



Monday 15 May 2023

2023 Half-Year Results Investor Presentation

Attached is the Elders Limited (**ASX:ELD**) investor presentation in connection with the financial results for the 6-month period ended 31 March 2023.

Elders' Managing Director and Chief Executive Officer, Mark Allison, and Acting Chief Financial Officer, Paul Rossiter, will deliver this presentation by webcast and simultaneous teleconference at 10.00am (AEST) today.

As advised in the Company's announcement to ASX on Wednesday, 10 May 2023, you can register to view and listen to the live commentary of the presentation. For details, refer to that announcement.

Further Information:

Mark Allison, Managing Director & Chief Executive Officer, 0439 030 905

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Authorised by:

Peter Hastings, Company Secretary

The Elders logo, featuring the word "Elders" in a white, cursive font inside a red rectangular box.

Elders

Elders Limited Half Year Report



FY23 Half Year Report Presentation

15 May 2023

Presented by
Mark Allison
Managing Director and CEO

Paul Rossiter
Group Treasurer and Acting CFO

DISCLAIMER AND IMPORTANT INFORMATION

The material in this presentation has been prepared by Elders Limited and is general background about Elders' activities and performance at the date of this presentation. The information is in summary form, does not purport to be complete, and where derived from publicly available sources has not been independently verified. Information in this presentation is not advice or a recommendation to investors or potential investors in relation to holding, selling or buying Elders shares and does not take into account a reader's investment objectives, financial situation or needs.

Forward looking statements

This presentation is prepared for informational purposes only. It contains forward looking statements that are subject to risk factors associated with the agriculture industry many of which are beyond the control of Elders. Elders' future financial results will be highly dependent on the outlook and prospect of the Australian farm sector, and the values and volume growth in internationally traded livestock and fibre. Financial performance for the operations is heavily reliant on, but not limited to, the following factors: weather and rainfall conditions; commodity prices and international trade relations. Whilst every endeavour has been made to ensure the reasonableness of forward looking statements contained in this presentation, they do not constitute a representation and no reliance should be placed on those statements.

Non-IFRS information

This presentation refers to and discusses underlying profit to enable analysis of like-for-like performance between periods, excluding the impact of discontinued operations or events which are not related to ongoing operating performance. Underlying profit measures reported by the Company have been calculated in accordance with the FINSIA/AICD principles for the reporting of underlying profit. Underlying profit is non-IFRS financial information and has not been subject to review by the external auditors, but is derived from audited accounts by removing the impact of discontinued operations and items not considered to be related to ongoing operating performance.

Agenda

Executive Overview

Financial Results

Growing and Transforming our Business

Market Outlook

Questions



Key Investment Drivers

Australia's most trusted agribusiness brand



Elders

1 EPS Growth

- Compelling Total Shareholder Return
- 30% 10yr EPS CAGR
- ROC >15% and dividend payout of between 40-60%

2 Geographic and product diversification

- Multi-faceted agribusiness
- Diversified product offerings and location
- Supply chain consolidation

3 Attractive market and Company outlook

- \$48b total farm inputs market (7.3% share)
- \$22b current Elders addressable market
- Operational efficiencies
- Continued organic and acquisitive growth

4 Transformational initiatives benefits

- Cost and capital efficiencies
- Systems modernisation benefits expected from FY24+
- Rural products supply chain optimisation

5 Significant pipeline of new opportunities

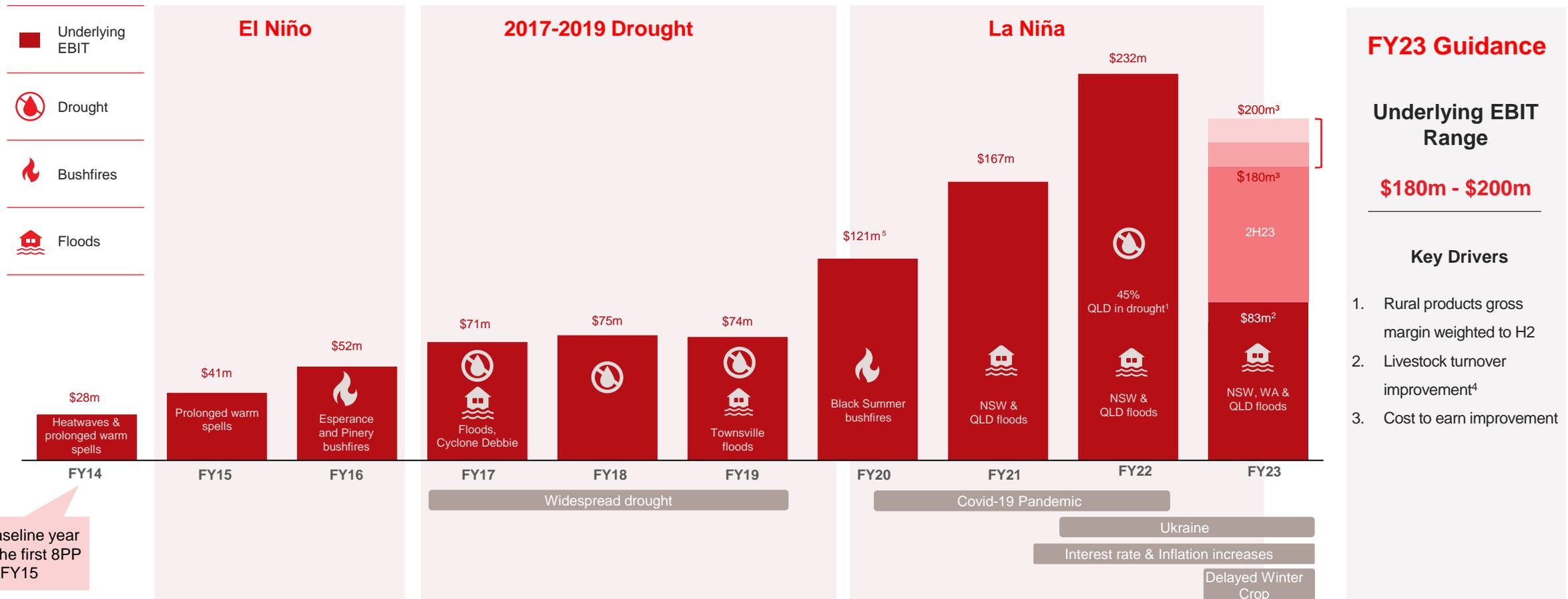
- Points of presence growth
- Bolt on acquisition synergies
- Compounding member growth for wholesale network

6 Robust balance sheet supporting growth

- Resilient balance sheet
- Leverage headroom available to fund future growth
- Shareholder returns focus

Earnings Growth and Resilience Despite Seasonal Variability

Resilient earnings growth with geographical, product and service diversity insulating against severe weather events



FY14 baseline year prior to the first 8PP in FY15

- As at 1 August 2022 [Drought Declarations | LongPaddock | Queensland Government](#)
- HY23 EBIT
- FY23 EBIT Guidance
- Supported by the USA import beef price improvement
- FY20 AIRR Acquisition

HY23 Highlights



PEOPLE

11.9
TRIFR¹

79%
employee
engagement

43%
female workforce
based on Australia headcount

+250
FTE
vs. March 2022



CUSTOMERS

#1
most trusted
agribusiness brand

51
net promoter
score²

26
additional locations

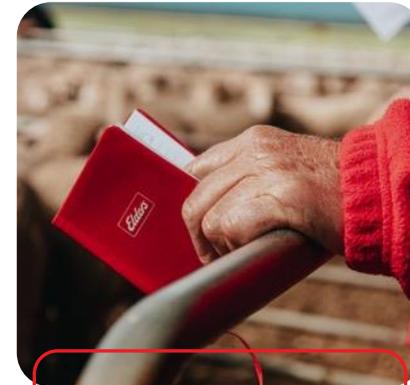


COMMUNITY

\$0.3m
to RFDS, continuation
of the three-year
sponsorship

\$1.1m
sponsorships and
donations

395
local community
sports teams and
events sponsored



SHAREHOLDERS

32.3 cents
underlying earnings
per share

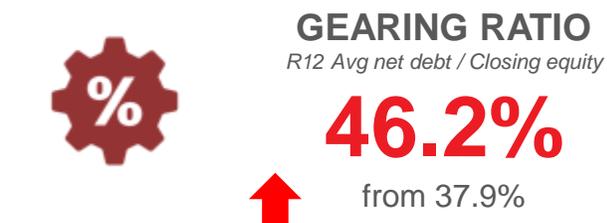
23.0 cents
dividends
per share³

71%
dividend
payout ratio

1. Total Recordable Injuries Frequency Rate: all fatalities, LTIs and medical treatment injuries multiplied by 1,000,000 then divided by hours worked
2. NPS survey methodology changed to a half-yearly cycle, and only surveyed clients associated with Elders branded branches
3. 30% Franked

HY23 Financial Summary

Comparison to very favourable trading conditions in HY22



1. Comparison vs HY22, excluding AASB 16 Leases

Sustainability



OUR PRINCIPLES

- We provide our customers and clients with the goods and services they need
- We support our people and the industries and communities in which we operate
- We do our part to look after the environment and animals in our care
- We operate ethically and to the highest standard

OUR PRIORITIES

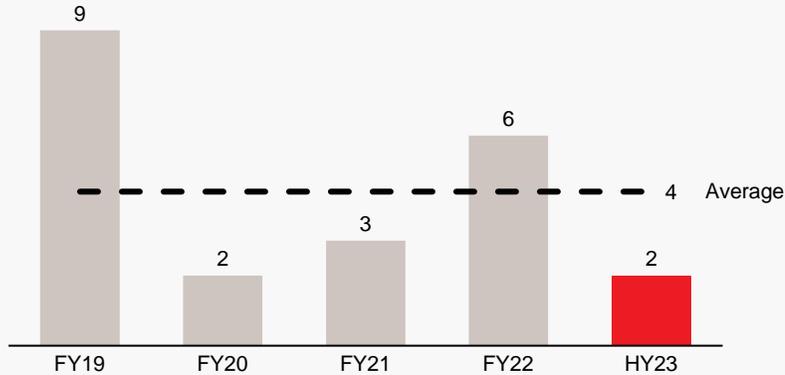
- Increasing the amount of solar power we generate onsite
- Deeper understanding of our waste outputs and developing a strategy to reduce waste to landfill
- Further climate change scenario analysis and enhanced disclosure aligned with the TCFD Recommendations
- Continue to develop our approach to ethical sourcing

OUR PROGRESS

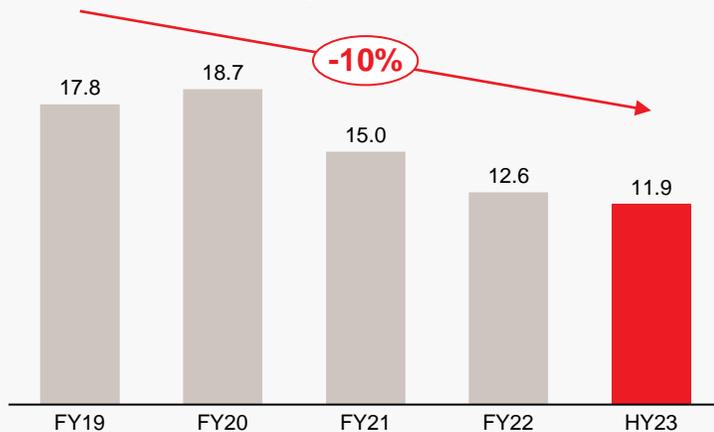
- Formed a dedicated Strategy, Sustainability and innovation function
- Solar farm development at Killara Feedlot near completion
- Solar installations completed on several branches
- Packaging waste policy launched and waste strategy development underway
- Independent on-site audits of suppliers to Titan AG continue

Safety, Health & Well-Being

Lost time injuries (LTI)



