Ridley Corporation Limited

Appendix 4E Preliminary final report

ABN 33 006 708 765

Results for announcement to the market

Reporting period:	Financial year ended 30 June 2024
Previous corresponding period:	Financial year ended 30 June 2023
Release date:	21 August 2024

				$m
Revenue from continuing operations	**up**	0.2%	to	1,262.9
EBITDA from ongoing operations before individually significant items	**up**	4.9%	to	92.8
EBITDA after individually significant items	**up**	1.7%	to	90.0
Net profit after tax for the period from continuing operations attributable to shareholders before individually significant items	**up**	1.1%	to	42.3
Net profit after tax for the period from continuing operations attributable to shareholders after individually significant items	**down**	4.7%	to	39.9

	30 June 2024	30 June 2023
Net tangible assets per ordinary share (cents)	0.68	0.76

Dividends

The Board has declared a final dividend of 4.65 cents per share (**cps**), fully franked and payable on Thursday 24 October 2024 for a cash outlay of approximately $14.7 million. A dividend of 4.25 cents per share was paid in the previous corresponding period and an interim dividend of 4.40 cents per share was paid, both were fully franked.

Record date for determining entitlements to the final dividend	5.00 pm on Tuesday 8 October 2024.

Further detail of the above figures is set out on the following pages and in the Company's separate results investor presentation.

FOR THE YEAR ENDED 30 JUNE 2024

The Directors of Ridley Corporation Limited (**Ridley** or the **Company**) present their report for the Group (the **Group**), being the Company and its subsidiaries, and the Group's interest in equity accounted investments at the end of, or during, the financial year (**FY**) ended 30 June 2024 (**FY24**).

1. Directors

The following persons were directors of Ridley Corporation Limited during the whole of the financial year and up to the date of this report unless otherwise stated:

M McMahon	Q L Hildebrand	J E Raffe
E Knudsen	R Jones	M Laing (appointed 1 Sep 2023)
P M Mann (resigned 20 Nov 2023)	R J van Barneveld (resigned 20 Nov 2023)	

2. Principal activities

The principal continuing activities of the Group during the year were the production of premium quality, high performance animal nutrition solutions.

3. Results

The highlights of the Ridley Corporation Limited consolidated group (**Ridley or Group**) FY24 results are:

- EBITDA before individually significant items was $92.8m, representing a $4.3m, or 4.9% increase on FY23 achieved through the execution of Ridley's Growth Strategy. The Bulk Stockfeeds segment increased EBITDA by $8.4m, mostly through customer wins in ruminant and operating efficiency, which more than offset the reduction in the Packaged Feed and Ingredient Segment, down $6.1m, which was negatively impacted by lower tallow and meal pricing but benefited from EBITDA of $3.2m from the newly acquired Oceania Meat Processors (**OMP**) business.

- The profit after tax was $39.9m, representing a $2.0m, or 4.7% reduction when compared to FY23. The result included $2.4m of individually significant items expense after tax, which largely related to the acquisition transaction costs of OMP. The underlying net profit, was $42.3m, representing a $0.5m increase when compared to FY23.

- The operating cashflow of $107.7m represents an improvement on FY23 of 6.0m or 5.9%, supported by disciplined working capital management which was partially achieved on the back of the increased usage of the trade payables facility (increased $19.3m) and lower tax payments (reduced $10.8m) related to the timing of tax payments.

- The Balance Sheet strength was maintained. Net debt increased by $21.3m, which included the cash outflow of $53.0m for the acquisition of OMP, and underlying debt (excluding the acquisition) was reduced by $31.7m.

SUMMARY ($ million unless otherwise stated)	2024	2023	Movement
EBITDA[1] - after individually significant items (“ISI’s”)[3]	90.0	88.5	▲ 1.5
EBITDA[2] - before individually significant items (“ISI’s”)[3]	92.8	88.5	▲ 4.3
Net profit after tax (“NPAT”) – before ISI’s	42.3	41.8	▲ 0.5
Net profit after tax (“NPAT”) – after ISI’s	39.9	41.8	▼ (2.0)
Total comprehensive income	40.1	41.8	▼ (1.7)
Operating cashflow[4]	107.7	101.7	▲ 6.0
Consolidated cash inflow / (outflow)[5]	(21.3)	(6.6)	▼ (14.7)
Net debt	50.8	29.5	▲ 21.3
Leverage ratio (times)[6]	0.55	0.33	▲ 0.22
Earnings per share – before ISI’s (cents)	13.4	13.1	▲ 0.3
Earnings per share (cents)	12.6	13.1	▼ (0.5)

[1] *Calculated as NPAT of $39.9m adjusted for finance costs ($7.8m), income tax expense ($16.2m), depreciation and amortisation ($26.1m).*

[2] *Calculated as EBITDA adjusted for individually significant items ($2.8m).*

[3] *Refer note 1(c) in the financial statements for details on individually significant items (“ISI’s”).*

[4] *Calculated as EBITDA before individually significant items ($92.8m), plus movement in working capital ($14.9m).*

[5] *Calculated as closing net debt less opening net debt.*

[6] *Calculated as Net debt / Last 12 months EBITDA per banking facility covenant calculations.*

The Directors believe that the presentation of the unaudited non-IFRS financial summary above is useful for users of the accounts as it reflects the underlying financial performance of the business.

4. Review of operations

The first priority of the Board and Management of Ridley is the safety of our employees, suppliers and customers. In FY24 Ridley recorded a Lost Time Injury Rate (LTIFR) of 12.7 and Total Recordable Frequency Rate (TRFR) of 14.9.

All business units maintained their focus on operating efficiency to ensure that inflationary costs were able to be managed in order to reduce the value of costs that were passed through to customers. In FY24, $14.5m in maintenance capex was prioritised and a further $18.4m in growth capex including the expansion projects at the Clifton and Pakenham Feedmills and the new Narangba Packing facility.

Segment Performance

The **Bulk Stockfeeds segment** contributed an EBITDA of $44.4m (FY23: $36.0m).

The strategy to leverage our procurement and nutrition capability, drive asset utilisation and share scale benefits and expertise with our customers continued to support the growth in earnings. Within the ruminant sector, we experienced volume growth of 12.7%, with market share gains and the benefits of dry season feeding in the first quarter. The monogastric sector delivered efficiency initiatives which more than offset the lower volumes (1.2%) in part a result of the breeding issues that impacted much of the industry throughout FY24, however, poultry volumes did show signs of recovery in the final quarter of FY24.

The **Packaged Feeds and Ingredients segment** reduced earnings with an EBITDA of $59.7m (FY23: $65.8m).

The Ingredient Recovery business unit was negatively impacted by lower market prices for tallows and protein meals, which was partially offset by increased volumes associated with supplier wins and higher volumes on the back of drier conditions in the first half. The strategy of investing in capability to produce premium products was enhanced through the acquisition of OMP, which delivered a positive EBITDA result of $3.2m in the last quarter.

Dog volumes through the Packaged Products business grew by 8.8% year on year, as we increased volumes for pet product lines and delivered improved efficiency following the installation of the new packing operations. The Supplements business benefited from drier conditions in the first half of FY24.

The Aquafeed sector underperformed which resulted in a restructure in the second half. The costs of the restructure where included in the results and the business has now transferred to a lower cost operation whilst freeing capacity for future petfood capacity. The Thailand facility that manufactures the raw materials for NovaqPro® continued to improve its cost base, while the commercial focus for NovaqPro® continues to be the domestic prawn feed market and expansion into international markets through the sale of prawn booster diets marketed as NovaqPro® Propel.

Corporate cost

The unallocated corporate costs of $11.3m (FY23: $13.3m) were below the prior year as remuneration costs associated with the Groups incentive programs were reduced. Other key cost areas of salaries and insurance were well managed.

Net finance costs increased to $7.8m from $5.1m, which was primarily a product of the higher market interest rates and the increase in debt following the acquisition of the OMP business in the final quarter of FY24.

Cashflows and debt

The operating cash flow of $107.7m (FY23: $101.7m) represents an improvement over the previous year, however this understates the benefits of the strong operating cash conversion delivered in both years (FY24 116% vs FY23 115%). This was achieved in part through a reduction of inventory in response to the improving global supply chains, together with a $19.3m benefit from the increased usage of the trade payables facility.

Net debt at 30 June 2024 was $50.8m (FY23: $29.5m) and the FY24 leverage ratio was 0.55 times (FY23: 0.33). During the period, the strong operating cash flow helped to fund the acquisition of OMP ($53.0m), the increased dividends paid ($27.1m) and $7.9m to acquire shares to fund employee incentives.

