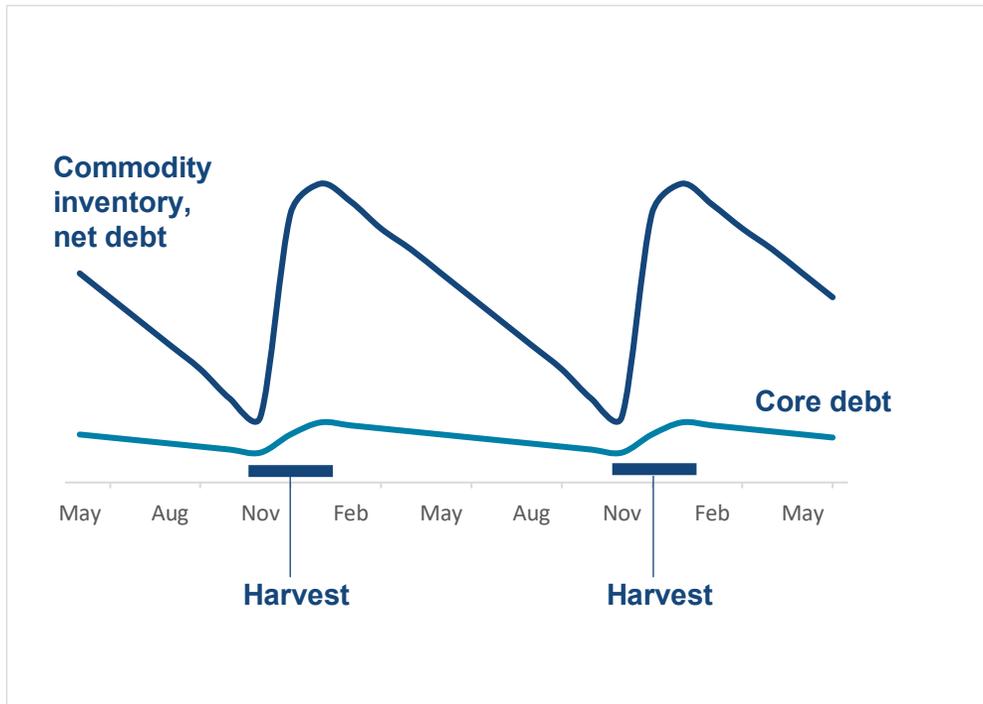
CROP PRODUCTION CONTRACT – PRODUCTION PAYMENT PROFILE¹



Seasonal movements in commodity inventory

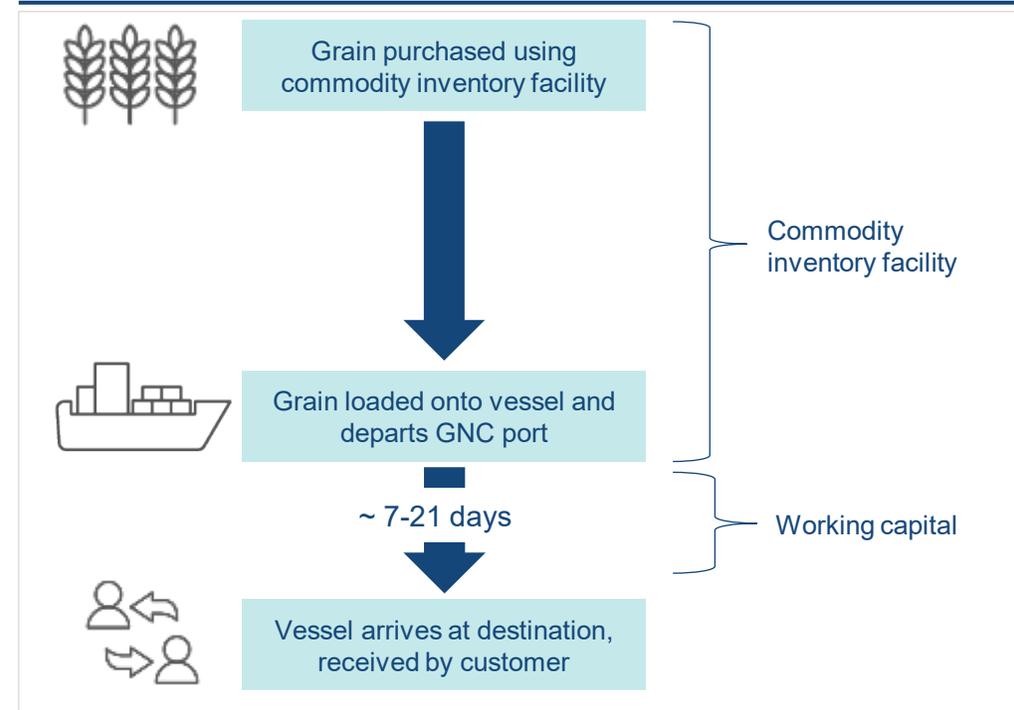


TYPICAL SEASONAL MOVEMENT OF COMMODITY INVENTORY NET DEBT/CORE DEBT (GRAPHICAL REPRESENTATION ONLY)



- Accumulation / delivery of commodity inventory drives asset utilisation and is a key part of grain value chain