Total recordable injuries frequency rate (TRIFR)¹



2

lost time injuries
in HY23



10%

compound reduction in
TRIFR since FY19



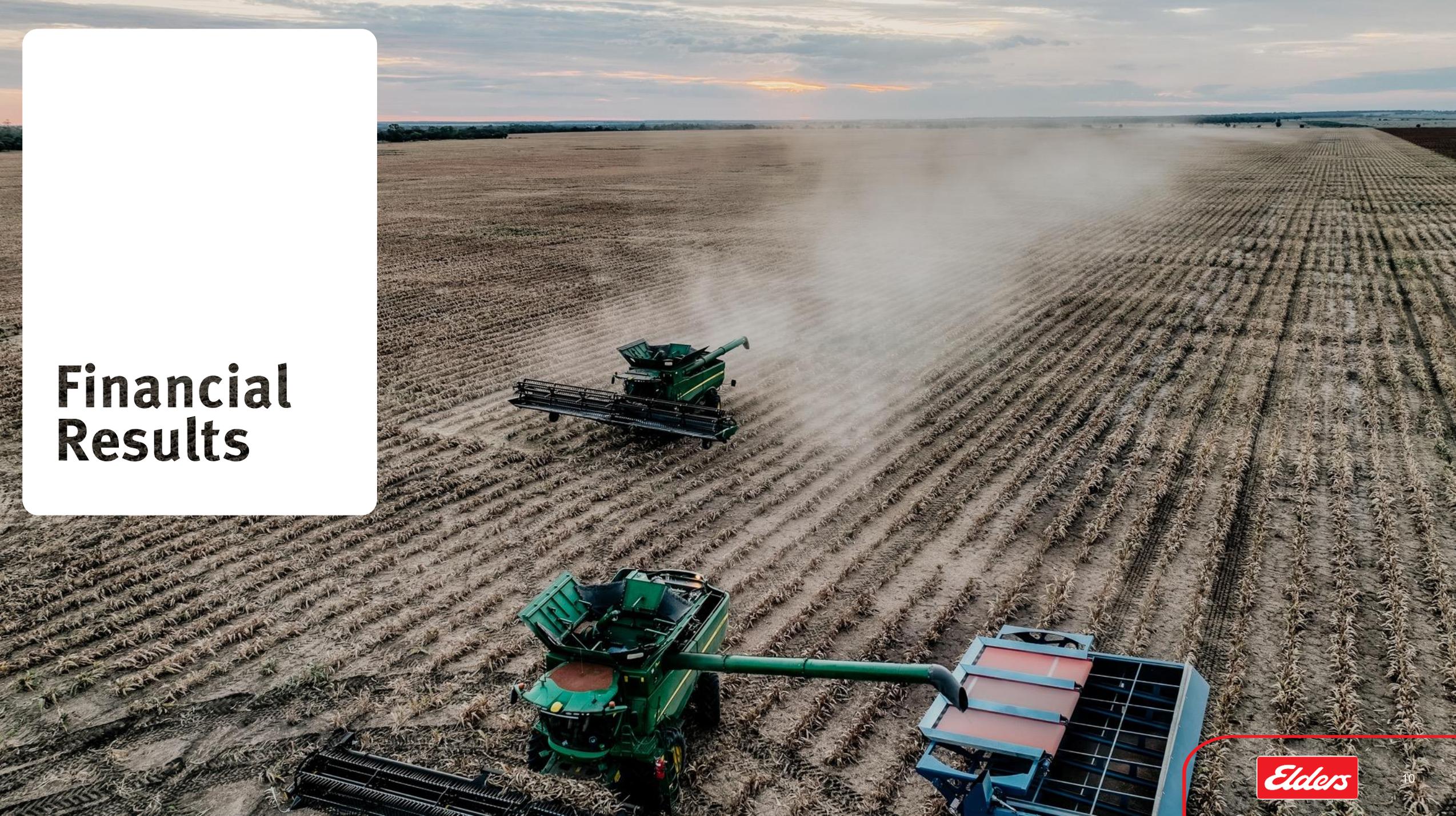
100%

branch risk radar²
completed during
Safety Week



1. All fatalities, LTIs and medical treatment injuries multiplied by 1,000,000 then divided by hours worked
 2. Checklist of risks to ensure employees are operating in a safe working environment

Financial Results



HY23 Industry Backdrop

Market volatility impacted the agricultural industry

FY22 IN REVIEW

The first half of FY22 was characterised by historically high livestock prices, very high real estate turnover and supply chain disruption which brought forward client procurement

This created the historically unusual scenario where FY22 earnings were weighted to the first half over the second

LIVESTOCK PRICES

- Cattle prices and demand declined in line with a softening international market
- Large sheep flock and subdued demand has had a negative impact on domestic price
- Wet conditions supported natural grazing and excess feed, affecting speed of cattle to market in key areas

FLOOD EVENTS

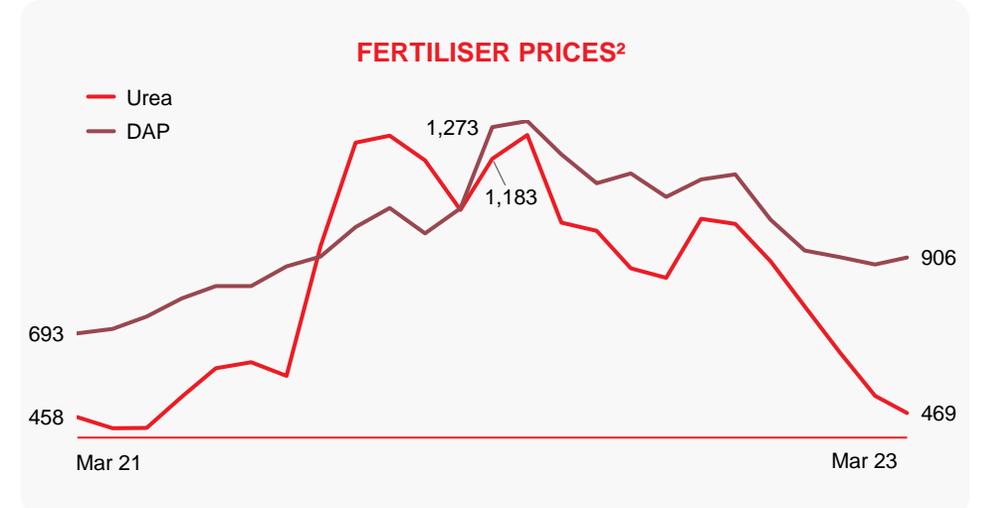
- Floods across the East-Coast and North-Western Australia have caused some damage to the 2022 summer crops
- Volume of crop chemicals in storage and on farm are higher in March than in prior periods due to these delays

SUPPLY CHAIN IMPROVEMENTS

- Imported crop chemicals are arriving in Australia earlier than anticipated as a result of accelerating supply chains
- Delayed winter crop further contributed to higher inventory levels

DECREASING PRICES OF CROP INPUTS

- Weakening prices delayed fertiliser uptake and put pressure on gross margin

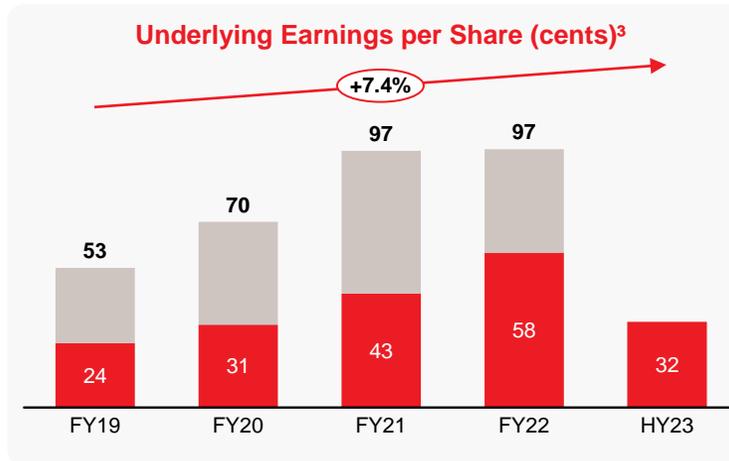
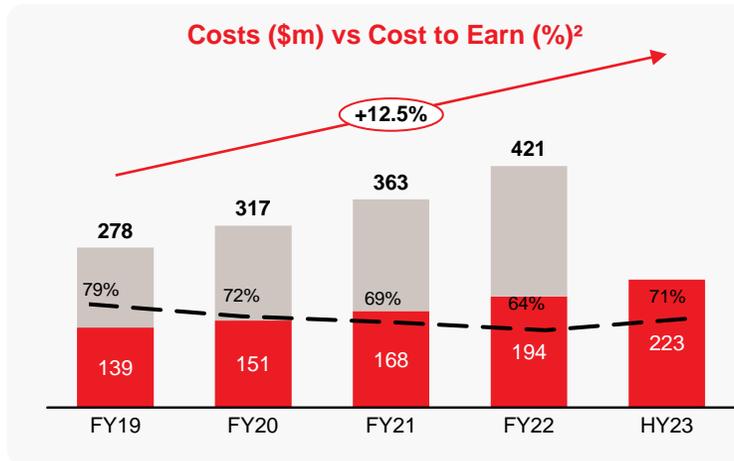
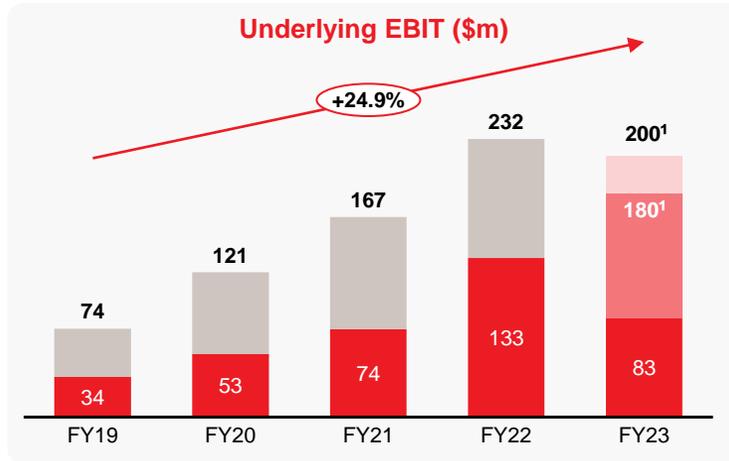
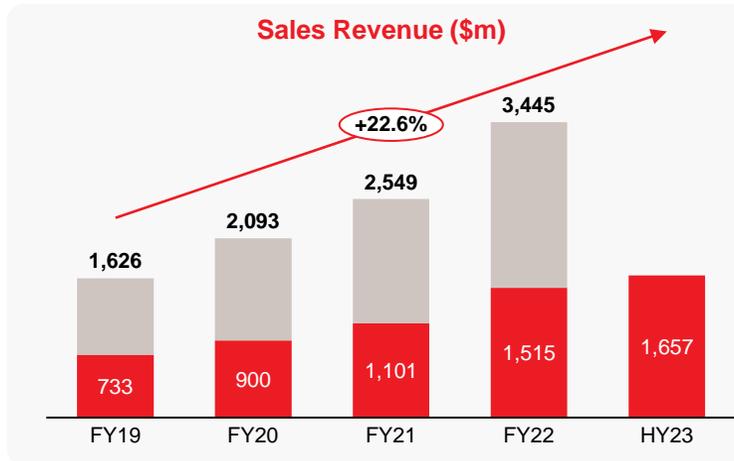


Source: Reproduced courtesy of Meat & Livestock Australia Limited - www.mla.com.au

Source: [Fertilizer Week](#); [Fertilizer International](#); [World Bank](#), and <https://www.indexmundi.com/>

HY23 Financial Performance: Summary

FY23 EBIT guidance between \$180m - \$200m



■ 2H ■ HY

1. FY23 guidance
 2. Cost to earn is calculated on a rolling 12 months
 3. FY19 – FY21 did not include tax expense in underlying NPAT; Adjusted Underlying NPAT HY23: 76.3cps
 **CAGR calculated on HY performance