Earnings per share

The earnings per share as at 30 June is reflected in the table below:

	2024 Cents	2023 Cents
Basic / Diluted earnings per share	**12.6 / 12.2**	13.1 / 12.7
Basic / Diluted earnings per share - before individually significant items	**13.4 / 13.0**	13.1 / 12.7

The Directors believe that the presentation of the unaudited non-IFRS EPS calculation before significant items above is useful for users of the accounts as it reflects the underlying earnings per share of the business.

Events occurring after the balance sheet date

There were no matters or circumstances that have arisen since 30 June 2024.

Risks

The following is a summary of the key continuing significant operational risks facing the business and the way in which Ridley manages these risks.

- **Cyclical variations impacting the demand for animal nutrition products -** by operating across different business sectors within the economy, (namely poultry, pig, dairy, aqua, beef and sheep, companion animals, consumer goods packaged products and ingredient recovery) some of which have a positive or negative correlation with each other, Ridley is not dependent upon a single business sector or agricultural cycles and is able to spread the sector and adverse event risk across a diversified portfolio.

- **Commodity pricing fluctuations impacting raw material input prices -** through properly managed procurement practices and many of our customers retaining responsibility for the supply of raw materials for the feed Ridley manufactures on their behalf, the impact of fluctuations in raw material prices associated with domestic and world harvest cycles is reduced.

- **Commodity pricing fluctuations impacting end product sales prices** - the selling price of protein meals, tallow and oils by our ingredient recovery business varies as a result of domestic and export demand for these products, however the impact on the returns for Ridley are moderated due to raw material contracts with suppliers, which share a portion of the benefit or reduction in selling price with those suppliers.

- **Cyber breach -** the business has implemented system controls that are reviewed and tested periodically to assist the business in being able to detect and react to a potential cyber-attack.

- **Influence of natural pasture on supplementary feed decision making -** whilst not being able to control the availability of natural pasture, Ridley believes there is a compelling commercial justification for supplementary feeding in each of its ruminant sectors of operation, whether that be measured in terms of milk yield or herd well-being and feed conversion.

- **Impact on domestic and export markets in the event of disease outbreak in livestock -** Ridley operates in several business sectors exposed to different animal species and has a footprint of feed mills dispersed across the Eastern states of Australia that provide geographical segregation to reduce the exposure to a disease outbreak occurring within a customer's (supplier's in the case of ingredient recovery) operations.

- **Claims or market access restrictions due to product contamination or the delivery of product that is not in specification -** Ridley has a strategy of plant segregation, and operational controls in place to effectively manage its own risk of product contamination across the various species sectors. HACCP (Hazard Analysis and Critical Control Points) Plans are deployed across the business to adhere to product specifications.

- **Customer and supplier concentration and risk of customer and supplier vertical integration or risk of losing a significant customer or supplier -** Ridley endeavours to enter into long term sales and supply contracts with its customers and suppliers. This strategy provides a degree of confidence in order to plan appropriate shift structures, procurement and supply chain activities in the short term, and capital expenditure programs in the long term, while actively managing the risk of stranded assets and backward integration into feed production by significant customers and forward integration into rendering by significant suppliers.

- **Commercialising NovaqPro® -** the commercialisation of NovaqPro®, including risk mitigation strategies, is being actively managed by Ridley, however there are significant risks with any start-up business, some of which are beyond Ridley's control and could further delay commercialisation.

- **Thailand Operational and Regulatory risk –** with the establishment of commercial operations in Thailand the business is actively managing the operational risks through the appointment of an established local management team that work closely with the Australian operations. The business owns the land upon which it operates reducing the risk of changes in the regulatory environment.

- **New Zealand Operational and Regulatory risk –** with the acquisition of OMP, which has operations in New Zealand, the business is actively managing the operational risks through an established local management team that work closely with the Ridley Australian operations. The acquired business also has operations in Australia and capacity can be alternated between the two operations / countries if required.

- **Foreign Currency Risk –** the business trades and operates in multiple currencies, including USD, NZD and Thai Baht. The business maintains strategies to reduce its exposure to movements in exchange rates including executing forward contracts to offset known net exposures.

- **Sustainability and Climate Change** – Ridley has worked with its customers and suppliers to develop a sustainability pathway that is focussed on:

  - sourcing high-quality raw materials that are produced with respect to social and environmental boundaries,
  - optimising our manufacturing and supply chain process to reduce our footprint,
  - developing technical solutions that enable farmers to produce more from less, and
  - creating safe, healthy and diverse workplaces that support vibrant communities.

- **Corporate -** risks such as safety, recruitment and retention of high calibre employees, inadequate innovation and new product development, customer non-payment, interest rate increases, the purchase of inappropriate raw material, lower than anticipated return on capital invested and consequences of lower underlying earnings are all managed through the Group's risk management framework which includes review and monitoring by the executive lead team.

Key Drivers

In FY25 Ridley expects to create shareholder value through:

Packaged & Ingredients segment from:
- a full year earnings contribution of OMP
- raw material supplier benefits in Ingredient Recovery following the closure of a competitor
- cost savings from the restructure of extrusion operations

Bulk Stockfeeds segment from:
- volumes enabled by the Pakenham and Clifton de-bottlenecking projects
- market share growth from the acquisition of Carrick feedmill
- increased broiler feed volumes following the recovery from industry breeder limitations

These earnings benefits are expected to more than offset cost increases, including employees, utilities and inflation.

Outlook

Our business portfolio, with its diversified spread of operations and markets, provides a platform to deliver consistent growth. In FY25, Ridley expects earnings growth in the:
- **Packaged & Ingredients segment**, from continued premiumisation in the petfood sector; and
- **Bulk Stockfeeds segment**, from volume increases enabled by the de-bottlenecking projects.

The business continues to take steps to reduce the adverse impact of inflationary pressures, biosecurity events and changes in commodity cycles.

Cash generated from operations and a strong balance sheet support the $20m buy-back and payment of progressive dividends, while still promoting ongoing investment in the business to pursue growth opportunities.

5. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the year ended 30 June 2024.

6. Dividends and distributions to shareholders

The FY23 final dividend of 4.25 cents per share franked to 100% was paid on 26 October 2023.

The FY24 interim dividend of 4.4 cents per share franked to 100% was paid on 24 April 2024.

Following a year of strong operating performance and operating cash generation, the Board has declared a final dividend of 4.65 cents per share (**cps**), fully franked and payable on 24 October 2024 for a cash outlay of approximately $14.7m.

7. Directors' and executives' remuneration

Refer to the Remuneration Report.

8. Meetings of Directors

The number of Directors' meetings and meetings of committees of Directors held during the financial year, and the number of meetings attended by each Director as a committee member, are as shown in the following table.

Directors	**Board**		**Audit and Risk Committee**		**Remuneration, Nomination and People Committee**		**Ridley Innovation and Operational Committee**		**Sustainability Committee**	
	H	A	H	A	H	A	H	A	H	A
M McMahon	10	10	4	4	3	3	-	-	2	2
Q L Hildebrand	10	10	-	-	-	-	1	1	1	1
E Knudsen	10	9	-	-	-	-	1	1	2	1
R Jones	10	10	2	2	3	3	-	-	-	-
J Raffe	10	10	2	2	2	2	-	-	-	-
M Laing[1]	9	9	-	-	2	2	-	-	2	1
P M Mann[2]	3	3	2	2	-	-	-	-	-	-
R J van Barneveld[2]	3	3	2	2	-	-	1	1	-	-

[1] appointed 1 September 2023.
[2] resigned 20 November 2023.

References to director meeting attendance table:

H: Number of meetings held during the period the Director was a member of the Board or Committee.
A: Number of meetings attended.

9. Information on Directors

Particulars of shares and Performance Rights in the Company held by directors, together with a profile of the directors, are set out in the Board of Directors section in the Annual Report and in the Remuneration Report.

10. Share options and performance rights

Unissued ordinary shares of Ridley Corporation Limited and controlled entities under options and performance rights at the date of this report are as follows:

	Number	Expiry Date
Ridley Corporation Long Term and Special Retention Incentive Plan (**Performance Rights**)	10,334,432	Various
Ridley Employee Share Scheme (**Options**) [1]	2,443,020	Various

[1] The share grant and supporting loan together in substance comprise a share option.

No holder has any right under the above plan and scheme to participate in any other share issue of the Company or of any other entity. The Company will issue shares when the options and performance rights are exercised. Further details are provided in Note 19 in the Notes to the Financial Statements and in the Remuneration Report.

The names of all persons who currently hold options granted under the option plans are entered in the register kept by the Company, pursuant to section 215 of the *Corporations Act 2001*. The register is available for inspection at the Company's registered office.

11. Environmental regulation

The Group's manufacturing activities are subject to environmental regulation. Management ensures that any registrations, licences or permits required for the Group's operations are obtained and observed.

Ridley has environmental risk management reporting processes that provide senior management and the directors with periodic reports on environmental matters, including rectification actions for any issues as identified. In accordance with its environmental procedures, the Group monitors environmental compliance of all of its operations on an ongoing basis. The Board is not aware of any environmental matters likely to have a material financial impact.

