

24 March 2021

GrainCorp announces \$25m EBITDA contribution from new operating initiatives

GrainCorp Limited (ASX: GNC) today announced that new operating initiatives are expected to generate an additional \$25 million in annualised EBITDA¹ by 2023-24. The initiatives relate to GrainCorp's core businesses and involve leveraging existing assets and capabilities. They follow on from the commitments outlined in GrainCorp's Demerger Scheme Booklet, which are on track to be delivered in full.

"Our priority is to increase our return on invested capital by strengthening our core businesses," said Robert Spurway, Managing Director and CEO.

"We will achieve this by utilising excess port capacity with commodities such as woodchips, fertiliser and cement. We are also continuing to drive operational efficiencies throughout our network, which will enhance our competitiveness and improve our customer offering."

Delivery of the operating initiatives, together with completion of the international expansion in 2H21, is expected to increase 'through-the-cycle' EBITDA to \$240m by 2023/24.

The "through-the-cycle" estimate refers to a notional year of average East Coast Australia (ECA) grain production and average tonnes handled by GrainCorp².

"We have taken numerous steps to reduce variability in our earnings, including network rationalisation, operational improvements, and the establishment of the Crop Production Contract" said Mr Spurway.

"These have helped to stabilise our earnings profile and provides us with confidence to communicate a through-the-cycle view on future earnings."

About GrainCorp

GrainCorp is an integrated grain and edible oils business with a market leading presence on the East Coast of Australia (ECA). It is the largest grain storage and handling business in ECA and the leading 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 further details, please visit the Investors & Media section of our website at www.graincorp.com.au

¹ EBITDA = earnings before interest, tax, depreciation and amortisation.

² Average east coast Australia winter + sorghum production of ~20mmt; and total grain handled by GrainCorp of ~23-24mmt.

This announcement is authorised by the GrainCorp Board.

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