HY23 Financial Performance: Summary

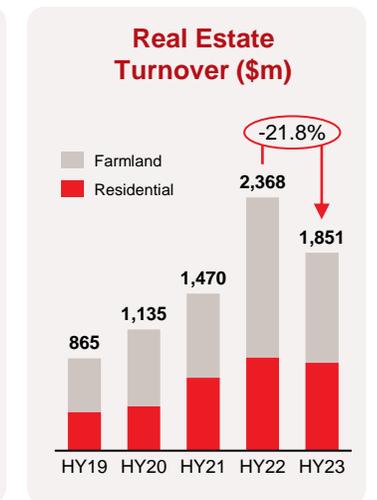
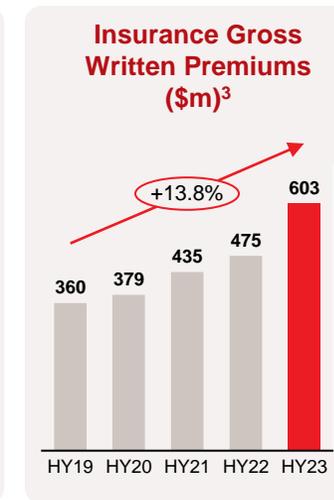
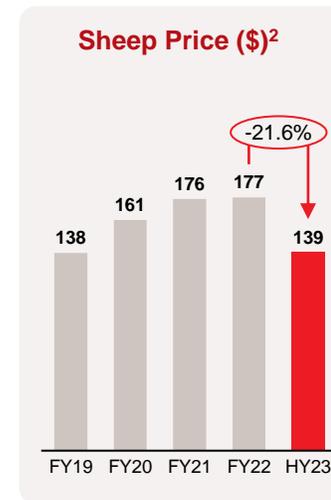
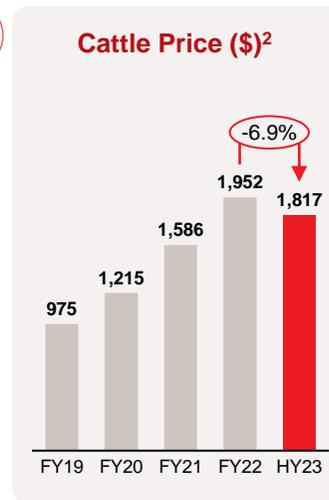
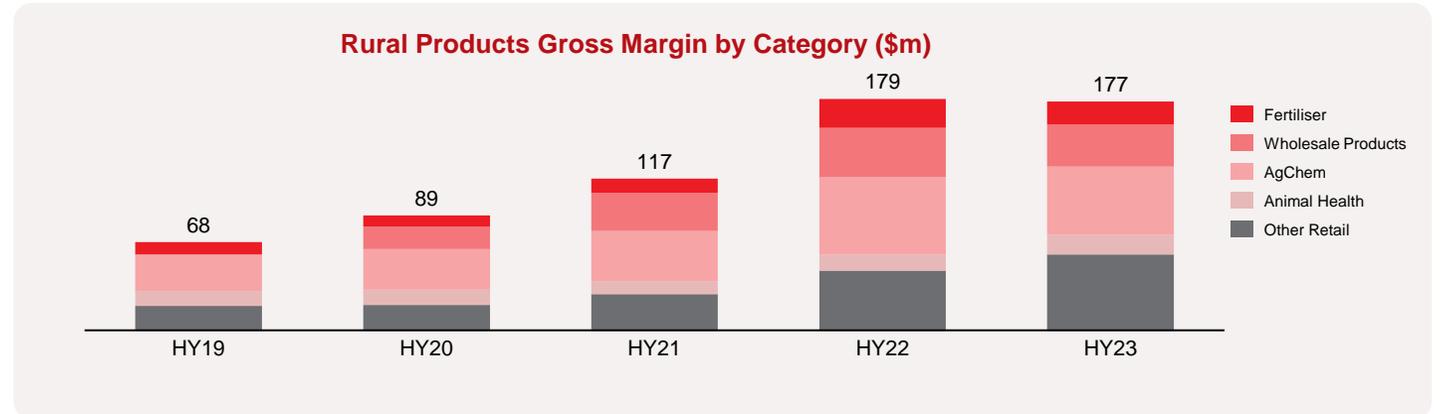
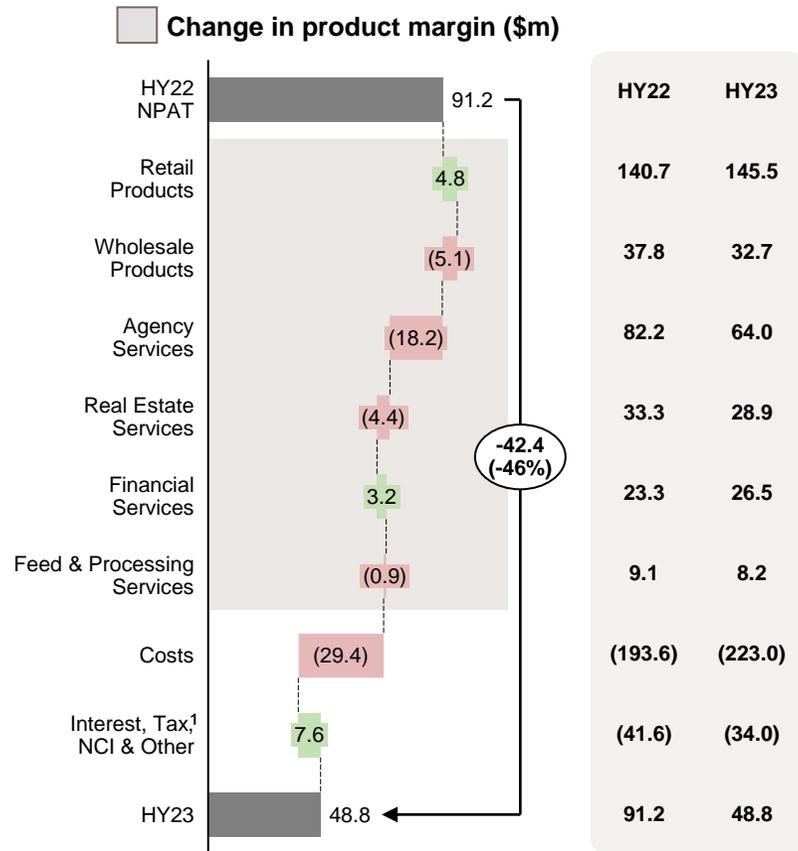
Resilient performance despite delayed start to winter crop compared to HY22

Key metrics (\$m)	HY23	HY22		Var	Var %
Sales revenue	1,657.3	1,514.8	↑	142.5	9%
Gross margin	305.8	326.4	↓	(20.6)	(6%)
Gross margin %	18.5%	21.5%	↓	(3.0%)	n/a
Costs	223.0	193.6	↑	29.4	15%
Underlying EBIT	82.8	132.9	↓	(50.1)	(38%)
Reported net profit after tax	48.8	91.2	↓	(42.4)	(46%)
Return on capital (%) ¹	16.9%	27.8%	↓	(10.9%)	n/a
Average net debt (excl. AASB 16)	268.6	232.9	↑	35.7	15%
Average net debt (incl. AASB 16)	395.5	349.7	↑	45.9	13%
Leverage ratio (times) ²	1.0	0.7	↑	0.3	43%
Operating cash flow	(86.9)	(55.4)	↓	(31.5)	(57%)
Underlying earnings per share (cents)	32.3	58.3	↓	(26.0)	(45%)
Dividend per share (cents) ³	23.0	28.0	↓	(5.0)	(18%)

1. Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + right of use assets + intangibles (excluding Elders brand name) – DTL on acquisitions – lease liabilities – provisions)
2. Target leverage of 1.5 - 2.0 times excludes AASB 16
3. Franked at 30%

HY23 Product Performance

Mixed results across the product portfolio compared to strong market conditions in HY22

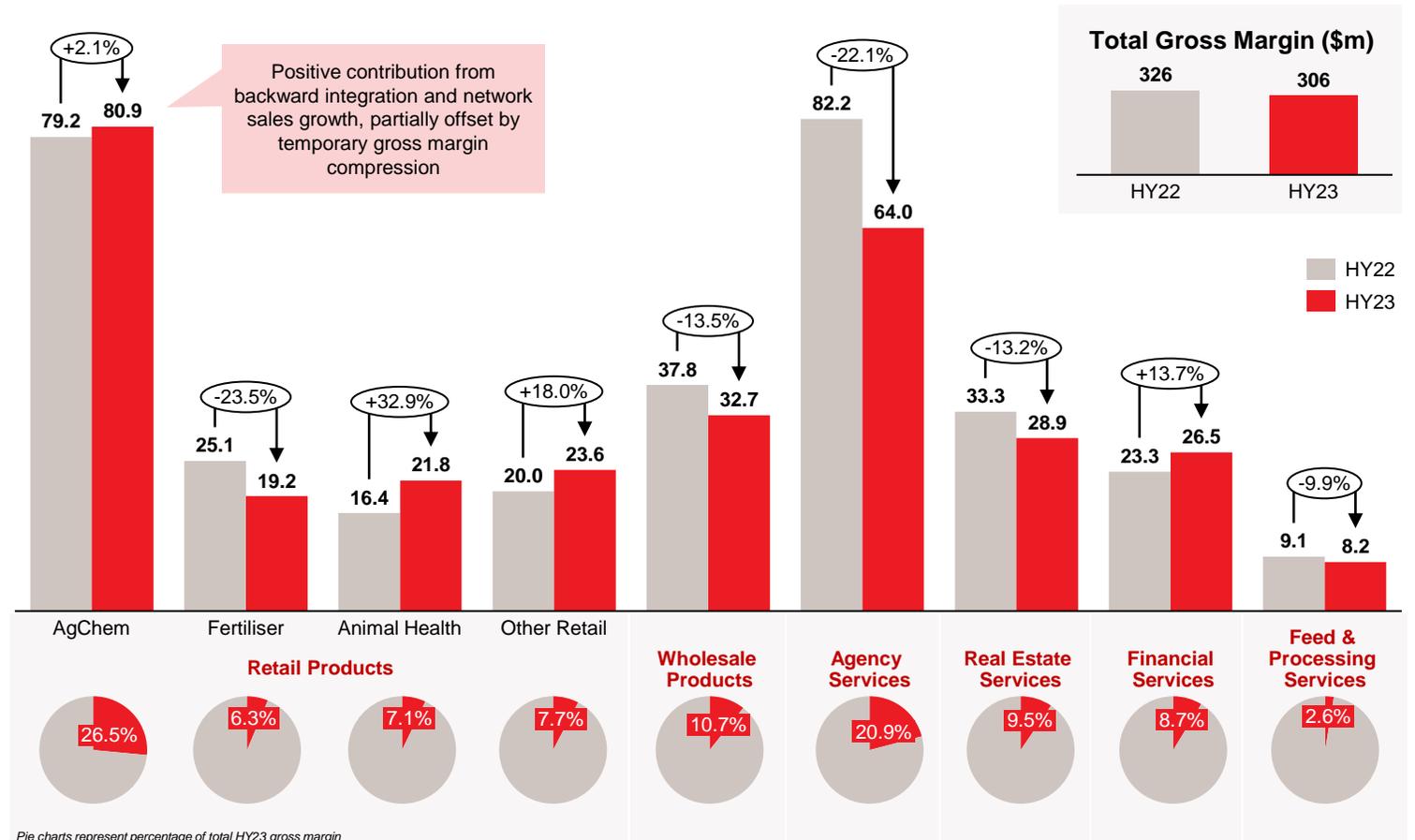


1. NCI – Non controlling interests; Other – includes \$1.7m non-recurring expense
 2. Cattle and Sheep prices are internal averages, not externally verifiable
 3. Principal positions are held by Elders Insurance Underwriting Agency (Elders 20% equity investment)