The Group is subject to the reporting requirements of the National Greenhouse and Energy Reporting Act 2007 (Cth) (**NGER**), which governs the reporting and dissemination of information about greenhouse gas emissions, greenhouse gas projects and energy use and production. Ridley continues to comply with its NGER reporting requirements.

12. Post balance date events

There were no matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect:

(i) the Group's operations in future financial years, or

(ii) the results of those operations in future financial years, or

(iii) the Group's state of affairs in future financial years.

13. Insurance

Regulation 113 of the Company's Constitution indemnifies officers to the extent now permitted by law.

A Deed of Indemnity **(Deed)** was approved by shareholders at the 1998 Annual General Meeting. Subsequent to this approval, the Company has entered into the Deed with all the Company's directors, the secretary of the Company, and the directors of all the subsidiaries.

The Deed requires the Company to maintain insurance to cover the directors in relation to liabilities incurred while acting as a director of the Company or a subsidiary and costs involved in defending proceedings. During the year the Company paid a premium in respect of such insurance covering the directors and secretaries of the Company and its controlled entities, and the general managers of the Group.

14. Non-audit services

The Company may decide to employ the auditor (**KPMG**) on assignments in addition to the statutory audit function where the auditor's expertise and experience with the Company and/or the Group are important and valuable.

The Board has considered the non-audit services and, in accordance with the advice received from the Audit and Risk Committee, is satisfied that the provision of such expertise on separately negotiated fee arrangements is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services provided during FY24 have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and

- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company, or jointly sharing economic risk and rewards.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21 and forms part of this report.

During the year the following fees were paid or are payable for services provided by the auditor of the parent entity and its related practices:

	$
Audit and review of financial reports	369,930
Taxation and other services	68,068
Total	**437,998**

16. Rounding of amounts to nearest thousand dollars

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial statements. Amounts in the directors' report and the consolidated financial statements have been rounded off to the nearest thousand dollars in accordance with that legislative instrument, unless otherwise indicated.

Signed in Melbourne on 21 August 2024 in accordance with a resolution of the Directors.

Mick McMahon
Director and Ridley Chair

Quinton Hildebrand
CEO and Managing Director

REMUNERATION REPORT – AUDITED

Report Structure

The Remuneration Report for the year ended 30 June 2024 (FY24) has been prepared in accordance with the *Corporations Act 2001* (Cth) (the Act) and Accounting Standards, audited as required by section 308 (3C) of the Act.

The Remuneration Report is divided into the following sections:

1. Key Management Personnel
2. Remuneration link with Company performance and strategy
3. Remuneration framework details
4. Company performance and remuneration outcomes
5. Non-executive Director arrangements
6. Remuneration Governance
7. Statutory tables and disclosures.

1. Key Management Personnel

The Remuneration Report discloses the remuneration arrangements and outcomes for the people listed below, who are KMP, as defined by AASB 124 *Related Party Disclosures*.

Name	Position	Term as KMP in FY24
Non-Executive Directors		
M P McMahon	Non-Executive Chair	Full Year
R Jones	Non-Executive Director	Full Year
E Knudsen	Non-Executive Director	Full Year
M Laing	Non-Executive Director	Appointed 1 September 2023
J Raffe	Non-Executive Director	Full Year
P Mann	Non-Executive Director	Ceased 20 November 2023
R J Van Barneveld	Non-Executive Director	Ceased 20 November 2023
Executive KMP		
Q L Hildebrand	Managing Director and Chief Executive Officer (CEO)	Full Year
R Betts	Chief Financial Officer (CFO)	Full Year
C Klem	Chief Operating Officer, Ingredient Recovery	Full Year
R Singh	Chief Operating Officer, Ruminant Stockfeeds, Packaged products and Aquafeed	Full Year
S Clowes	Chief Operating Officer, Monogastric Stockfeeds	Full Year
K Clarke	General Counsel and Company Secretary	Full Year

2. Remuneration link with Company performance and strategy

Ridley's remuneration framework is designed to align reward with the achievement of annual objectives, successful business strategy and shareholder returns. The framework is designed around three principles, which are summarised in the following table.

Remuneration Component	Principles and Purpose	Performance link	Delivery and timeline
Total Employment Package (base salary + superannuation) (TEP)	Competitively set to attract and retain talented people.	Considers the size and complexity of the role and the skills and experience required for success in the role. Roles are benchmarked annually against a Comparator Group of companies comprised of ASX and private companies of comparable activity and scale.	Cash salaries, employer contributions to superannuation and salary sacrifice benefits paid continuously throughout each year.
Short Term Incentive Plan (STIP)	To drive focus and discretionary effort.	Performance is tested at the end of a one-year performance period. Annual performance targets are based on two streams: • Group financial performance (70% weighting); and • Individual KPIs (30% weighting). Group financial performance is assessed against a stretch budget EBITDA. Where achievement of 90% of stretch budget EBITDA is reached, the payment of a partial STIP based on the achievement of individual KPIs will be assessed by the Board at its sole discretion.	Awarded annually, subject to audited financial results and Board discretion.
Long Term Incentive Plan (LTIP)	Reward aligned to the creation of long-term shareholder value.	Annual grants are made to executives based on their capacity to influence long-term outcomes. The awards are granted at the beginning of a three-year performance period and are based on two performance measures, namely Return on Funds Employed (ROFE) and Absolute Total Shareholder Returns (TSR).	Performance rights awarded annually. Tested after 3-year performance period. Vested rights remain subject to restrictions regarding the timing of the sale of shares allocated under this scheme.

3. Remuneration framework details

Details of Short-Term Incentive Plan

The following is a detailed description of the operation of the STIP.

<table>
<tr><th>Parameter</th><th>Details</th></tr>
<tr><td>Opportunity</td><td>CEO: target opportunity equivalent to 150% of TEP
CFO: target opportunity equivalent to 60% of TEP
Other executive KMP: target opportunity equivalent to 40% of TEP</td></tr>
<tr><td>Performance measures & weighting</td><td>STIP is linked to the Group’s underlying EBITDA performance, operational and strategic KPIs, including safety:

All Executive KMP: Group underlying EBITDA (70%) and individual KPIs (30%).

The Board considers these measures to be appropriate as they are strongly aligned with the interests of shareholders. Underlying EBITDA (or EBITDA before individually significant items) is a key indicator of the underlying growth of the business, supporting future capital investments and enables the payment of dividends to shareholders.</td></tr>
<tr><td>Award calculation</td><td>A summary of the STIP award structure for FY2024 is shown in the following table, subject always to the exercise of discretion by the Board.

<table>
<tr><th>Metric</th><th>Proportion of budgeted EBITDA</th><th>Award</th></tr>
<tr><td>Financial</td><td>< Stretch Budget minus $5m</td><td>Nil</td></tr>
<tr><td>Financial</td><td>Stretch Budget minus $5m to Stretch Budget</td><td>51-100% of the 70% Group Financial component straight line pro rata of incremental EBITDA up to $5m</td></tr>
<tr><td>Financial</td><td>≥ Stretch Budget</td><td>Capped at 100% of the 70% financial component</td></tr>
<tr><td>Individual</td><td>< 90%</td><td>Nil</td></tr>
<tr><td>Individual</td><td>90% or greater</td><td>100% of the 30% individual KPI component subject to the individual meeting his or her own KPIs for the year and to Board discretion</td></tr>
</table>
</td></tr>
</table>

Details of Long Term Incentive Plan

The following is a detailed description of the operation of the LTIP.

Parameter	Details
Opportunity	CEO: target opportunity equivalent to 170% of TEP CFO: target opportunity equivalent to 100% of TEP Other executive KMP: target opportunity equivalent to 60% of TEP
Instrument, dividends and voting rights	LTIP awards are delivered in the form of share rights. The share rights do not carry any dividend or voting arrangements. Each vested share right represents a right to a fully paid ordinary share in the Company.

