

16 February 2023

GrainCorp provides FY23 earnings guidance

GrainCorp Limited (GrainCorp) (ASX: GNC) expects to report FY23 EBITDA¹ in the range of \$470 - 530 million (FY22: \$703 million) and FY23 NPAT² of \$180 - 220 million (FY22: \$380 million). This earnings guidance is subject to several market variables, as outlined at the conclusion of this statement.

Managing Director and CEO Robert Spurway said the guidance reflects another large east coast Australian (ECA) winter crop, robust demand for Australian grain, oilseeds and vegetable oils and strong performance across our businesses.

“FY22 was a record result for GrainCorp, achieved after two consecutive bumper ECA crops and record oilseed crush volumes, in an extraordinary global demand environment.

“While the northern hemisphere has recovered from drought conditions, good global demand remains for Australian grain and GrainCorp remains well positioned with a high level of grain inventory and the supply chain infrastructure to serve our customers around the world,” he said.

“We expect GrainCorp to deliver a strong result in FY23 with our supply chains continuing to run at close to full capacity, strong execution from our teams, and positive global demand.”

“While the recent harvest was interrupted by rain events, with flooding creating challenges for many growers, our teams worked with our grower customers to manage these challenges and bring the crop in.

“Our grain intake across the harvest period has totalled 11.9mmt³ year-to-date, (February 2022: 14.0mmt)⁴ supplemented with a high opening grain inventory position of 4.9mmt⁵.

“We also expect strong summer crop receivals in FY23, with total sorghum production forecast to be the fourth highest on record at 2.6 million tonnes⁶.”

GrainCorp expects total receivals of 13.5mmt - 14.5mmt⁷ in FY23 (FY22: 16.3mmt) and exports of 8.5mmt - 9.5mmt⁸ (FY22: 9.2mmt).

“Although our export program is tracking slightly behind last year, at 3.0mmt year-to-date (February 2022: 3.3mmt)⁹, due to the delayed harvest and logistical challenges caused by flooding, we expect to execute a full program for the remainder of the year and total exports at a similar level to FY22,” Mr Spurway said.

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

² NPAT = Net Profit After Tax

³ Grain received up-country + direct-to-port from 1 October 2022

⁴ Total year-to-date grain intake as at Annual General Meeting on 17 February 2022

⁵ Grain carry-in on 1 October 2022

⁶ ABARES' December 2022 Australian Crop Report

⁷ Grain received up-country + direct-to-port

⁸ Grain exports include bulk + container exports

⁹ Total year-to-date exports as at Annual General Meeting on 17 February 2022

“Our Processing business has also started the year well, with high plant utilisation and good sales volumes. We expect improved earnings in FY23, compared to FY22, and are continuing to benefit from strong global crush margins and demand for vegetable oils.”

GrainCorp’s FY23 guidance remains subject to a range of variables, including:

- Second half grain volumes, including sorghum receivals;
- Timing and volume of grain exports;
- Supply chain margins;
- Oilseed crush margins; and
- New season opportunities in Q4.

The GrainCorp Annual General Meeting for FY22 will be held on 16 February 2023.

This announcement is authorised by the GrainCorp Board.

About GrainCorp

GrainCorp is an integrated grain and edible oils business with a market leading presence in East Coast Australia (ECA). It is the largest grain storage and handling business in ECA and the number one edible oil processor and oilseed crusher in Australia and New Zealand. Over its 100+ year history, GrainCorp has created a global supply chain with high quality infrastructure assets that store, process and facilitate the transportation of grains and edible oils. For future details, please visit the Investors & Media section of our website at www.graincorp.com.au

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