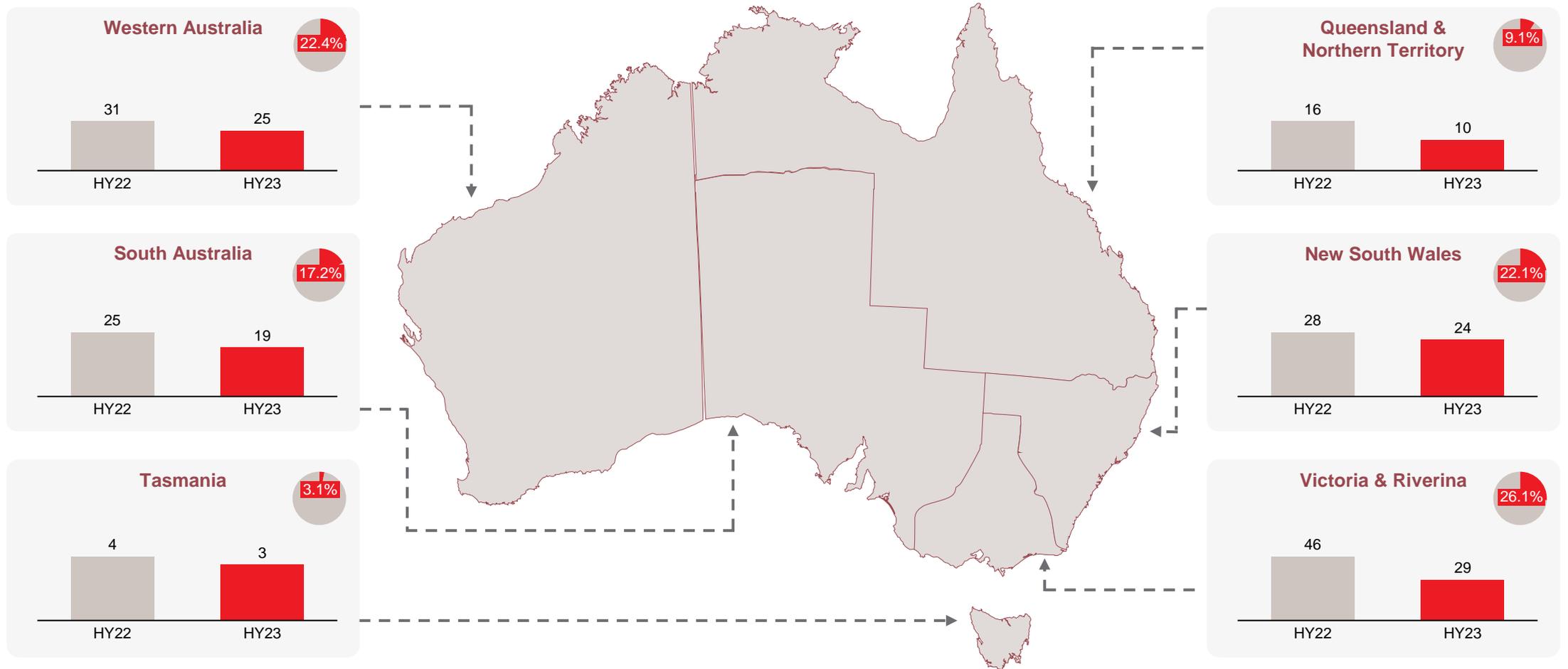
HY23 Gross Margin Diversification

A diversified business model provides earnings resilience



HY23 Geographical Diversification

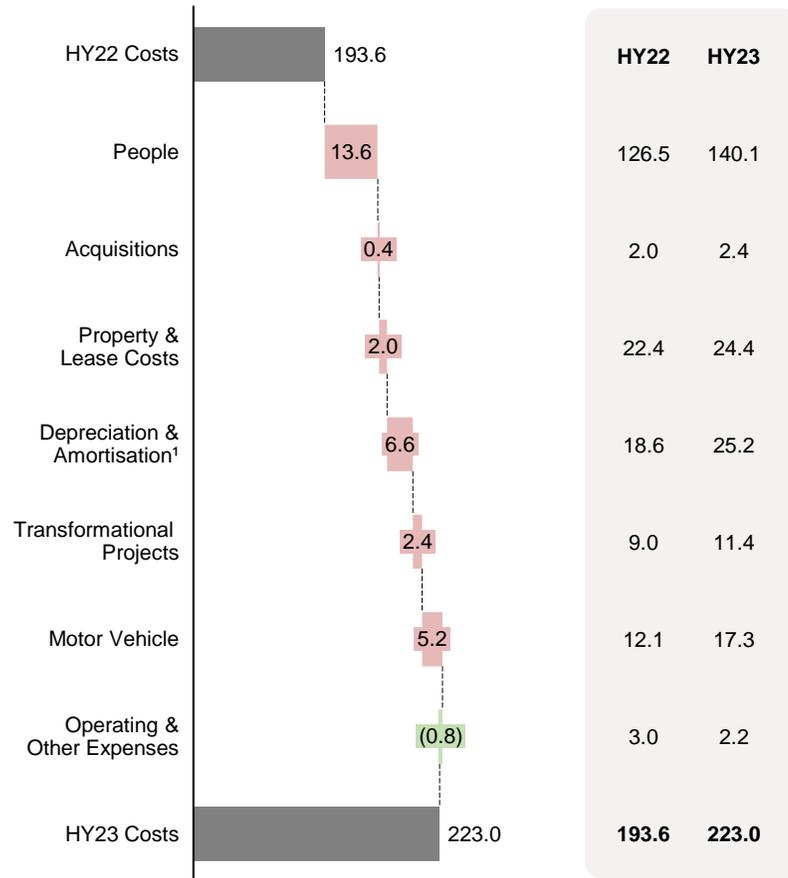
Geographical diversification mitigates the impact of events like the East coast floods



Excludes Wholesale Products, International and Corporate Overheads
Values refer to Underlying EBIT (\$m)

HY23 Cost Drivers

Investment in people to support network growth and transformational projects driving costs



	HY22	HY23
People	126.5	140.1
Acquisitions	2.0	2.4
Property & Lease Costs	22.4	24.4
Depreciation & Amortisation ¹	18.6	25.2
Transformational Projects	9.0	11.4
Motor Vehicle	12.1	17.3
Operating & Other Expenses	3.0	2.2
HY23 Costs	193.6	223.0

PEOPLE

- Network growth +116 FTE
- Acquisitive growth +57 FTE
- Transformational growth +29 FTE
- Graduate program +37 FTE
- Corporate services +11 FTE

ACQUISITIONS

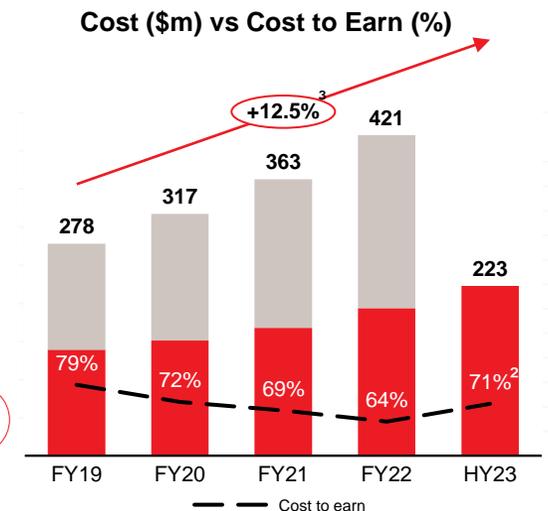
- 6 acquisitions
- +12 additional points of presence

TRANSFORMATIONAL PROJECTS

- Investment in efficiencies
- Licensing fees and costs
- Cyber security and data lake

VEHICLES, AND OTHER

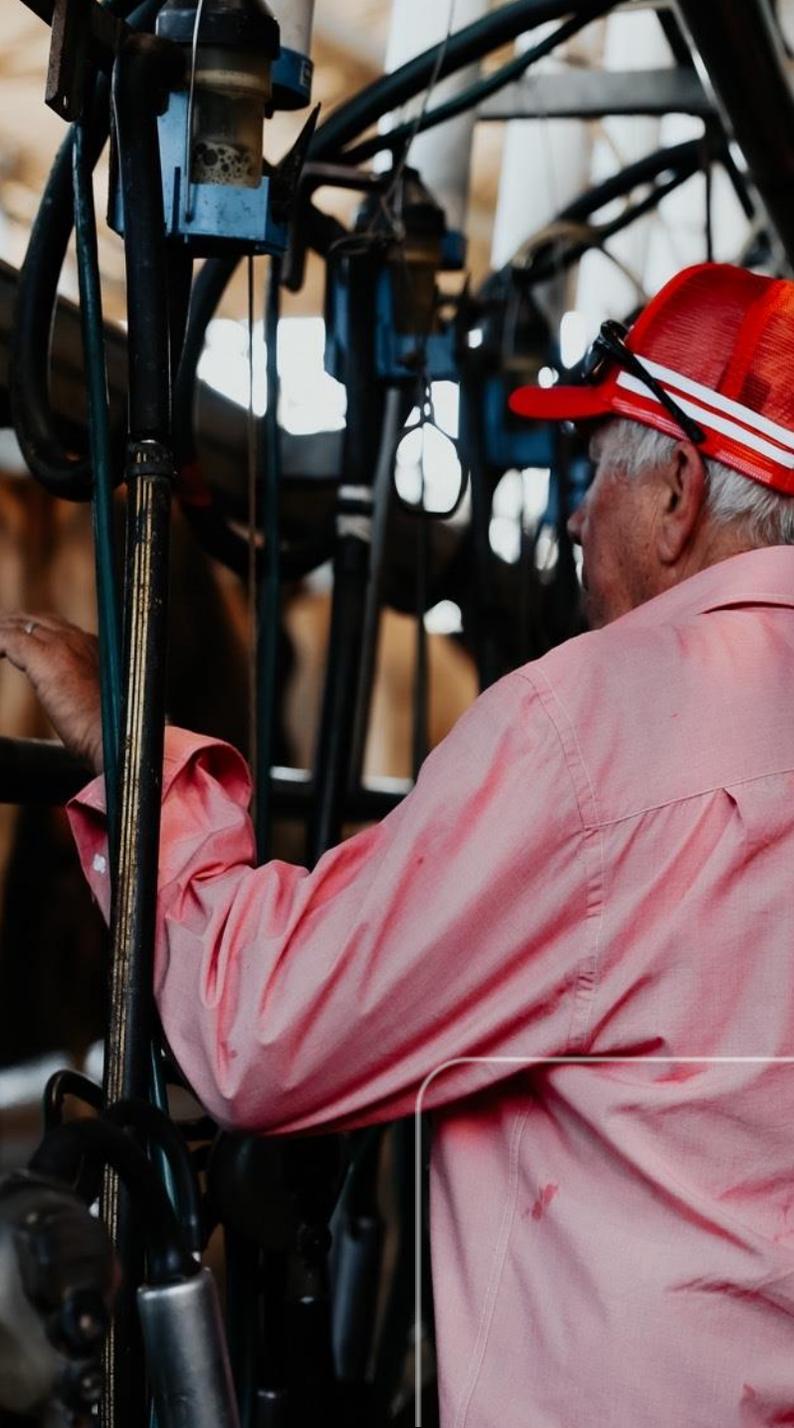
- Additional motor vehicles, rising fuel costs
- Net increase of 26 points of presence
- Higher depreciation in line with capex initiatives



TRANSFORMATIONAL PROJECTS

Systems Modernisation
Supply Chain Optimisation
Elders Wool Handling

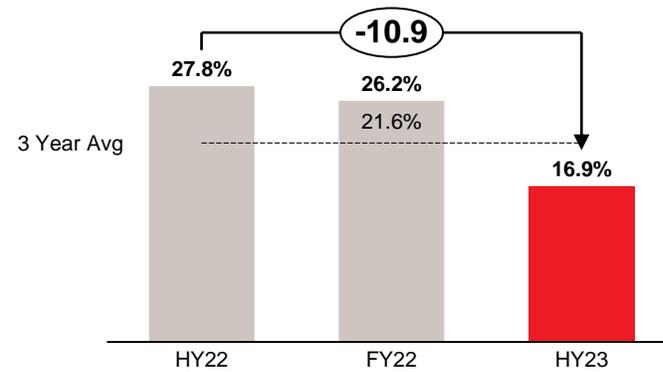
1. Includes depreciation on right of use asset properties and motor vehicles per AASB 16 leases
 2. 71% HY23 cost to earn is based on rolling 12 months
 3. 12.5% CAGR is calculated on the H1 numbers



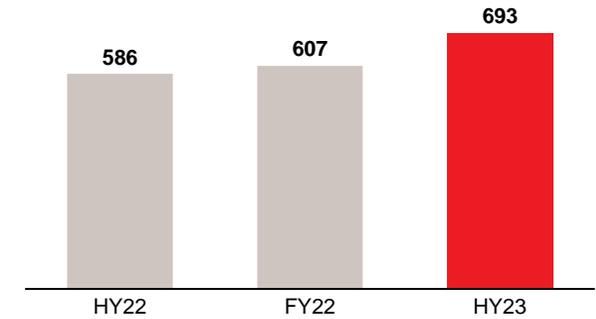
HY23 Capital Allocation

Working capital expected to decline in H2 following the 2023 winter crop

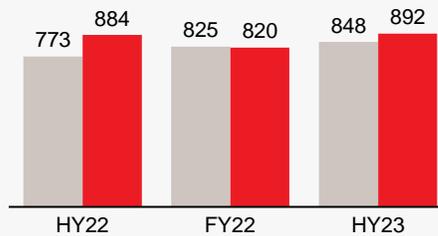
Return on Capital (%)¹



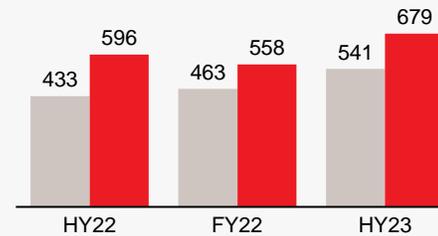
YTD Average Working Capital (\$m)



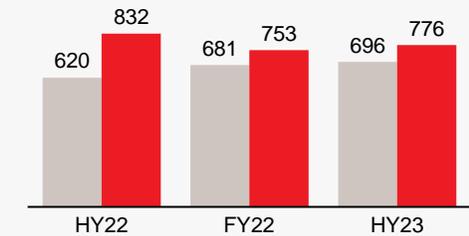
Trade & Other Receivables (\$m)



Inventories² (\$m)



Trade & Other Payables (\$m)

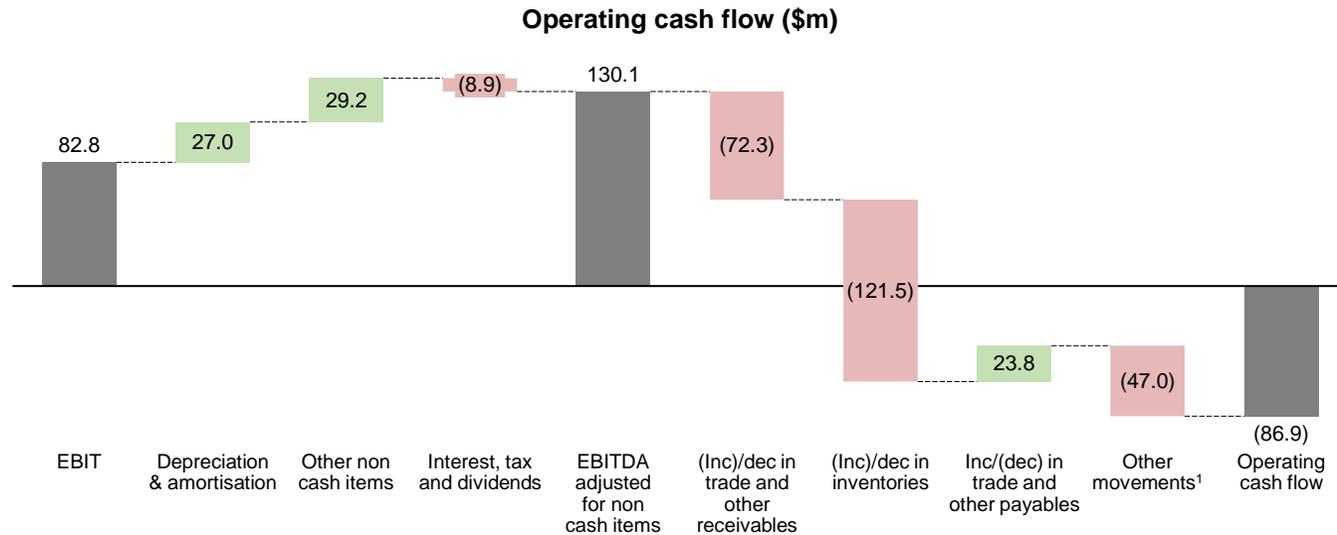


■ Average ■ Balance Date

1. Return on capital 3-year average is calculated on the 12 months to 31 March 2021, 31 March 2022 and 31 March 2023
 2. Including Livestock