Number and type of share rights	The total number of share rights to be granted is calculated by taking the value of the award being made and dividing by the value of the Value Weighted Average Price (VWAP) of ordinary shares for the five-day trading period prior to 30 June in the year prior to the issue of the share rights. The award is divided into two halves, each with its own vesting conditions: • Tranche A – subject to a Return on Funds Employed (ROFE) performance condition with a conventional vesting scale. • Tranche B – subject to an Absolute Total Shareholder Return (TSR) performance condition with a conventional vesting scale.
ROFE tranche	ROFE is calculated as the yearly average of Ridley's Consolidated Underlying Group Earnings Before Interest, Tax, Depreciation and Amortisation (Underlying EBITDA) before significant items divided by the Funds Employed (FE). The accounting fair value of Tranche A Rights is estimated excluding the impact of the ROFE hurdle (as this is considered a "non-market condition"). The impact of the ROFE hurdle is then taken into consideration by adjusting the estimated number of Tranche A Rights that will vest based on current and projected performance.
Absolute TSR tranche	TSR is expressed as a percentage and calculated as the sum of the cents per share increase in the Ridley share price from the effective date of grant to the last day of the three-year performance period plus the aggregate of cents per share dividends paid throughout the performance period, divided by the Ridley share price at the effective date of grant. All Ridley share prices adopted in the calculations comprise the five-day VWAP immediately prior to the relevant start and end dates of the performance period. The fair value of Tranche B Rights is calculated by an independent expert in accordance with Share-Based Payment accounting standard AASB2 on an option-equivalent basis.
Award Criteria	The performance criteria for Rights on issue in FY24 are set out in the following table:

Tranche	Metric	FY22 Scheme[1]	FY23 Scheme[2]	FY24 Scheme[3]	Award
A	ROFE	< 15%	< 15%	<20%	Nil
A	ROFE	-	-	20%	50%
A	ROFE	15% - 25%	15% - 25%	20% - 27.5%	50- 100% on a straight-line pro rata basis
A	ROFE	> 25%	> 25%	>27.5%	100%
B	Absolute TSR	< 30%	< 30%	<30%	Nil
B	Absolute TSR	30%	30%	30%	50%
B	Absolute TSR	30% - 70%	30% - 52%%	30% -52%	50% - 100% on a straight-line pro rata basis
B	Absolute TSR	>70%	>52%	>52%	100%

[1] Actual vesting of this Tranche A of Rights is determined by the average ROFE performance for all three years of the performance period, being from 1 July 2021 to 30 June 2024.
[2] Actual vesting of this Tranche A of Rights is determined by the average ROFE performance for all three years of the performance period, being from 1 July 2022 to 30 June 2025.
[3] Actual vesting of this Tranche A of Rights is determined by the average ROFE performance for all three years of the performance period, being from 1 July 2023 to 30 June 2026.

Service conditions and cessation of employment	If an LTIP participant resigns or is terminated for cause, any unvested LTIP plan awards will be forfeited, unless otherwise determined by the Board. Any such performance rights will be subject to the original terms and conditions, and discretion of the Board.

4. Company performance and remuneration outcomes

This section summarises remuneration outcomes for FY2024 and provides commentary on their alignment with Company outcomes.

4.1 Five-year Company performance and remuneration outcomes

The table below summarises key indicators of the performance of the Company and relevant shareholder returns over the past five financial years.

		2020	2021	2022	2023	2024
Total comprehensive Income / (loss)	$'000	(10,748)	24,896	42,430	41,825	**40,102**
Earnings Before Interest, Tax and Depreciation & Amortisation (EBITDA) before Individually Significant Items	$'000	59,418	69,148	80,144	88,505	**92,784**[1]
EBITDA after individually significant items	$'000	15,084	69,148	89,077	88,505	**90,012**[2]
Cash flow from operating activities (statutory)	$'000	22,367	85,778	46,588	79,081	**105,056**
Year end closing share price	$	0.72	1.14	1.79	2.00	**2.13**
EBITDA Return on Funds Employed[3]	%	16.0	17.8	24.9	25.6	**25.1**
Return on Funds Employed (ROFE)[4]	%	(2.6)	6.8	10.9	12.2	**11.2**
Dividends paid	$'000	13,226	-	17,253	25,500	**27,320**
TSR[5]	%	(35.5)	67.9	61.8	16.2	**10.8**

[1] *FY24 Non-IFRS measure calculated as Net Profit After Tax (NPAT) of $39.9m adjusted for Net Finance Costs ($7.8m), Tax Expense ($16.2m), Depreciation and Amortisation ($26.1m) and before Individually Significant Items of $2.8m.*

[2] *FY24 EBITDA calculated above including Individually Significant Items of $2.8m.*

[3] *FY24 calculated as underlying EBITDA before Individually Significant Items divided by average Funds Employed for the three-year period.*

[4] *Calculated as underlying NPAT divided by Funds Employed.*

[5] *Total Shareholder Returns (TSR) is calculated as the change in share price for the year plus dividends paid per share for the year, divided by the opening share price, expressed as a percentage.*

4.2 Executive Key Management Personnel Short Term Incentive outcomes for FY2024

The FY2024 STIP outcomes for the KMP are set out in the table below. The outcomes reflect the combination of the overall company performance for the year (financial component) as well as the individual KPI performance for the year (individual component) for each KMP member. The weighting is 70% financial and 30% individual. The threshold for the payment of an individual STIP was not achieved and therefore KMPs were ineligible for a STIP in FY24, despite delivering against individual targets.

	Maximum STIP Opportunity $[1]	Actual 2024 STI$	Actual STIP payment as % of maximum	% of maximum STIP forfeited
Current Executive KMP				
Q L Hildebrand	1,158,750	-	-	100%
R Betts	339,900	-	-	100%
C Klem	156,560	-	-	100%
R Singh	165,600	-	-	100%
S Clowes	148,320	-	-	100%
K Clarke	130,200	-	-	100%

[1] *Maximum financial value applicable to the maximum percentage.*

4.3 Long-term performance and Long-term Incentive outcome

Outcomes for the FY2022 scheme, which were approved by the Board, based on testing at 30 June 2024 are set out as follows:

Tranche	Performance measure[1]	Number of rights on issue	Performance measure outcome	Award	% of rights vested	Number of rights vested
A	ROFE performance	948,045	25.1%	100%	100%	948,045
B	Absolute TSR performance	1,132,487	102%	100%	100%	1,132,487
Total		**2,080,532**			**100%**	**2,080,532**

[1] *The FY2022 scheme is tested as at 30 June 2024 and vests on 1 July 2024.*

5. Non-Executive Director arrangements

5.1 Overview

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Remuneration comprises fixed fees with no incentive-based payments. The current aggregate fee pool for Directors of $850,000 was approved by shareholders at our 2022 Annual General Meeting. The company pays both superannuation and Committee fees to the Directors from this pool. On 28 April 2023, the Board approved a policy that non-executive directors may elect to receive either 10% or 20% of their fee by way of Company securities in lieu of cash. An election must be made by directors at least six months in advance and immediately prior to 1 January and/or immediately prior to 1 July. Elections remain on foot until such time as the director elects to opt out. Opting out requires 6 months' notice and aligns with twice yearly election dates.

5.2 Fees and Other benefits

Fees/Benefits	Description	2024 $
Board fees	Board	105,000
Chair fees	Board	75,000
	Chair Audit and Risk Committee	10,000
	Chair Remuneration, Nomination and People Committee	5,000
Committee Representation	**Audit and Risk Committee** *Chair* – Julie Raffe (from November 2023) *Members* – Mick McMahon, Rhys Jones (from November 2023)	
	Remuneration, Nomination and People Committee *Chair* – Melanie Laing (from November 2023) *Members* – Mick McMahon, Rhys Jones	
	Sustainability Committee (Inaugural meeting held February 2024) *Chair* – Mick McMahon *Members* – Ejnar Knudsen, Melanie Lang	
	Ridley Innovation and Operational Committee (ceased October 2023) *Chair* – Mick McMahon *Members* – Ejnar Knudsen, Melanie Lang	
Payment of Fess	Prior to the start of the financial year, Directors can elect to receive either 10% or 20% of their Board and Committee fees as shares in lieu of cash, which are allocated twice a year following the release of the half and full year results.	
Superannuation	Superannuation contributions are made on behalf of the Directors at a rate of 11% from 1 July 2023 being the current superannuation guarantee contribution rate, subject to a cap at the Maximum Contributions Base.	

6. Remuneration Governance

6.1 The role of the Remuneration, Nomination and People Committee (RNPC)

The Remuneration, Nomination and People Committee supports the Board by overseeing Ridley's people and remuneration related policies, frameworks and practices. Including its Chair, the RNPC has three members, all of whom are independent non-executive directors. In addition, there is a standing invitation to all Board members to attend the RNPC meetings. Management attend RNPC meetings by invitation, but a member of management will not be present when their own remuneration is under discussion.

The Committee makes specific resolutions in its own right and makes recommendations to the Board on:

- Remuneration strategy and framework, including equity plans for employees;
- People policies, including diversity and inclusion, employee engagement, organisational culture, talent management, training and development, and succession planning for the Chief Executive Officer (CEO) and their direct reports;
- Board performance and renewal;
- Complying with legal and regulatory requirements across the jurisdictions in which the Group operates; and
- Supporting the Group's risk management framework.

Executive remuneration and other terms of employment are reviewed annually by the Committee, having regard to performance against objectives and targets set at the start of the financial year, relevant comparative information and independent expert advice.