- Net debt peaks in 1H as grain is accumulated during harvest, then reduces as inventory is sold throughout year

SHORT-TERM IMPACT OF EXPORT SHIPMENTS ON WORKING CAPITAL AND CORE DEBT



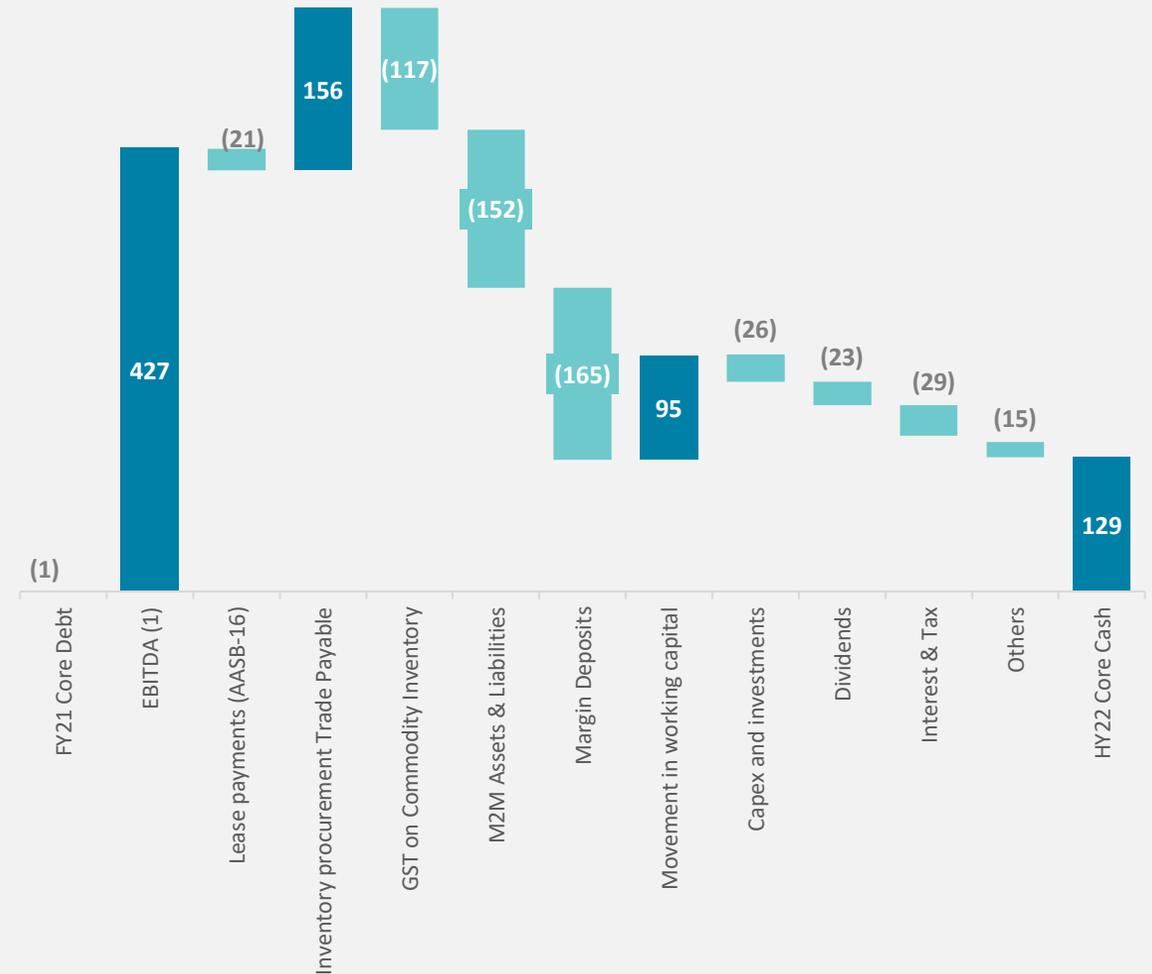
- Commodity inventory facility utilised to fund grain from purchase to vessel loading
- Timing and volume of export shipments, particularly in large crop years, can see short-term increases in working capital usage and core debt