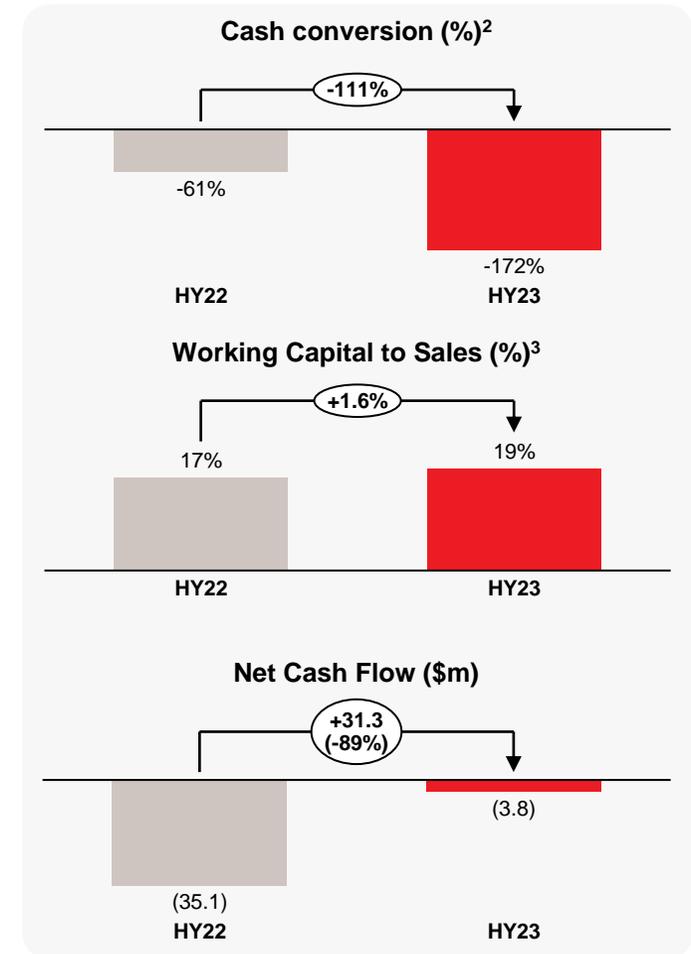
HY23 Cash Flow

H1 cashflows are historically negative as working capital builds for the winter crop



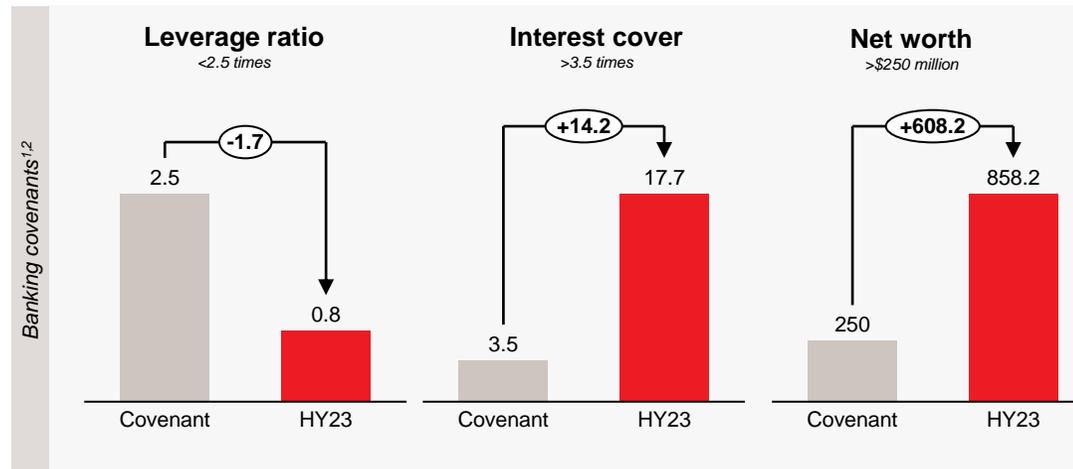
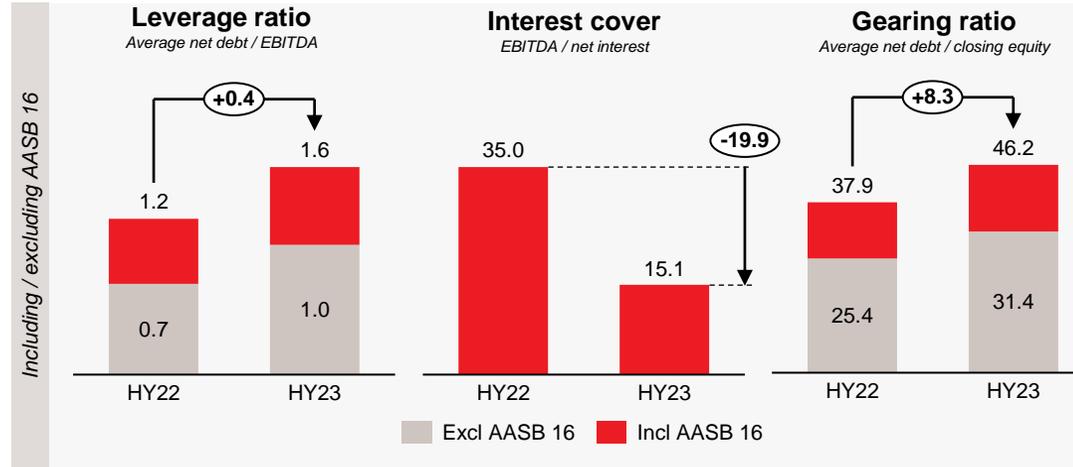
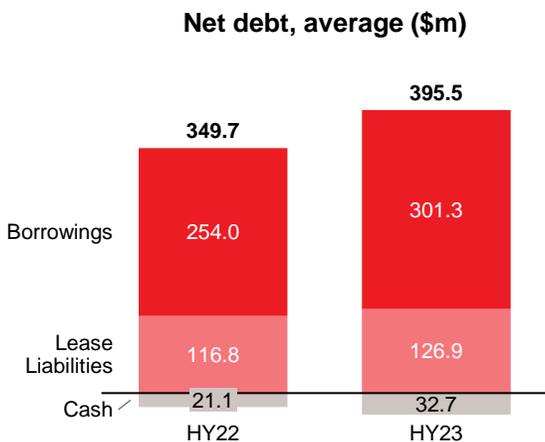
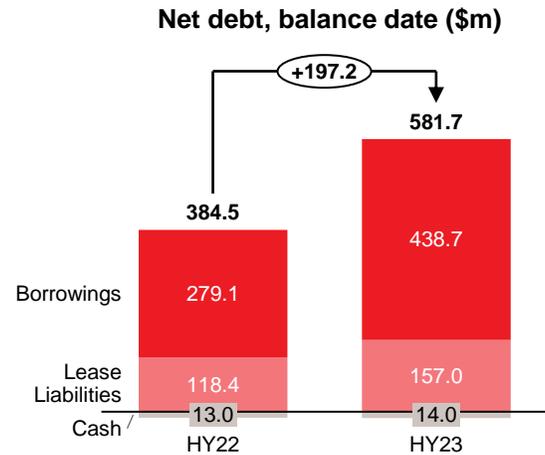
Key metrics (\$m)	HY23	HY22	Var
Underlying EBITDA adjusted for non cash items	130.1	187.0	(30%)
Movements in assets and liabilities	(217.0)	(242.4)	10%
Cash from operating activities	(86.9)	(55.4)	(57%)
Investing cash flows	(99.7)	(46.2)	(116%)
Financing cash flows	182.8	66.5	175%
Net cash flow	(3.8)	(35.1)	89%

1. Other movements includes provisions and balances acquired via acquisitions
2. Cash conversion is calculated on a YTD basis, Operating Cash Flow / NPAT
3. Working capital to sales is calculated on a rolling 12 month basis