6.2 Executive and Director share ownership

The Board considers that an important foundation of our Executive remuneration framework is that each Executive and Director accumulate and hold Ridley shares to align their interests as long-term investors. The table below sets out the number of shares held directly and indirectly by Directors and Executive KMP employed as at 30 June 2024:

Non-Executive Directors / Executive KMP	Balance at 1 July 2023	Acquired during the year [1]	Disposed during the year	Holding at date of no longer being a KMP	Balance at 30 June 2024
Non-Executive Directors					
M P McMahon	541,750	14,513	-	-	556,263
P M Mann	99,044	-	-	99,044	-
R J van Barneveld	83,053	-	-	83,053	-
E Knudsen	703,286	-	-	-	703,286
R Jones	115,000	9,391	-	-	124,391
J Raffe	25,906	9,053	-	-	34,959
M Laing	-	16,323	-	-	16,323
Executive KMP					
Q L Hildebrand	1,351,699	1,437,134	-	-	2,788,833
R Betts	91,227	5,635	-	-	96,862
C Klem	202,492	261,556	-	-	464,048
R Singh	-	270,055	(90,018)	-	180,037
S Clowes	-	-	-	-	-
K Clarke	-	-	-	-	-

[1] *Includes any shares acquired by way of equity-based remuneration.*

7. Statutory tables and disclosures

7.1 Executive service agreements

The main terms of service agreements for executive KMP as at 30 June 2024 are set out in the table below.

Basis of contract	Conditions
Notice period to be provided by Executive	CEO: twelve months. Other executive KMP: ranges from three and six months.
Notice period to be provided by Ridley	CEO: twelve months. Other executive KMP: ranges from three and six months.
Termination benefits for cause	Statutory entitlements only.
Termination benefits for resignation	Notice as above or payment in lieu of notice that is not worked; current year STIP forfeited; unvested equity lapses; statutory entitlements. STIP and/or LTIP benefits may be retained at the discretion of the Board
Termination benefits for other than resignation or cause	Notice as above or payment in lieu of notice that is not worked. Redundancy payments not in excess of 52 weeks.
Remuneration	Remuneration is reviewed annually or as required to maintain alignment with policy and benchmarks.

7.2 Executive KMP statutory remuneration

	Short-term benefits			Post-Employment			
	Cash Salary $	STIP $	Other[1] $	Super-annuation $	Share Based Payments Expense $	Total $	Proportion of remuneration performance related (%)
Current Executive KMP							
Q L Hildebrand							
2024	**745,000**	**-**	**1,070,343**	**27,500**	**1,091,772**	**2,934,615**	**37%**
2023	722,500	637,500	49,212	27,500	594,621	2,031,333	61%
R Betts							
2024	**539,000**	**-**	**2,958**	**27,500**	**290,985**	**860,443**	**34%**
2023	498,512	305,250	44,200	25,292	216,928	1,090,182	48%
C Klem							
2024	**372,300**	**-**	**(10,284)**	**27,500**	**119,241**	**508,758**	**23%**
2023	352,500	129,200	5,190	27,500	112,485	626,875	39%
R Singh							
2024	**386,500**	**-**	**73,871**	**27,500**	**123,973**	**611,844**	**20%**
2023	372,500	148,000	(2,621)	27,500	117,043	662,422	40%
S Clowes							
2024	**343,300**	**-**	**2,787**	**27,500**	**39,423**	**413,009**	**10%**
2023	100,243	-	2,699	10,526	-	113,468	-%
K Clarke							
2024	**298,000**	**-**	**18,872**	**27,500**	**97,907**	**442,279**	**22%**
2023	280,543	114,700	(4,171)	29,457	72,175	492,704	38%
Total Current Executive KMP							
2024	**2,684,100**	**-**	**1,158,547**	**165,000**	**1,763,301**	**5,770,948**	
2023	2,326,798	1,334,650	94,509	147,775	1,113,252	5,016,984	
Former Executive KMP							
H Slattery[2]							
2023	176,012	-	-	19,638	57,795	253,445	23%
Total							
2024	**2,684,100**	**-**	**1,158,547**	**165,000**	**1,763,301**	**5,770,948**	
2023	2,502,810	1,334,650	94,509	167,413	1,171,047	5,270,429	

[1] *Includes movement in leave provisions, grossed up fringe benefits, and allowances incurred through salary sacrifice. In addition, Mr Hildebrand received a payment of $1,000,000 as part of a Special Retention Plan (SRP) and Ms Clarke received $25,000 on the completion of the OMP acquisition.*

[2] *KMP until 15 February 2023.*

7.3 Summary of awards held under Ridley's Executive equity arrangements

	Grant date	Rights granted	Rights exercised	Rights lapsed	Rights balance at 30 June 2024	Fair value of Rights at Grant date ($)
Current Executive KMP						
Q L Hildebrand[1]						
FY24 Plan[2]	1 Jul 2023[3]	669,648	-	-	669,648	787,034
FY24 SRP[2]	1 Jul 2023[3]	1,500,000	-	-	1,500,000	1,890,000
FY23 Plan	1 Jul 2022[4]	716,905	-	-	716.905	690,759
FY22 Plan[6]	1 Jul 2021[5]	1,045,173	-	-	1,045,173	638,171
FY21 Plan	1 Jul 2020	1,566,108	(1,437,134)	(128,974)	-	663,531
R Betts						
FY24 Plan	1 Jul 2023[3]	288,868	-	-	288,868	363,974
FY23 Plan	1 Jul 2022[4]	309,253	-	-	309,253	324,716
FY22 Plan[6]	1 Jul 2021[5]	483,036	-	-	483,036	326,068
C Klem						
FY24 Plan	1 Jul 2023[3]	119,749	-	-	119,749	150,884
FY23 Plan	1 Jul 2022[4]	128,199	-	-	128,199	134,609
FY22 Plan[6]	1 Jul 2021[5]	193,950	-	-	193,950	130,916
FY21 Plan	1 Jul 2020[6]	290,618	(261,556)	(29,062)	-	129,325
R Singh						
FY24 Plan	1 Jul 2023[3]	126,663	-	-	126,663	159,956
FY23 Plan	1 Jul 2022[4]	134,947	-	-	134,947	141,694
FY22 Plan[6]	1 Jul 2021[5]	200,252	-	-	200,252	135,170
FY21 Plan	1 Jul 2020[6]	300,061	(270,055)	(30,006)	-	133,527
S Clowes						
FY24 Plan	1 Jul 2023[3]	113,446	-	-	113,446	142,942
K Clarke						
FY24 Plan	1 Jul 2023[3]	99,587	-	-	99,587	125,479
FY23 Plan	1 Jul 2022[4]	104,584	-	-	104,584	109,813
FY22 Plan[6]	1 Jul 2021[5]	158,093	-	-	158,093	106,713

[1] Executive Director Long Term Incentive Plan holding split 41% Tranche A and 59% Tranche B. Other Executive KMP Long Term Incentive Plan holdings split equally between the two tranches A and B.

[2] Rights granted comprised of 669,648 Long Term Incentive Plan rights and 1,500,000 Special Purpose Retention Rights granted, with holdings split equally between the two tranches A and B.

[3] The Fair Value per Right at the grant date was $1.74 for Tranche A Rights before adjusting for the initial assessment of the likelihood of exceeding the ROFE performance hurdle and $0.78 for Tranche B Rights

[4] The Fair Value per Right at the grant date was $1.54 for Tranche A Rights before adjusting for the initial assessment of the likelihood of exceeding the ROFE performance hurdle and $0.56 for Tranche B Rights

[5] The Fair Value per Right at the grant date was $1.04 for Tranche A Rights before adjusting for the initial assessment of the likelihood of exceeding the ROFE performance hurdle and $0.31 for Tranche B Rights.

[6] The FY22 Plan is tested as at 30 June 2024 and vests on 1 July 2024. Refer 4.3 for summary of the Long-Term Incentive Plan outcomes.

7.4 Non-Executive Director statutory remuneration

	Short term		Post-employment benefits	
	Board and committee fees $	Non-monetary benefit[1] $	Superannuation contributions $	Total $
Current Directors				
M P McMahon, Chairman				
2024	**129,910**	**32,455**	**17,863**	**180,227**
2023	163,864	-	17,206	181,070
R Jones				
2024	**84,000**	**21,000**	**-**	**105,000**
2023	96,275	-	-	96,275
E Knudsen				
2024	**105,000**	**-**	**-**	**105,000**
2023	96,275	-	-	96,275
M Laing				
2024	**73,907**	**9,459**	**6,070**	**89,436**
2023	-	-	-	-
J Raffe				
2024	**81,492**	**20,262**	**11,205**	**112,960**
2023	76,430	-	8,025	84,455
Total Current Directors				
2024	**474,309**	**83,177**	**35,138**	**592,623**
2023	432,844	-	25,231	458,075
Former Directors				
P M Mann[2]				
2024	**39,715**	**-**	**4,369**	**44,083**
2023	96,514	-	10,134	106,648
R J van Barneveld[3]				
2024	**47,019**	**-**	**-**	**47,019**
2023	103,925	-	-	103,925
D J Lord[4]				
2023	**35,810**	**-**	**3,760**	**39,570**
Total				
2024	**561,043**	**83,117**	**39,506**	**683,725**
2023	669,093	-	39,125	708,218

[1] *Represents the value of Board and Committee fees taken as shares in lieu of cash.*

[2] *Director until 20 November 2023.*

[3] *Director until 20 November 2023.*

[2] *Director until 24 November 2022.*

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ridley Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Ridley Corporation Limited for the financial year ended 30 June 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

J.Carey.

