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ASX Release – Company Announcement

Nufarm delivers 41% growth in underlying earnings for 1H22

Highlights

- Underlying EBITDA up 41% on the previous corresponding period¹ (pcp) to \$330 million on revenue of \$2.2 billion, up 31% on pcp
- Statutory net profit after tax of \$99 million, up 61% on pcp¹
- Underlying net profit after tax of \$133 million, an increase of 112% on pcp¹
- Unfranked interim dividend of 4 cents per share
- Result validates strategy and reflects good management through volatile global conditions
- Positive outlook with favourable industry fundamentals

Nufarm Limited (ASX: NUF) (Nufarm) today announced a strong increase in its financial performance for the six months ended 31 March 2022.

The company reported underlying earnings before interest, tax, depreciation and amortisation (uEBITDA) of \$330 million, an increase of 41% on pcp¹, on revenue of \$2.2 billion, up 31% on pcp. Underlying net profit after tax (uNPAT) was \$133 million, an increase of 112% on pcp¹.

The Board declared an unfranked interim dividend of 4 cents per share, the first interim dividend the company has paid since 2018.

Nufarm Managing Director and CEO, Greg Hunt, said “This is a very strong result for Nufarm, validating our strategy and reflecting good management through volatile global conditions.

“While we have benefited from healthy seasonal demand in our markets and higher grain prices, we are also reaping the outcomes of the hard work undertaken in recent years to transform the company. Our focus on core crops and key geographies is delivering strong results. Our seed technologies platforms continue to hit strategic milestones and provide significant growth opportunities for the company.

“Our transformation and continued focus have allowed us to navigate the uncertainty and volatility of the current global climate to deliver pleasing earnings growth for shareholders.

“Despite some concerns around global supply chains and inflation, the growth outlook and prospects for our industry remain clear. The fundamental need to grow more food to meet the needs of growing populations is ever present.

“We have a strong balance sheet, with leverage at 1.1 times (net debt to uEBITDA).

“The outlook for the full year remains positive. Current industry conditions are highly favourable with grain prices likely to remain elevated driving increased planting and demand for crop protection products. Full year results are anticipated to be proportionately more weighted to the first half compared to FY21, given the elevated forward sales due to global uncertainty and volatility in relation to active ingredient pricing, global supply chain and logistics challenges.

¹ Comparative information has been restated as a result of a change in accounting policy detailed in note 3(a)(ii) to the interim financial report

“Our five-year growth aspirations remain unchanged as per the detailed strategy presentation in February. We see a credible path to over \$4 billion revenue by 2026, with our seed technologies business aspiring to revenues of between \$600-\$700 million in 2026.”

Statutory results

\$'000	Six months ended 31 Mar 22	Restated ¹ Six months ended 31 Mar 21	Movement
Revenue	2,165,553	1,649,647	Up 31 %
Gross profit	573,491	462,531	Up 24 %
Operating profit	184,659	132,049	Up 40 %
Net profit after tax	98,717	61,267	Up 61 %

1H22 results webcast details

CEO, Greg Hunt, CFO, Paul Townsend and Brent Zacharias, Group Executive Nuseed will provide an overview of the half year financial results for analysts and investors via webcast and teleconference at **10:00am AEST**.

Participants looking to join the teleconference to ask questions must pre-register at <https://s1.c-conf.com/diamondpass/10021592-UT8Nac.html>

Participants will receive a calendar invite, conference call details and a unique code which should be quoted when dialling into the call.

The webcast of the results announcement will also be available live at:
<https://webcast.openbriefing.com/8680/>

If you wish to view the presentation live via the webcast it is recommended that you log in 10 to 15 minutes prior to start time. An archived version will be available at the same link on demand and on the Nufarm website later that day.

Nufarm 2022 Annual General Meeting

In light of Nufarm’s changed financial year end, Nufarm intends to hold its 2022 Annual General Meeting (AGM) in February 2023 having received a waiver from ASIC to not hold an AGM in the 2022 calendar year.

This gives Nufarm additional time for shareholder and proxy adviser engagement in advance of the AGM. Further, it affords Nufarm additional time post release of its full year results to provide a more meaningful update to shareholders and the market.

Pursuant to subsection 250P(3) of the Corporations Act (2001), the Company must hold its AGM by 28 February 2023.

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Authorised by
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¹ Comparative information has been restated as a result of a change in accounting policy detailed in note 3(a)(ii) to the interim financial report