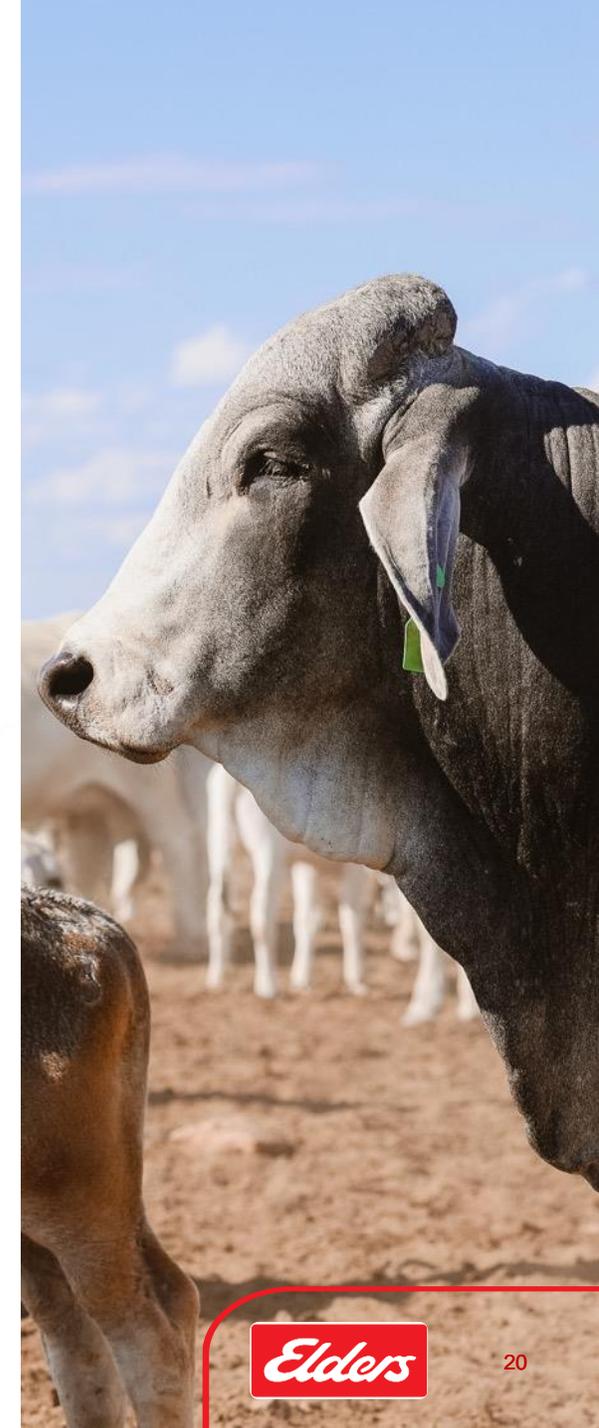


HY23 Net Debt

Leverage headroom provides options for future growth



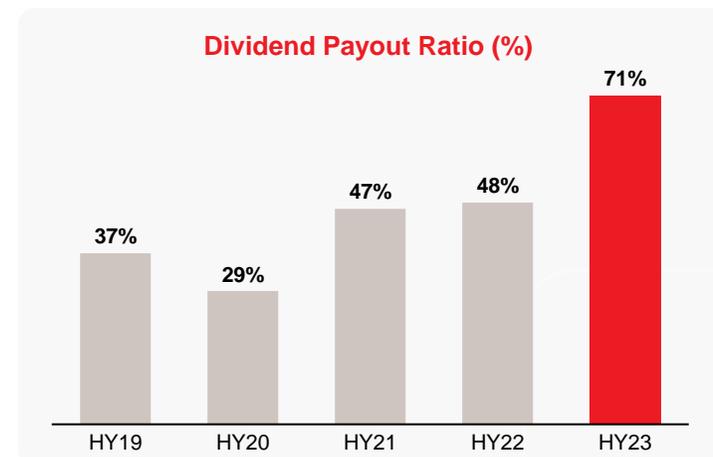
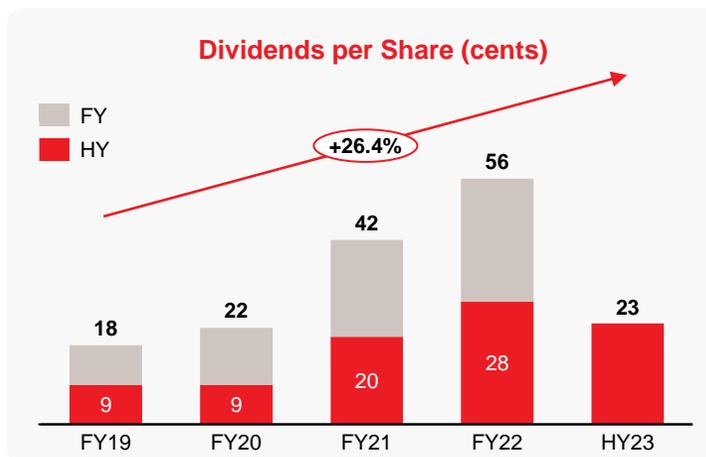
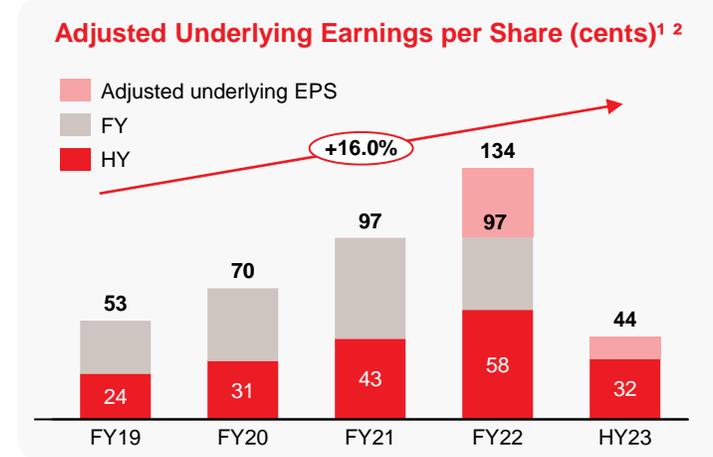
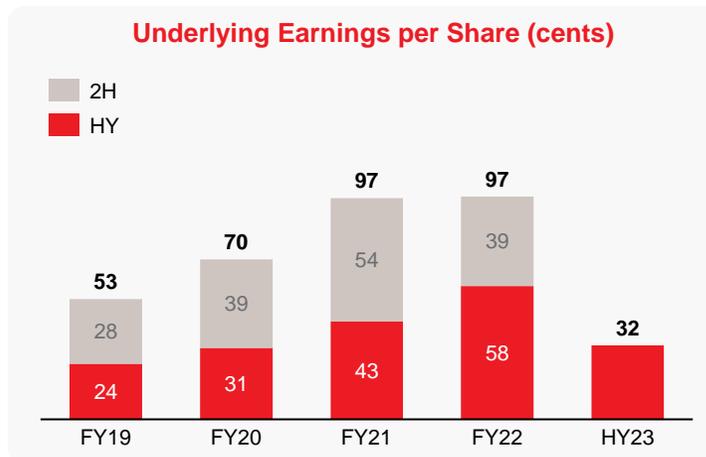
1. Calculated pursuant to definitions in group syndicated facilities which are subject to change over time. The current covenant calculations exclude all accounting adjustments required by AASB 16 Leases and the leverage covenant excludes the debtor securitisation balance from net debt
2. Undrawn facilities at 31 March was \$92 million out of total available facilities of \$550 million and significant headroom in our banking covenants





HY23 Dividend and Earnings Per Share

Growth drivers delivering compelling returns through the cycles



1. Adjusted for underlying tax expense recognized from 1 October 2021. HY23 Adjusted underlying earnings per share is 76 cents per share, up 31% on HY22.
 2. Adjusted Underlying EPS CAGR is based on H1 numbers
 FY19 and FY 20 dividends were fully franked, FY21 was partially franked at 20%, FY22 and HY23 dividends were partially franked at 30%
 CAGR calculated on HY performance

A woman wearing a red long-sleeved shirt, blue jeans, and a tan hat is walking away from the camera down a dirt path in a field of tall, green grasses. The sky is overcast with grey clouds. The field extends to the horizon.

Growing and Transforming our Business

Elders Executive Overview

Highly experienced and diversified team

EXCO
AVERAGE TENURE: 11 YEARS



MARK ALLISON
Managing Director & CEO



PAUL ROSSITER
Group Treasurer and Acting CFO



ANNA BENNETT
EGM Strategy, Sustainability & Innovation



KIIM LIM
EGM Business Development



PETER HASTINGS
General Counsel & Company Secretary



OLIVIA RICHARDSON
Chief People Officer



VIV DA ROS
Chief Information Officer



JEREMY COWAN
EGM Rural Products



TOM RUSSO
EGM Network

EXCO LITE
AVERAGE TENURE: 12.5 YEARS

NICK CLARK
GM Financial Services & Network Improvement

DAVE ADAMSON
GM Agency

JOHN MOLENAAR
GM Customer Solutions

BELINDA CONNOR
GM Residential Real Estate & Brand

MARK BARBER
GM Farmland Real Estate & Agribusiness Investments

PETE LOUREY
Chief Operating Officer AIRR

NAOMI DALLENOGARE
Head of Communications & Stakeholder Engagement

BRENDAN RINALDI
State GM VIC/RIV

JAMIE BROGAN
State GM QLD & NT

JAMES CORNISH
State GM TAS

NICK FAZEKAS
State GM WA

BERNARD SEAL
State GM SA

RYAN ROBINSON
State GM NSW

ANDREW TALBOT
Killara GM

We Are Delivering On Our Third Eight Point Plan

<p>1</p> <p>WIN MARKET SHARE</p> 	<ul style="list-style-type: none"> Increased our points of presence by 26 locations in HY23 6 Acquisitions in HY23 Focus continues on recruitment of the best talent and investment in training Building new client relationships and service offerings 	<p>5</p> <p>DEVELOP A SUSTAINABILITY PROGRAM</p> 	<ul style="list-style-type: none"> Solar farm development at Killara Feedlot near completion Solar installations completed on several branches Packaging waste policy launched and waste strategy development underway Independent on-site audits of suppliers to Titan AG continue Annual Modern Slavery Statement Published
<p>2</p> <p>CAPTURE MORE GROSS MARGIN IN RURAL PRODUCTS</p> 	<ul style="list-style-type: none"> Expanding own brand portfolio to capture more margin within animal health and crop protection products Leveraging our increased scale to negotiate preferred supplier partnerships across the group 	<p>6</p> <p>SYSTEMS MODERNISATION PROGRAM</p> 	<ul style="list-style-type: none"> Wave 1 near completion within budget Wave 2 design workshops commenced Dedicated 25+ team On time, on budget with benefits to exceed ROC hurdle
<p>3</p> <p>STRENGTHEN AND EXPAND OUR SERVICE OFFERINGS</p> 	<ul style="list-style-type: none"> Elders Wool Handling project Streamline supply chain optimisation New product lines and brands Growth in Financial Services offerings Pipeline of APVMA registrations 	<p>7</p> <p>PEOPLE AND SAFETY</p> 	<ul style="list-style-type: none"> TRIFR improving to 11.9, falling 0.7 since September 2022 Continued investment in safety capex 250 additional FTE since HY22 to support future growth Highly engaged (79%) and enabled (82%) employees 43% of women in the workforce
<p>4</p> <p>OPTIMISE OUR FEED & PROCESSING BUSINESSES</p> 	<ul style="list-style-type: none"> Sustainability projects to better utilise the available water and maximise crop production for downstream use in feedlot operations Strengthened our supply chain through expanded backgrounding operations and increased market share with key customers Maintaining a target of 100% occupancy at Killara to drive efficiency and throughput 	<p>8</p> <p>COST AND CAPITAL EFFICIENCY</p> 	<ul style="list-style-type: none"> 16.9% return on capital, exceeding 15% hurdle 71% cost to earn ratio¹, temporarily elevated Leverage ratio below target

1. 71% HY23 cost to earn is based on rolling 12 months



FY24 EIGHT POINT PLAN

OUR AMBITION	Compelling shareholder returns 5-10% EBIT and EPS growth through the cycles at minimum 15% ROC	Industry leading sustainability outcomes across health and safety, community, environment and governance	Most trusted Agribusiness brand in rural and regional Australia			
OUR BUSINESS UNITS	 RURAL PRODUCTS	 AGENCY SERVICES	 REAL ESTATE SERVICES	 FINANCIAL SERVICES	 TECHNICAL SERVICES	 FEED AND PROCESSING
OUR STRATEGIC PRIORITIES	1 Deepen customer relationships for mutually beneficial outcomes	2 Balanced growth of products, services, geographies and channels	3 Enhance margin through value chain efficiencies and integration	4 Lead sustainability and productivity to benefit our customers, communities, industry, people and shareholders		
OUR ENABLERS	5 People – Invest in our teams to ensure we have the right people in the right places who are set up for success	6 Streamline supply chain to fully optimise all parts of our integrated value chain	7 Systems Modernisation – Invest in and deploy leading technology solutions that improve customer experience, drive efficiencies, and better accommodate change	8 Maintain unflinching financial discipline and commitment to cost and capital efficiency		
OUR VALUES	 CUSTOMER FOCUSED	 INNOVATION	 TEAM WORK	 INTEGRITY	 ACCOUNTABILITY	

Growth Pillars

Multi-Faceted strategy to drive growth through the cycles to FY26



Geographic Expansion



Backward Integration



Transformational Projects



Transformational Investment

Market Share

- Strong pipeline of **bolt on acquisitions** to expand our geographic reach
- Considered pathway to explore **greenfield locations** where market share growth opportunities exists
- **Investment in client** and service offerings to attract member growth in our wholesale business

Gross Margin Capture

- Increasing share of the addressable market in both **crop protection** and **animal health** own brand products through brand awareness and client engagement
- Continued investment in our **new product pipeline** across the portfolio

Cost and Capital Efficiency

- Investment in systems modernisation will **unlock efficiencies** through enhanced analytics and technology
- Multi year supply chain optimisation project to deliver significant value through **improved planning, sourcing and reduction in safety stock**
- Expansion of service offering to include **wool handling**

New Channels to Market

- Recent strategic investment provides entry into **chemical formulation supply chains**
- Historical examples include **Titan AG** and **AIRR**

Our Networks are Growing



LISMORE



KEMPSEY



EMMS MOONEY

Dual growth strategy covering Elders and AIRR providing sustainable contribution to 5-10% EBIT growth

Points of Presence Growth Since FY19

	BASE	GROWTH			CURRENT	CAGR
	FY19	MEMBERS	GREENFIELD	ACQUISITION	HY23	
ELDERS	523	-	10	46	579	2.95%
AIRR ¹	355	16	4	5	380	1.96%
TOTAL	878	16	14	51	959	2.55%

1. Since acquisition November 2019



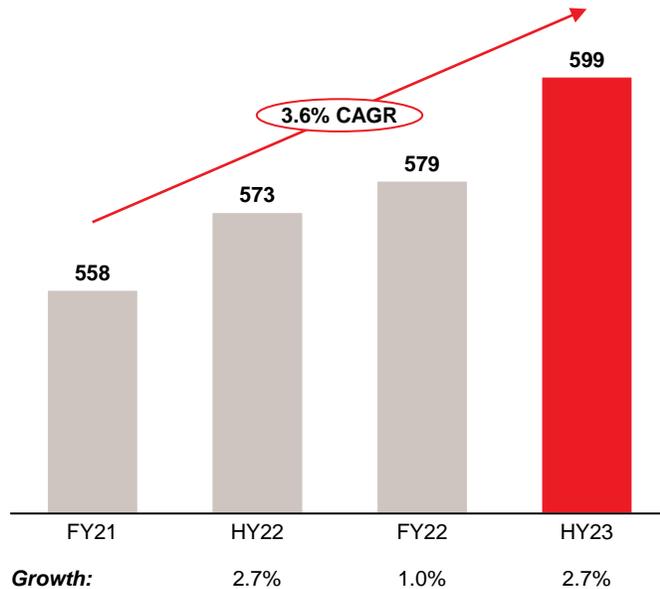
Significant Opportunity for Further Geographic Growth