KPMG

Julie Carey

Partner

Melbourne

21 August 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Revenue	1	**1,262,897**	1,260,133
Cost of sales		**(1,146,961)**	(1,148,775)
Gross profit		**115,936**	111,358
Other income		**441**	328
Selling and distribution expenses		**(15,163)**	(13,669)
General and administrative expenses		**(37,330)**	(34,295)
Operating profit		**63,884**	63,722
Finance income	9(c)	**785**	397
Finance costs	9(c)	**(8,608)**	(5,484)
Net finance costs	9(c)	**(7,823)**	(5,087)
Profit before income tax expense		**56,061**	58,635
Income tax expense	8(b)	**(16,208)**	(16,810)
Profit after income tax		**39,853**	41,825
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Net gain on cash flow hedges, net of tax		**249**	-
Other comprehensive income for the year, net of tax		**249**	-
Total comprehensive income for the year		**40,102**	41,825
Total comprehensive income for the year attributable to:			
Ridley Corporation Limited		**40,102**	41,825
Earnings per share		**cents**	**cents**
Basic earnings per share	2	**12.6c**	13.1c
Diluted earnings per share	2	**12.2c**	12.7c

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Current assets			
Cash and cash equivalents	9	34,196	43,023
Trade and other receivables	3	134,995	132,952
Inventories	3	105,338	107,049
Tax asset		-	705
Derivative financial instruments	11(f)	414	58
Total current assets		**274,943**	283,787
Non-current assets			
Property, plant and equipment	4	281,637	258,617
Intangible assets	5	107,626	73,988
Deferred tax asset	8	-	1,309
Other receivables		175	-
Total non-current assets		**389,438**	333,914
Total assets		**664,381**	617,701
Current liabilities			
Trade and other payables	3	220,406	205,189
Interest bearing liabilities	9	5,092	4,160
Provisions	17	14,635	15,636
Tax liabilities		4,973	-
Total current liabilities		**245,106**	224,985
Non-current liabilities			
Interest bearing liabilities	9	93,202	77,005
Deferred tax liabilities	8(d)	2,578	-
Provisions	17	376	325
Total non-current liabilities		**96,156**	77,330
Total liabilities		**341,262**	302,315
Net assets		**323,119**	315,386
Equity			
Share capital	10	218,090	218,090
Reserves		(462)	(1,889)
Retained earnings		105,491	99,185
Total equity		**323,119**	315,386

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Share Capital $'000	Share Based Payments Reserve $'000	Treasury Shares Reserve $'000	Cash flow hedge Reserve $'000	Retained Earnings $'000	Total $'000
2024						
Opening balance at 1 July 2023	**218,090**	**4,227**	**(6,115)**	-	**99,185**	**315,386**
Profit for the year	-	-	-	-	**39,853**	**39,853**
Other Comprehensive (Loss) / Income	-	-	-	**249**	-	**249**
Total Comprehensive (Loss) / Income for the year	-	-	-	**249**	**39,853**	**40,102**
Transactions with owners recognised directly in equity:						
Dividends paid / declared	-	**245**	-	-	**(27,320)**	**(27,075)**
Shares purchased on market[1]	-	-	**(7,905)**	-	-	**(7,905)**
Shares released for LTIP[2]	-	-	**9,000**	-	**(9,000)**	-
Transfer to Retained Earnings	-	**(2,773)**	-	-	**2,773**	-
Share based payment transactions	-	**2,610**	-	-	-	**2,610**
Total transactions with owners recognised directly in equity	-	**82**	**1,095**	-	**(33,547)**	**(32,370)**
Balance at 30 June 2024	**218,090**	**4,309**	**(5,020)**	**249**	**105,491**	**323,119**
2023						
Balance at 1 July 2022	225,114	3,146	-	-	87,770	316,030
Profit after income tax expense	-	-	-	-	41,825	41,825
Other Comprehensive (Loss) / Income	-	-	-	-	-	-
Total Comprehensive (Loss) / Income for the year	-	-	-	-	41,825	41,825
Transactions with owners recognised directly in equity:				-		
Dividends paid / declared	-	261	-	-	(25,500)	(25,239)
Treasury share buyback	-	-	(20,314)	-	-	(20,314)
Treasury shares cancelled	(7,024)	-	7,024	-	-	-
Shares released for LTIP	-	-	7,175	-	(7,175)	-
Transfer to Retained Earnings	-	(2,264)	-	-	2,264	-
Share based payment transactions	-	3,084	-	-	-	3,084
Total transactions with owners recognised directly in equity	(7,024)	1,081	(6,115)	-	(30,410)	(42,468)
Balance at 30 June 2023	**218,090**	**4,227**	**(6,115)**	-	**99,185**	**315,386**

[1] *During FY24, the Group purchased its own shares on-market at a value of $7.9m for the purpose of allocating these shares to eligible employees as a part of the Group's Long-Term Incentive Plan.*

[2] *During FY24, the Group awarded $9.0m value for the FY21 LTIP to eligible employees.*

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers		1,392,762	1,393,158
Payments to suppliers and employees		(1,269,868)	(1,287,732)
Other income received		441	206
Interest paid		(7,970)	(4,983)
Interest received		785	397
Income taxes paid		(11,094)	(21,965)
Net cash from operating activities		**105,056**	79,081
Cash flows from investing activities			
Payments for property, plant and equipment		(30,867)	(34,270)
Payments for intangibles		(2,254)	(500)
Payments for purchase of business		(53,048)	-
Net cash from / (used in) investing activities		**(86,169)**	(34,770)
Cash flows from financing activities			
LTIP share purchase		(7,905)	(13,291)
Share buyback		-	(7,023)
Proceeds from loans and borrowings		95,000	42,500
Repayment of borrowings		(82,500)	(20,294)
Dividends paid	10(c)	(27,074)	(25,239)
Payment of lease liabilities		(5,235)	(5,019)
Net cash used in financing activities		**(27,714)**	(28,366)
Net movement in cash held		**(8,827)**	15,945
Cash at the beginning of the financial year		**43,023**	27,078
Cash at the end of the financial year	9(a)	**34,196**	43,023

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Overview

Ridley Corporation Limited (the Company) is a company limited by shares, incorporated and domiciled in Australia. The address of the Company's registered office is Level 9, South Tower Rialto, 525 Collins Street, Melbourne VIC 3000. The nature of the operations and principal activities of the Company are described in the segment information in Note 1.

On 21 August 2024, the Directors resolved to authorise the issue of these consolidated general purpose financial statements for the year ended 30 June 2024.

Basis of preparation

This is a general-purpose Financial Report which has been prepared by a for-profit entity in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 and complies with the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board.

The financial statements are presented in Australian dollars with all amounts rounded off, except where otherwise stated, to the nearest thousand dollars, in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016.

Ridley's Directors have included information in this report that they deem to be material and relevant to the understanding of the consolidated financial statements. Where appropriate, comparative information has been reclassified to conform to changes in presentation and to enhance comparability.

Disclosure may be considered material and relevant if the dollar amount is significant due to size or nature, or the information is important to understand the:

- Group's current year results
- impact of significant changes in Ridley's business
- aspects of the Group's operations that are important to future performance.

Functional and presentation currency

The Company's functional and presentation currency is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and Balances

Transaction in currencies other than the functional currency of the Company or entity concerned are recorded using the exchange rate on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

Consolidation of Group entities

The assets and liabilities of foreign operations are translated into Australian dollars at the exchange rates prevailing at balance date. The income and expenses of foreign operations are translated into Australian dollars at the exchange rates prevailing at the date of the transactions.

Judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity are set out in more detail in Note 4 – Property, plant and equipment, Note 6 – Impairment testing of assets and Note 13 – Business combinations – provisional.

Changes in accounting policies

The Group has applied for the first-time certain standards and amendments which are effective for annual reporting periods on or after 1 July 2023, including those set out below.

Amendments to AASB 101: Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies

The amendments change the requirements in AASB 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in AASB 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

AASB 2023-2: International Tax Reform - Pillar Two Model Rules

AASB 2023-2 amends AASB 112 Income Taxes to introduce a mandatory temporary exemption to accounting for deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD); and targeted disclosure requirements to help financial statement users better understand an entity's exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect.