Core debt bridge: FY21 – HY22

- Working capital decrease in HY22 largely driven by a high amount of deferred grower payments, which will unwind in the second half of FY22
- Mark-to-market asset reflective of strong unrealised gains in HY22
- Harvest related increase in GST receivable on commodity inventory will partially unwind in the second half of FY22 as commodity inventory reduces
- Harvest related inventory procurement trade payable facility also expected to unwind in the second half of FY22
- Margin deposits reflective of volatility in market conditions in HY22 and higher commodity inventory



Core Debt bridge (FY21 – HY22) (\$M)



¹ HY22 Statutory EBITDA.

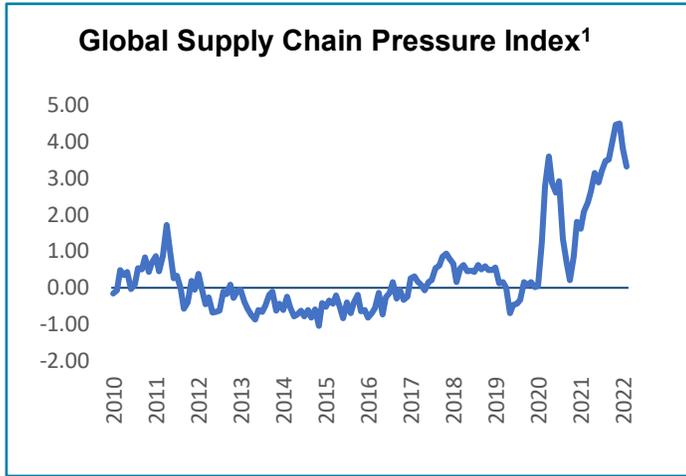


Detailed cash flow statement

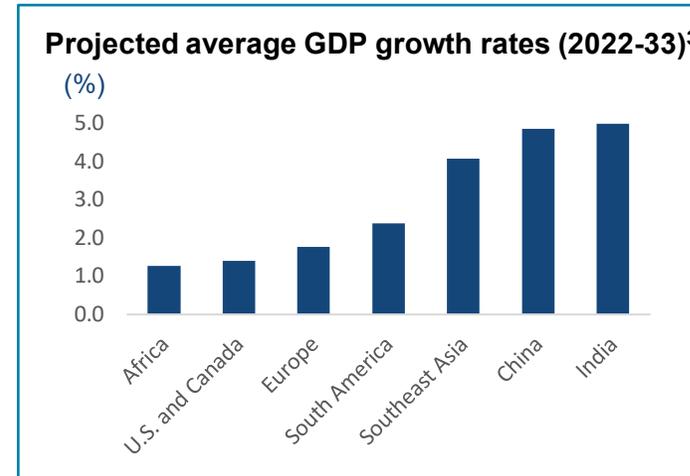
(\$m)	31 Mar 2022	31 Mar 2021
Statutory EBITDA	427	140
Net Interest	(15)	(13)
Income taxes paid	(18)	-
Changes in working capital related items	(183)	(133)
Net operating cash flow excl inventory funding & commodity inventory	211	(6)
Proceeds for bank loans – inventory funding	1,286	1,190
Commodities inventory	(1,527)	(1,109)
Net cashflows from operating activities	(30)	75