Points of presence increased by 26 locations

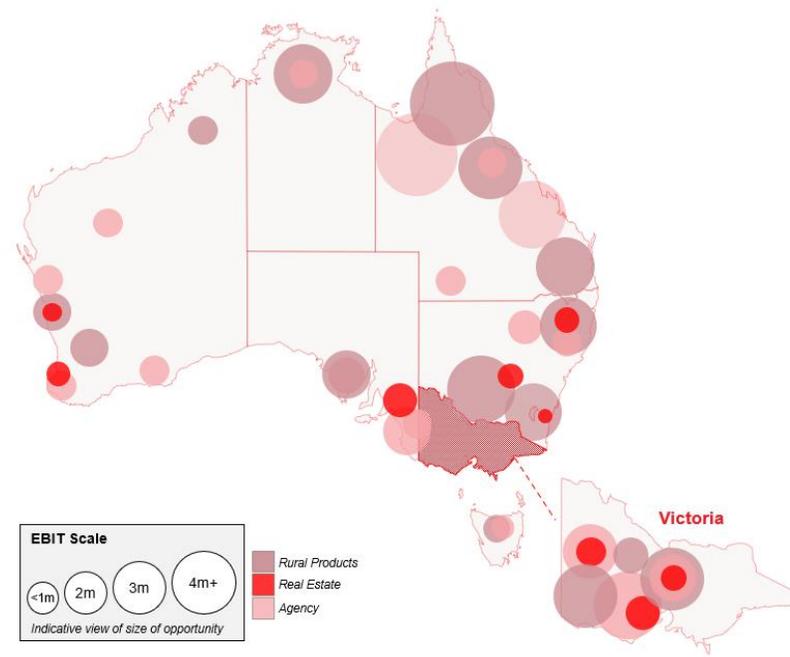
+26 NEW LOCATIONS SINCE MARCH 2022

GROWTH OPPORTUNITIES TO GAIN MARKET SHARE AND GROW MEMBER BASE IN NEW GEOGRAPHIES

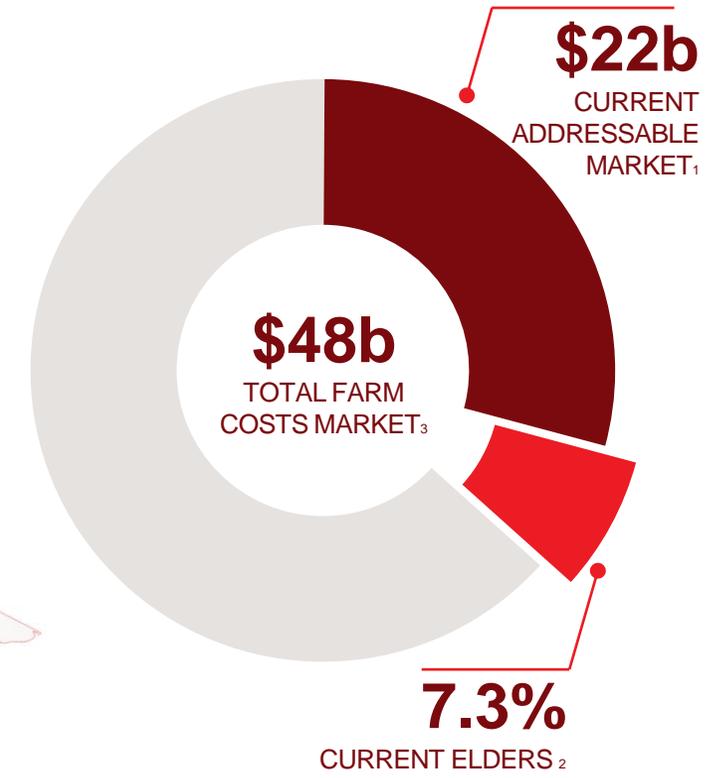
Elders' Points of Presence



Strategic Geographic Locations



Elders Market Growth Opportunity



1. Current Addressable Market is an internally calculated amount based on product
 2. Internal measure – Elders estimates it has a 7.3% market share of the “Total Australian Farm Costs market” of \$48b
 3. Source: ABARES, Agricultural Commodities – Farm Costs and Returns Australia, June 2022

Investing Now for Future Growth

Transformational projects to drive benefits through FY26 and beyond from cost and capital efficiencies



Benefits

- **Investment in sourcing** capability will unlock significant value across our portfolio
 - **Streamlined processes** across our vertically integrated channels to market
 - **Gross margin benefits** through enhanced reporting and processes
-
- Wave 1 to be completed during FY23 with **successful implementation** of key financial and people foundations
 - Design workshops for **Wave 2** underway, to implement best practice business processes
 - **EBIT level benefits** anticipated to be recognised from FY24 onwards
-
- **EBIT benefits** through economies of scale via a partially automated handling facility
 - Provide a **modern, efficient and scalable** investment
 - **Greater control** over the quality, standard and compliance of Elders wool handling operations
 - **Differentiated service offering** to our existing and new client base through enhanced additional logistics and warehouse capability

Estimated Benefits to Flow



RURAL PRODUCTS SUPPLY CHAIN OPTIMISATION

Improved planning, sourcing and supply chain models with fit for purpose sales and operational platforms designed to deliver improved gross margin and a reduction in safety stock across Rural Products



SYSTEMS MODERNISATION

Generational investment in modernisation of our platforms to deliver more efficient business processes and an enhanced client experience



WOOL SUPPLY CHAIN OPTIMISATION

World first automated wool handling model will provide a modern, efficient and scalable investment

Notes:

Systems Modernisation and wool supply chain expected to deliver returns in excess of 15% ROC

Rural Products supply chain optimisation estimated to deliver EBIT of \$10-\$18m and capital release of \$50-\$80m (source external consultant September 2022)

Systems Modernisation Program

Systems transformation to improve cost and capital efficiency through FY26 and beyond

PROJECTS COMPLETED



WORKDAY



AEM

EN-ROUTE



INTRANET



DYNAMICS
365

Enhanced customer experience

Cyber security and cloud technologies

Mobile and digitally enabled employees

Operational efficiency

Enhanced cost and capital management

Wave 1

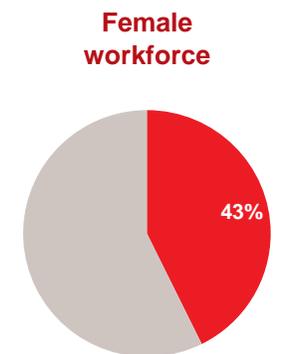
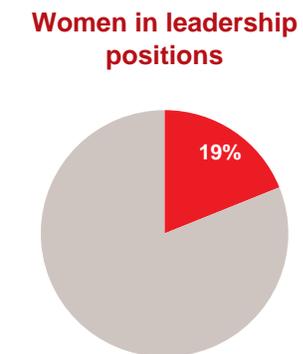
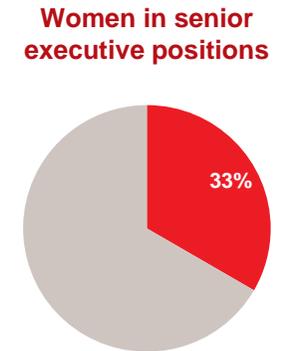
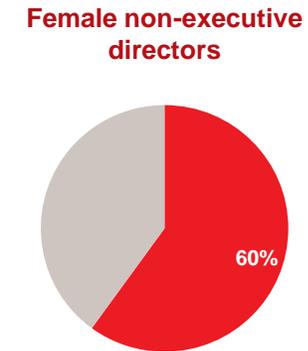
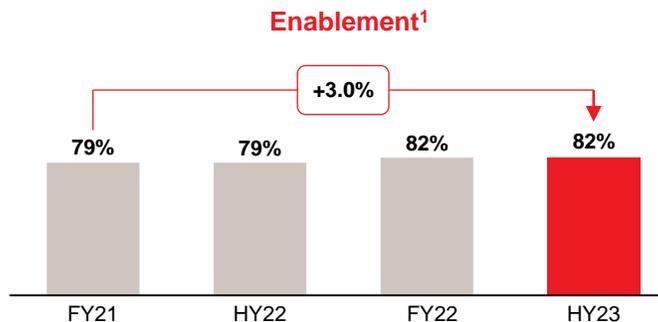
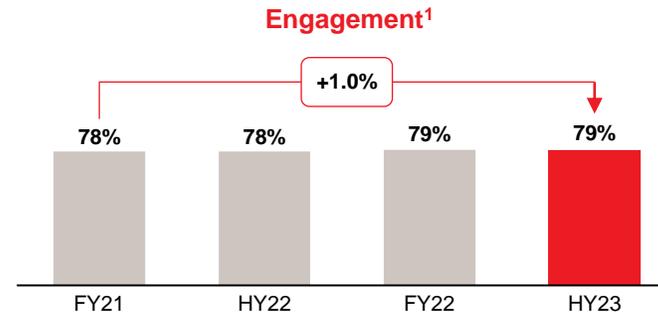
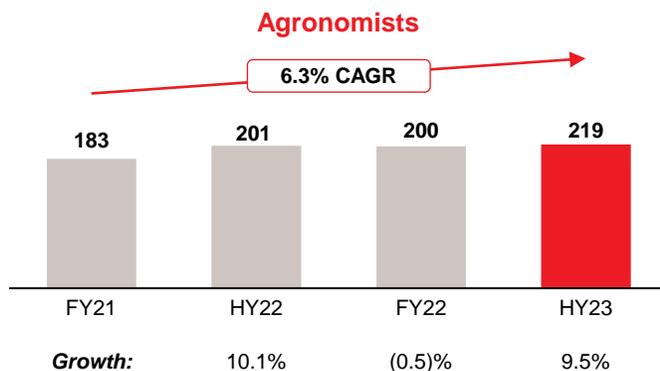
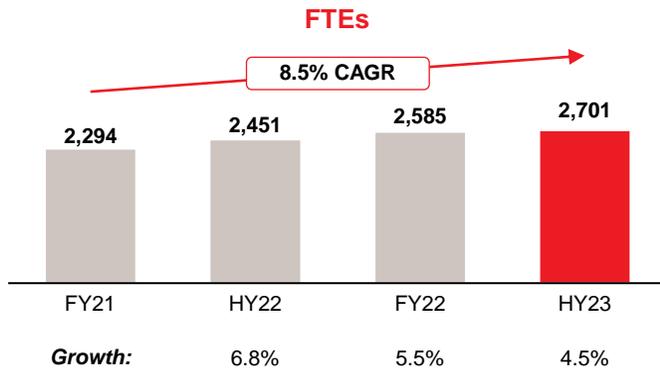
	FY22 \$m	HY23 \$m
CAPEX	4.5	4.5
OPEX - underlying	4.4	2.4
OPEX- non underlying	0.7	1.7
Total	9.6	8.6

Wave 2

- \$0.8m of CAPEX recognised in HY23
- Detailed workshops currently underway to finalise statement of works with system integrator
- Financial impact of Wave 2 to be presented at the full year following statement of works and Board approval

We Are Committed To Attracting & Retaining The Best People

More people, highly skilled, engaged and diverse



1. 2022 Korn Ferry Elders Employee Effectiveness Survey

Key Investment Drivers

Australia's most trusted agribusiness brand



Elders

1 EPS Growth

2 Geographic and product diversification

3 Attractive market and Company outlook

4 Transformational initiatives benefits

5 Significant pipeline of new opportunities

6 Robust balance sheet supporting growth



Market Outlook

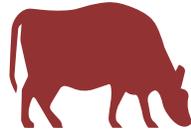
Market Outlook

Favourable cropping outlook with expectations of reduced volatility from livestock and cropping input prices



RURAL PRODUCTS

- Winter crop outlook remains favourable
- Normalisation of a volatile commodity price environment should provide margin relief over time
- Demand for crop inputs is expected to remain strong
- Summer crop underpinned by full water allocations in irrigated areas



AGENCY SERVICES

- Cattle volumes are expected to recover underpinned by strong US import prices and demand
- Lamb prices are forecast to remain under pressure, due to improved volumes and mixed quality
- Mutton prices have shown early improvements
- Wool prices are expected to hold firm



REAL ESTATE

- Residential demand is expected to remain resilient despite interest rate and inflation pressure
- Broadacre turnover is expected to soften as a result of market headwinds



FINANCIAL SERVICES

- Favourable market conditions support demand for Insurance and other Agri Finance offerings
- Continued uptake of livestock funding product forecast to provide margin upside



FEED & PROCESSING

- Supply chain supported by backgrounding operations
- Some headwinds expected regarding higher cost of goods, in particular the premium branded beef programs

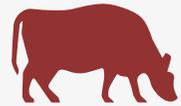


COSTS AND CAPITAL

- Continued focus on cost to earnings
- Interest rates and inflation pressure expected to persist
- Investment in Elders Wool Handling and the first phases of our System Modernisation will temporarily increase cost base prior to benefits being achieved

ABARES March Market Outlook

Strong crop outlook moderated by subdued livestock prices

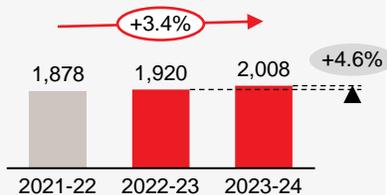


Beef & Veal¹

Average saleyard prices (c/kg)



Production (kt)