Accounting standards issued but not yet operative

The AASB has issued several new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below. The Group does not expect adoption of the following standards to have a material impact on the financial statements.

Amendments to AASB 101: Classification of Liabilities as Current or Non-current

The amendments are applicable for annual reporting periods beginning on or after 1 January 2024, and are applied retrospectively. This amendment will only affect the presentation of liabilities as current or non-current in the statement of financial position. The reported profit or loss and financial position is not expected to change on adoption of this amendment as it does not result in any changes to the Group's existing accounting policies.

AASB 18: Presentation and Disclosure in Financial Statements

The AASB has issued a new standard, AASB 18, which aims to provide greater consistency in presentation of income and cash flow statements, and more disaggregated information. The standard will change the way companies present their results on the face of the income statement and disclose information in the notes to the financial statements. Certain 'non-GAAP' measures - management performance measures (MPMs) will now form part of the audited financial statements. There will be three new categories of income and expenses, two defined income statement subtotals and one single note on management-defined performance measures. This new standard will be applicable for annual reporting periods beginning on or after 1 January 2027, and will be applied retrospectively.

The Group has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

New sustainability reporting standards

The Australian sustainability reporting standards (ASRS) are still being finalised, however disclosures are expected to be closely aligned with the ISSB Standards, with Australian equivalents to be set by the AASB considering Australian-specific requirements. Based on the current proposals, the climate related disclosure requirements are expected to first apply to the Group for the financial year ended 30 June 2026.

Section A. Financial Performance

A key element of Ridley's strategy is to create sustainable shareholder value. This section highlights the results and performance of the Group for the year ended 30 June 2024.

1. Segment Report

(a) Identification and description of segments

Ridley's reportable segments are based on internal reporting to the Group's Chief Operating Decision Maker (the Group's Managing Director and Chief Executive Officer).

The CEO monitors results by reviewing the reportable segments on a product perspective as outlined in the table below.

Reportable segment	Products / services	Countries of operation
Packaged Feeds and Ingredients	Manufacture and supply premium quality, high performance animal nutrition feed and ingredient solutions delivered in packaged form ranging from 1 tonne bulka bag down to 3kg bags.	• Australia • New Zealand • Thailand
Bulk Stockfeeds	Manufacture and supply premium quality, high performance animal nutrition stockfeed solutions delivered in bulk.	• Australia

(b) Reportable segments

2024 financial year in $'000	Bulk Stockfeeds	Packaged / Ingredients	Corporate	Consolidated
Revenue	**886,588**	**376,309**	**-**	**1,262,897**
Earnings before significant items, interest, tax depreciation and amortisation	**44,373**	**59,730**	**(11,319)**	**92,784**
Depreciation and amortisation	**(16,257)**	**(9,859)**	**(12)**	**(26,128)**
Finance costs (Note 9(c))	**-**	**-**	**(7,823)**	**(7,823)**
Reportable segment profit/(loss) before income tax and individually significant items	**28,116**	**49,871**	**(19,154)**	**58,833**
Individually significant items	**-**	**-**	**(2,772)**	**(2,772)**
Reportable segment profit/(loss) before income tax	**28,116**	**49,871**	**(21,926)**	**56,061**
Total segment assets	**316,814**	**290,934**	**56,633**	**664,831**
Segment liabilities	**(189,932)**	**(55,187)**	**(96,143)**	**(341,262)**
Acquisition of assets[1]	**26,901**	**56,093**	**-**	**82,994**

[1] *Acquisitions include property, plant and equipment, right of use assets, intangibles and assets associated with the acquisition of OMP.*

(b) Reportable segments (continued)

2023 financial year in $'000	Bulk Stockfeeds	Packaged / Ingredients	Corporate	Consolidated
Revenue	869,958	390,175	-	1,260,133
Earnings before significant items, interest, tax depreciation and amortisation	36,013	65,794	(13,304)	88,503
Depreciation and amortisation	(15,428)	(9,336)	(17)	(24,781)
Finance costs (Note 9(c))	-	-	(5,087)	(5,087)
Reportable segment profit/(loss) before income tax and individually significant items	20,584	56,458	(18,408)	58,635
Individually significant items	-	-	-	-
Reportable segment profit/(loss) before income tax	20,584	56,458	(18,408)	58,635
Total segment assets	299,809	250,642	67,250	617,701
Segment liabilities	(171,296)	(55,668)	(75,351)	(302,315)
Acquisition of assets[1]	20,855	14,649	4	35,509

[1] *Acquisitions include property, plant and equipment and intangibles.*

(c) Individually significant items

	2024			2023		
	Gross $'000	**Tax $'000**	**Net $'000**	**Gross $'000**	**Tax $'000**	**Net $'000**
Profit after income tax includes the following individually significant items of expense:						
Acquisition transaction costs[1]	(2,402)	218	(2,184)	-	-	-
Land management costs[2]	(370)	111	(259)	-	-	-
Total	**(2,772)**	**329**	**(2,432)**	-	-	-

[1] *Transaction costs associated with the acquisition of Oceania Meat Processors (OMP).*

[2] *The Group incurred additional costs in FY24 associated with the FY21 sale of Moolap land, the net gain was reported as an individually significant item.*

(d) Geographical segments

The presentation of geographical revenue is based on the geographical location of customers. Segment non-current assets are based on the geographical location of the assets.

	Revenue		Non-current assets	
	2024	2023	2024	2023
Australia	**1,242,070**	1,255,945	**258,407**	234,581
United States	**13,837**	-	**-**	-
New Zealand	**1,238**	-	**1,376**	-
Thailand	**-**	-	**21,854**	24,036
Other[1]	**5,752**	4,188	**-**	-
Total	**1,262,897**	1,260,133	**281,637**	258,617

[1] *FY24 includes New Caledonia ($2.1m), Japan ($1.3m), Tahiti ($1.1m), Mexico ($0.8m) and other countries ($0.5m).*

(e) Major customers

The Group conducts business with two customers (2023: two) where the revenue generated from each customer exceeds 10% of the Group's revenue. Revenue from these two customers was:

	2024 $'000	2023 $'000
Customer A	**200,674**	198,706
Customer B	**175,956**	139,239
Total	**376,630**	337,945

Revenue recognition and measurement

For the sale of product, the Group generally has one performance obligation. Consequently, revenue is currently recognised when the product is either collected from the Ridley premises or delivered to the customers' premises, which are taken to be the points in time at which the customer accepts the product and the performance obligation has been met when the control transfers. Revenue is recognised at these points, depending on agreed terms, provided that the revenue and costs can be measured reliably, the recovery of the consideration is probable and there is no continuing management involvement with the goods.

2. Earnings per share (EPS)

(i) As reported in the income statement

	2024 $'000	2023 $'000
Earnings used in the calculation of basic and diluted EPS:		
Profit after income tax expense	**39,853**	41,825
Individually significant items after income tax expense	**2,432**	-
Profit after income tax expense before individually significant items	**42,285**	41,825
Weighted average number of ordinary shares for basic EPS	**315,832,713**	315,832,713
Dilution due to share options and rights	**10,334,342**	14,324,519
Weighted average number of ordinary shares for diluted EPS	**326,167,055**	330,157,232
Earnings per share		
Basic earnings per share	**12.6**	13.1
Diluted earnings per share	**12.2**	12.7
Basic earnings per share, before significant items	**13.4**	13.1
Diluted earnings per share, before significant items	**13.0**	12.7

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares on issue during the financial year.

There were no Ridley shares issued in FY24.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Section B. Operating assets and liabilities

This section highlights the primary operating assets used and liabilities incurred to support the Group's operating activities.

Liabilities relating to the Group's financing activities are disclosed in Section D, whilst information pertaining to deferred tax assets and liabilities is provided in Section C.

3. Working capital

Working capital includes current receivables, inventories and payables that arise from normal trading conditions.

	2024 $'000	2023 $'000
Trade and other receivables	**134,995**	132,952
Inventories	**105,338**	107,049
Trade and other payables	**(220,406)**	(205,188)
Working capital	**19,927**	34,813

3.1 Trade and other receivables

	2024 $'000	2023 $'000
Current		
Trade debtors	**132,170**	122,154
Less: Allowance for impairment loss on trade receivables (a)	**(92)**	(226)
	132,078	121,928
Prepayments and other receivables	**2,917**	11,024
	134,995	132,952

Recognition and measurement

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less the provision for impairment loss. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

Under the requirements of AASB 9 *Financial Instruments*, the Group adopts a forward-looking credit loss (**ECL**) approach, whereby the Group records an allowance for ECLs for all loans and other debt financial assets, including Trade and other receivables. For Trade and other receivables, the Group applies the standard's simplified approach and calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. A provision has been recognised, determined with reference to forward looking ECL.