Capital expenditure and investments	(26)	(25)
Proceeds from asset sales	1	5
Loans to related parties & other payments/receipts	(21)	2
Net cashflows from investing activities	(46)	(18)
Net borrowings	301	(18)
Dividends paid	(23)	(16)
Principal elements of lease payments & other payments/receipts	(18)	(17)
Net cashflows from financing activities	260	(51)
Net increase in cash and cash equivalents	184	6



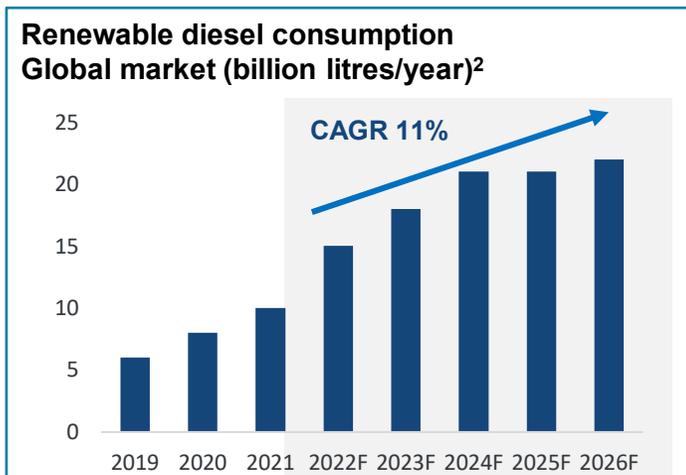
Macro themes supporting strategic priorities



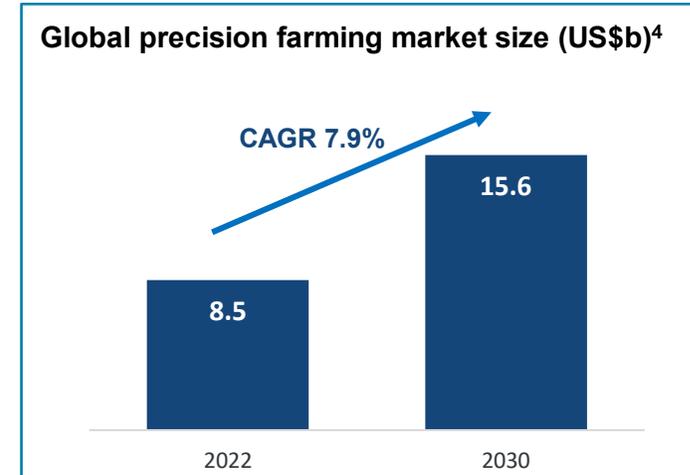
Reinforces importance of supply chain ownership, resilience



Australia well located to service Asia – growing populations, rising income levels



Supporting demand for UCO, tallow, other renewable fuel feedstocks



AgTech driving productivity improvements in agriculture and food production

1. Global Supply Chain Pressure Index: March 2022. Federal Reserve Bank of New York Liberty Street Economics.
2. IEA "Renewables 2021 Report" base case forecast used.
3. USDA - Projected Growth Rates - Real Gross Domestic Product Per Capita.
4. Markets and Markets - Precision Farming Market - Global Forecast to 2030.



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