

8 April 2024

## FY24 Trading Update

Elders Limited (**ASX: ELD**) provides a trading update for the financial year ending 30 September 2024 (FY24).

First half trading for FY24 was significantly below expectations due to the following drivers:

- Subdued client sentiment following an El Niño declaration by the Bureau of Meteorology, particularly impacting the first quarter.
- Lower crop protection prices compared to the prior corresponding period, impacting sales revenue and margin.
- Cattle and sheep prices significantly below the 10-year mean, particularly impacting the first quarter.
- Subdued trading in March due to a later start to winter crop in Western Australia which is a key broadacre market.
- Margin pressure evident in some key agricultural chemical products.

Trading recovered in January and February 2024 and exceeded the prior year comparison, largely as a result of improved client sentiment following the Bureau of Meteorology's February 2024 announcement of a weakening El Niño and significant improvement in sheep and cattle prices. However, margins in key agricultural chemical products were impacted in March and have been reflected in the outlook.

The outlook for the FY24 winter crop in most regions is improved with favourable soil moisture profiles across many winter cropping areas in the Eastern and Southern states. Conditions remain dry and warm in some parts of Western Australia which will push sales to the second half of FY24 (April to September 2024).

Underlying EBIT is expected to be between \$120 million and \$140 million for full year FY24. The guidance follows receipt and review of the unaudited March financial results.

Elders' target cash conversion of greater than 90% of underlying NPAT is forecast to be achieved at 30 September 2024.

Leverage is forecast to be above Elders' target of 1.5 to 2.0 times through FY24, because of the EBIT under-performance in FY24 H1 but is forecast to return to within target in the first half of FY25.

The guidance provided today continues to be subject to variables outside of Elders' control which have the potential to materially influence Elders' financial outcomes, or the timing of those financial outcomes. Examples include, but are not limited to, the outlook for Australian agriculture, unfavourable market price movements, supply chain disruption and geopolitical events.

---

### Further information and enquiries:

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

### Authorised by:

Elders Limited Board of Directors