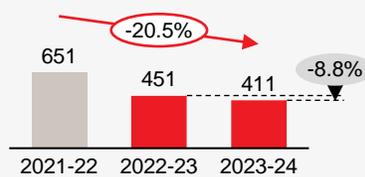


- Moderating beef prices due to increased supply, lower restocking demand and slowing global economy
- Beef production is forecast to be slightly higher due to falling prices, great cattle availability and higher slaughter volumes

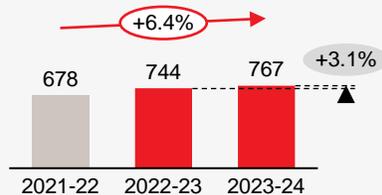


Sheep¹

Average saleyard prices (c/kg)



Production (kt)

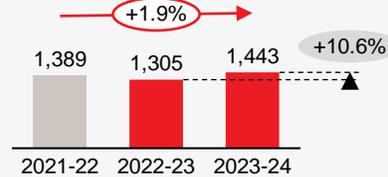


- Higher sheep production as drier forecasted conditions incentivise stock turnover. Flock rebuilding has increased slaughter rates
- Pricing headwinds driven by increased slaughter rates and production over-supply
- Lower exports are expected due to weaker availability of sheep in Western Australia, in line with long term decreasing flock size trends

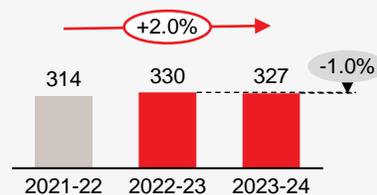


Wool¹

Eastern Market Indicator (c/kg)



Sheep shorn for wool production (kt)

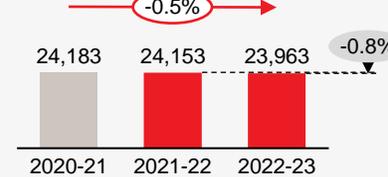


- Wool production is expected to increase by 11% in 2023-24 due to the resurgence of demand for wool products, as China's economy rebounds
- Consequently, the EMI is expected to increase, partially offset by increased Australian production volumes
- Shorn wool output is predicted to fall by 1% due to drier conditions and reduced pasture availability leading to smaller flock sizes

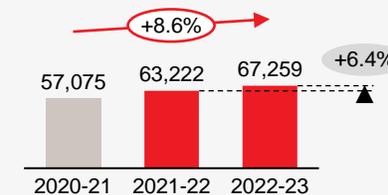


Winter Cropping²

Area planted ('000 ha)



Crop production (kt)

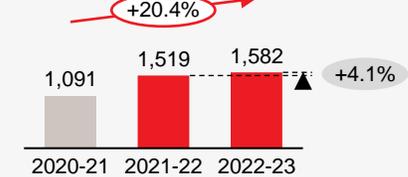


- Record winter crop production is expected in 2022-23 due to wet and cool spring conditions in key states
- Waterlogging damage was noticeable in the eastern states, affecting 8.1% and 2.9% of cropping land in New South Wales and Victoria, respectively.
- Wheat and canola production set new records, and barley production ranked third, resulting in an 8.4% increase from the previous Australian Crop Report

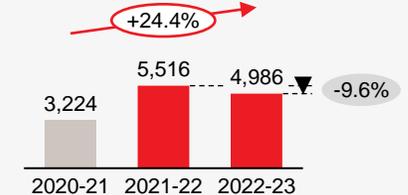


Summer Cropping²

Area planted ('000 ha)



Crop production (kt)



- Negative summer crop outlook as Queensland and northern New South Wales experienced below average rainfall
- Dryland crops may be impacted by lower soil moisture levels
- Total summer crop production remains above the long-term average, however there is a potential for El Niño conditions

1. Department of Agriculture, Fisheries and Forestry, ABARES Agricultural forecasts and outlook: March edition
 2. Department of Agriculture, Fisheries and Forestry, ABARES Australian Crop Report: March edition
 Metrics measured for the 12 months ending 30 June

A woman wearing a white cowboy hat and a dark vest over a light-colored long-sleeved shirt is seen from the back, looking towards a group of brown calves in a barn. The calves are standing in a row, and the barn has metal railings and a dirt floor. The lighting is warm and slightly hazy.

Q&A

Appendix



Business Model

Diversification by product, service, market segment and geography

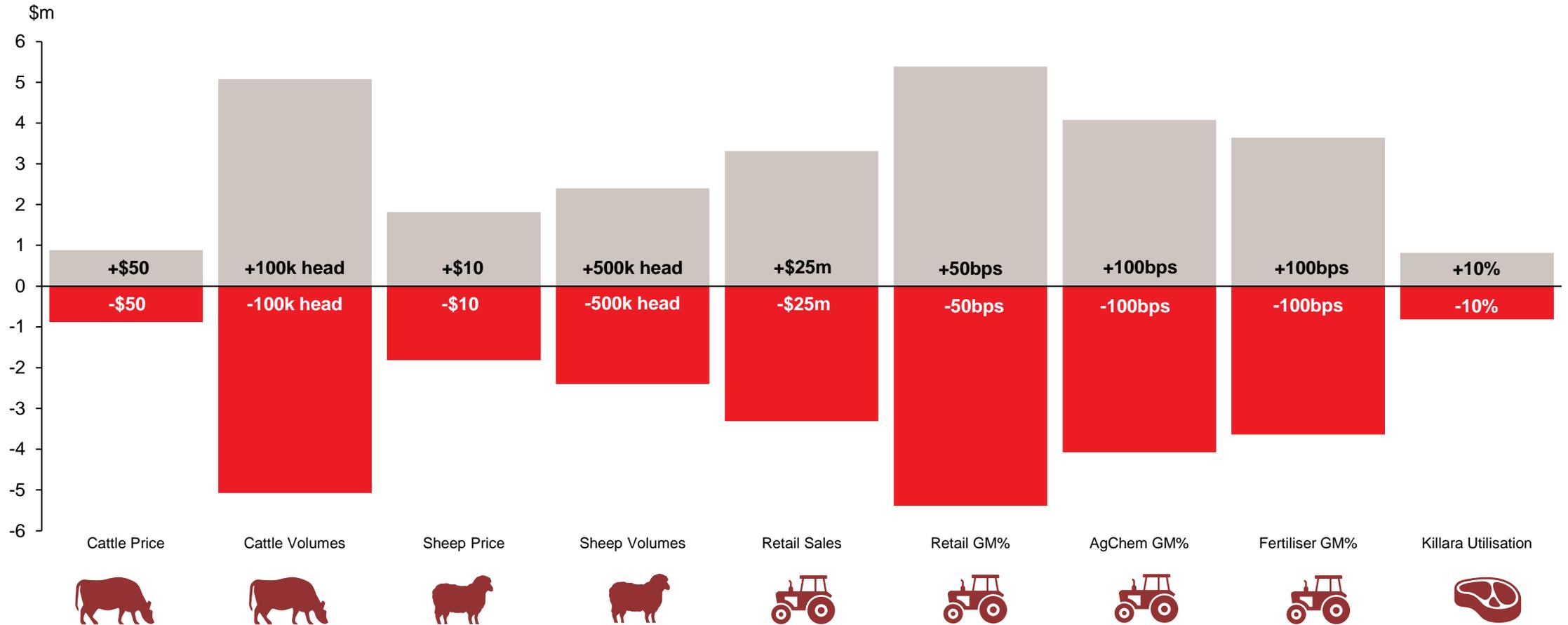
RURAL PRODUCTS		AGENCY SERVICES	REAL ESTATE SERVICES	FINANCIAL SERVICES	FEED & PROCESSING SERVICES	DIGITAL AND TECHNICAL SERVICES
RETAIL PRODUCTS	WHOLESALE PRODUCTS					
						
Rural Products	Rural Products	Livestock	Broadacre	Agri Finance	Killara Feedlot	Fee for Service (200 agronomists)
Fertiliser	Pet Supplies	Wool	Residential	Elders Insurance (20%)		AuctionsPlus (50%)
Agcrest (33%)		Grain	Property Management	LIT Delivery Warranty and Livestock Funding Products		Elders Weather
			Franchise			Clear Grain Exchange (30%)

Key metrics						
\$2.5b retail sales	\$0.4b wholesale sales	9.0m head sheep	\$2.5b broadacre sales	\$3.0b loan book \$1.5b deposit book \$29.9m livestock funding \$120.0m StockCo book	67k Killara Feedlot cattle head	AuctionsPlus 126k head cattle 1.2m head sheep
232 stores	372 member stores	1.4m head cattle	\$1.8b residential sales	\$1.0b GWP	\$12m China sales	9.6m Elders Weather users
435 APVMA registrations		360k wool bales	10.6k properties under management	41% LIT penetration rate		CGX 0.2m tonnes
1.0m tonnes fertiliser						
Gross margin						
\$310.0m	\$73.1m	\$147.0m	\$61.6m	\$44.2m	\$16.8m	Included in products
Working capital						
\$401.9m	\$99.9m	\$58.7m	\$0.4m	\$9.4m	\$83.4m	Other – (\$28.8m)

Statistics and financial information based on FY22 full year

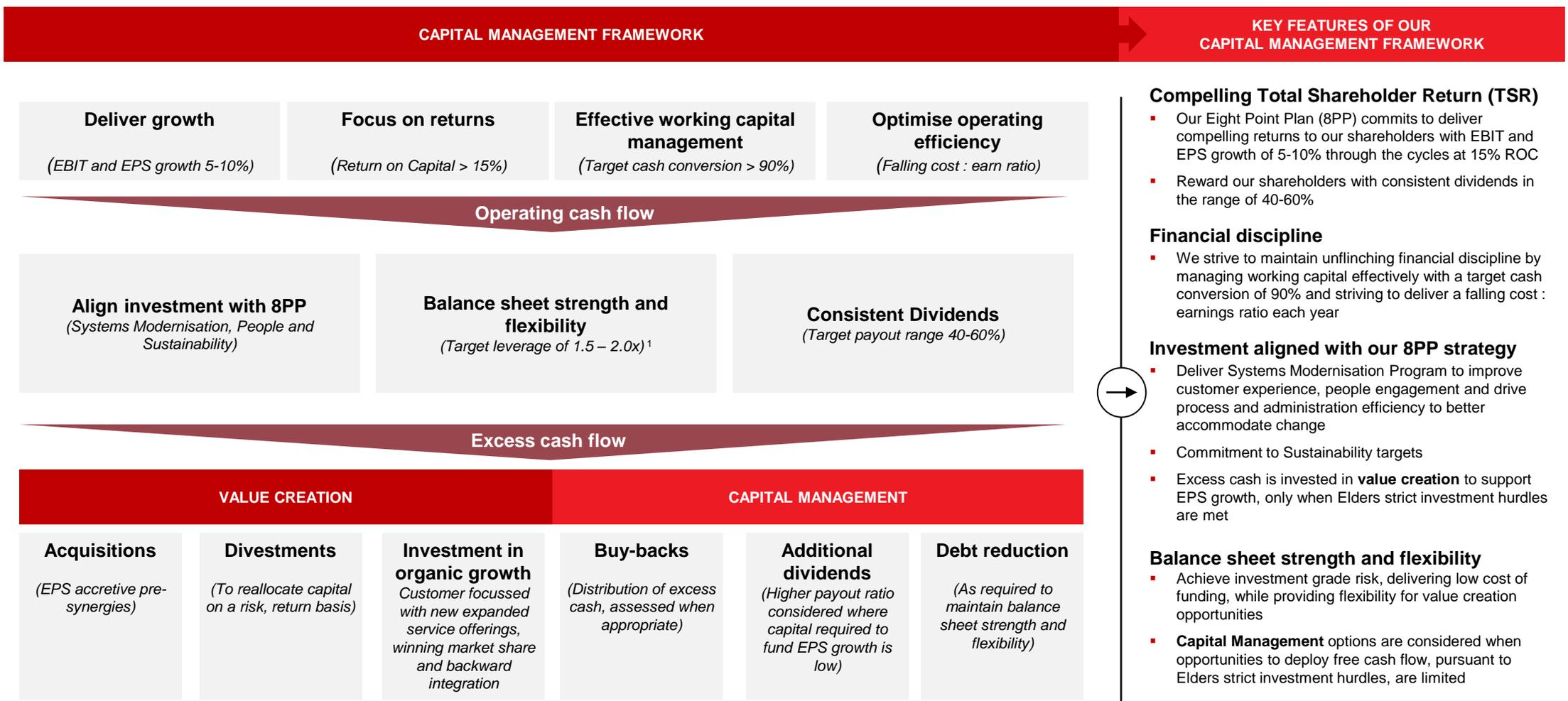
Gross Margin Sensitivity

Movements in market factors are mostly mitigated by our diversified portfolio



Elders Capital Management Framework

Aligned with Elders Eight Point Plan to deliver Total Shareholder Return (TSR) in the top quartile of ASX200 companies at investment grade risk



1. Excluding AASB 16 Leases



Elders