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## ASX Announcement

# United Malt Group outlines strategy for a more resilient global malting business

United Malt Group Limited (ASX: UMG) is holding an Investor Day today to update shareholders and analysts on its plans to deliver a significant uplift in performance commencing in the 2023 Financial Year and its strategy to build a more resilient, global malting business.

United Malt Chairman, Graham Bradley AM, says: “We fully acknowledge the disappointment at the revised outlook. While there were extraordinary factors impacting the business over the past six months, we also acknowledge that our organisation and our commercial arrangements were not well adapted to protect our margins from these previously unseen circumstances. With hindsight, our organisation did not react quickly enough or foresee the full consequences of the market situations that arose.

“The board acknowledges the need for the organisation to do better, to execute the actions needed, many of which are already underway, to make our business more resilient to such shocks in future and to do so effectively and quickly.”

### Investor Day Highlights

- Building a more resilient global malting business through Board and management renewal and a focus on capital, cost and cash discipline to deliver meaningful earnings uplift over the medium term.
- Delivering an expected earnings uplift in FY23 with underlying EBITDA of ~\$140-160 million driven by improved crop conditions, pricing and commercial discipline, completion of the Scottish distilling expansion project and efficiencies underpinned by completion of a new technology platform.
- Responding more quickly and effectively to the rapidly changing environment through more active management of risk, a strategic reset of commercial terms and streamlining United Malt’s legacy geographic operating structure.
- Strong capital disciplines with capital spend nearing the end of its peak cycle with forward years CAPEX expected to be in the range of \$55-60 million

United Malt Managing Director and Chief Executive Officer Mark Palmquist said: “We share the disappointment of shareholders in our 2022 performance, and we are stepping up the pace of change to ensure we deliver performance and value in 2023 and over the medium term.

“We have a strong underlying business underpinned by consistent and growing demand for malt products. Building a more resilient global malting business will strengthen our ability to fully capture value for shareholders from expected malt demand and tighter capacity utilisation in the industry.

“The reset of our strategy is based on optimising the core, transforming for tomorrow and delivering improved performance for customers and shareholders, including a material earnings uplift,” Mr Palmquist said.

United Malt’s Investor Day presentation was lodged earlier today with ASX, is available on the United Malt Group website, and an audio replay of the presentation will be available on the website later today.

### **Forward Looking Statements**

*Certain statements contained in this announcement are forward-looking statements or statements about future matters, including any indications of, and guidance or outlook on, the future earnings, distributions, financial position and/or performance of United Malt. These statements involve known and unknown risks and uncertainties and other factors (many of which are beyond the control of United Malt) and involve significant elements of subjective judgement and assumptions as to future events (which may or may not be correct). No representation, warranty or assurance is given that the occurrence of any of the events expressed or implied in these statements will actually occur or that actual outcomes will not differ materially from the outcomes expressed or implied in these statements.*

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***This announcement was authorised for release to ASX by the Board of Directors.***

### **About United Malt Group**

United Malt is the fourth largest commercial maltster globally, with approximately 1.25Mtpa of capacity across 12 processing plants in Canada, United States of America, Australia and the United Kingdom. We also operate an international distribution business, which provides a full service offering for craft brewers and distillers, including malt, hops, yeast, adjuncts and related products.