(a) Movement in the allowance for impairment loss:

	2024 $'000	2023 $'000
Balance brought forward at 1 July	**226**	144
Provision raised / (reversed) during the year	**(72)**	211
Receivables written off during the year	**(62)**	(129)
Balance carried forward at 30 June	**92**	226

As at 30 June 2024, a provision for impairment loss of $92 thousand (2023: $226 thousand) was raised against trade receivables. This is considered to be adequate provision against the balance of any overdue receivables to the extent they are not covered by collateral and/or credit insurance. Based on historic default rates and having regard to the ageing analysis referred to immediately below, the Group believes that, apart from those trade receivables which have been impaired, no further impairment allowance is necessary in respect of trade receivables not past due or past due by up to 30 days, as receivables relate to customers that have a good payment record with the Group.

The Group's policy is to write off debts when there is no longer a reasonable expectation of recovery. Debts that are written off are still subject to enforcement activity.

Concentration of risk

Within the Trade Debtors ledger at 30 June 2024, the top 5 customer balances represent 36% (2023: 40%) of the total, and the top 20 represent 61% (2023: 63%).

Ageing Analysis

At 30 June 2024, the age profile of trade receivables that were past due amounted to $8.0m (2023: $5.7m) as shown in the following table.

The ageing analysis of trade receivables is shown as follows:	2024 $'000	2023 $'000
Past due by 1-30 days	**6,278**	4,316
Past due by 31-60 days	**1,130**	534
Past due by 61-90 days	**179**	638
Past due by greater than 90 days	**394**	379
	7,981	5,868

3.2 Inventories

	2024 $'000	2023 $'000
Raw materials - at cost	**53,354**	59,838
Finished goods - at cost	**42,084**	41,483
- at net realisable value	**9,900**	5,727
	105,338	107,049

Recognition and measurement

Inventory included in cost of goods sold equals $1,147m for FY24 (FY23 $1,148m). Included in this number are write-downs of inventories to net realisable value of $0.6m (2023: $0.9m).

Inventories are measured at the lower of cost and net realisable value. Cost is based on a first in, first out and weighted average cost methods. Costs included in inventories consist of materials, labour and manufacturing overheads which are related to the purchase and production of inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.3 Trade and other payables

	2024 $'000	2023 $'000
Current		
Trade creditors and accruals	155,408	159,539
Other financial liability – trade payables facility	64,998	45,650
	220,406	**205,189**

Recognition and measurement

Trade creditors and accruals are recognised when the Group is required to make future payments as a result of the purchase of goods or as services provided prior to the end of the reporting period. The carrying amount of trade payables approximates their fair values due to their short-term nature.

Trade Payables Facility

The Group has a trade payable facility which is an unsecured funding arrangement for the purposes of funding trade related payments associated with the purchase of various raw materials from approved suppliers. Trade bills of exchange are paid by the facility direct to the importer and the Group pays the facility on 180-day terms within an overall facility limit of $65,000,000 (2023: $50,000,000). The amount utilised and recorded within trade creditors at 30 June 2024 was $64,998,551 (2023: $45,650,084).

4. Property, plant and equipment

2024 ($'000)	Land and Buildings	Plant and Equipment	Capital work in progress	Right of use assets	Total
Cost at 1 July 2023	89,504	337,287	44,077	27,444	498,312
Accumulated depreciation	(17,545)	(203,312)	-	(18,839)	(239,695)
Carrying amount at 1 July 2023	**71,959**	**133,975**	**44,077**	**8,606**	**258,617**
Additions	-	-	30,867	6,595	37,462
Acquisitions through business combinations	3,316	3,945	-	2,647	9,908
Transfers	5,107	36,329	(41,436)	-	-
Other lease movements	-	-	-	200	200
Disposals	-	-	-	-	-
Depreciation	(2,347)	(17,406)	-	(4,795)	(24,548)
Carrying amount at 30 June 2024	**78,035**	**156,843**	**33,508**	**13,252**	**281,638**
At 30 June 2024					
Cost	97,927	377,561	33,508	36,886	545,882
Accumulated depreciation	(19,892)	(220,718)	-	(23,634)	(264,244)
Carrying amount at 30 June 2024	**78,035**	**156,843**	**33,508**	**13,252**	**281,638**

2023 ($'000)	Land and Buildings	Plant and Equipment	Capital work in progress	Right of use assets	Total
Cost at 1 July 2022	85,804	319,617	31,177	25,968	462,566
Accumulated depreciation	(15,424)	(185,988)	-	(14,251)	(215,663)
Carrying amount at 1 July 2022	**70,380**	**133,629**	**31,177**	**11,717**	**246,902**
Additions	-	-	34,451	1,476	35,927
Transfers	3,703	17,849	(21,551)	-	-
Other lease movements	-	-	-	-	-
Disposals	(3)	(178)	-	-	(181)
Depreciation	(2,121)	(17,324)	-	(4,588)	(24,032)
Carrying amount at 30 June 2023	**71,959**	**133,975**	**44,077**	**8,606**	**258,617**
At 30 June 2023					
Cost	89,504	337,287	44,077	27,444	498,312
Accumulated depreciation	(17,545)	(203,312)	-	(18,839)	(239,695)
Carrying amount at 30 June 2023	71,959	133,975	44,077	8,606	258,617

Capital expenditure commitments

Capital expenditure on property, plant and equipment at cost less accumulated depreciation for but not provided for and payable no later than one year was $13.7m (2023: $18.0m).

Recognition and measurement

Property, plant and equipment is measured at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Capital work in progress are assets under construction and therefore not yet depreciated. The cost of construction for includes the cost of materials used in construction, direct labour on the project, and an allocation of overheads.

The right of use asset at initial recognition reflects the lease liability adjusted for any lease payments made before the commencement date plus and make good obligations and initial direct costs incurred.

Judgements and estimates

Management reviews the appropriateness of useful lives at least annually, any changes to useful lives may affect prospective deprecation rates and asset carrying values. Depreciation is recorded on a straight-line basis using the following useful lives, being 13-40 years for buildings and 2-30 years for plant and equipment.

5. Intangible assets

2024 ($'000)	Soft-ware	Customer Relation-ships	Goodwill	Contracts	Assets under develop-ment	Total
Cost at 1 July 2023	18,627	-	69,904	2,685	5,000	96,216
Accumulated amortisation and impairment	(17,784)	-	(953)	(2,505)	(987)	(22,228)
Carrying amount at 30 June 2024	**843**	**-**	**68,951**	**180**	**4,013**	**73,988**
Additions	1,871	-	-	-	383	2,254
Acquisitions through business combinations	-	15,197	17,947	-	-	33,144
Disposals	-	-	-	-	-	-
Amortisation charge	(1,007)	(332)	-	(180)	(240)	(1,759)
Carrying amount at 30 June 2024	**1,707**	**14,865**	**86,898**	**-**	**4,156**	**107,626**
At 30 June 2024						
Cost	20,498	15,197	87,851	2,685	5,383	131,614
Accumulated amortisation and impairment	(18,791)	(332)	(953)	(2,685)	(1,227)	(23,988)
Carrying amount at 30 June 2024	**1,707**	**14,865**	**86,898**	**-**	**4,156**	**107,626**

2023 ($'000)	Soft-ware	Customer Relation-ships	Goodwill	Contracts	Assets under develop-ment	Total
Cost at 1 July 2022	18,093	-	69,904	2,685	4,997	95,678
Accumulated amortisation and impairment	(17,275)	-	(953)	(1,733)	(746)	(20,706)
Carrying amount at 30 June 2022	818	-	68,951	952	4,251	74,972
Additions	534	-	-	-	3	537
Disposals	-	-	-	-	-	-
Amortisation charge	(509)	-	-	(772)	(240)	(1,521)
Carrying amount at 30 June 2023	843	-	68,951	180	4,013	73,988
At 30 June 2023						
Cost	18,627	-	69,904	2,685	5,000	96,216
Accumulated amortisation and impairment	(17,784)	-	(953)	(2,505)	(987)	(22,228)
Carrying amount at 30 June 2023	843	-	68,951	180	4,013	73,988

Recognition and measurement

Software
Capitalised Intangible Software, excluding Software-as-a-Service, has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. The cost of system development, including purchased software, is capitalised and amortised over the estimated useful life, being three to eight years. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Goodwill
Where the fair value of the consideration paid for a business acquisition exceeds the fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is treated as goodwill. Goodwill is not amortised but the recoverable amount is tested for impairment at least annually.

The Group has two reporting segments namely Packaged and Ingredients and Bulk Stockfeed. The Cash Generating Unit (CGU) or group of CGUs that makes up the "Packaged and Ingredients" reportable segments are Ingredients Recovery, Extrusion and Aqua Nutrition and Supplements. For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs / operating segments as follows:

	2024 **$'000**	**2023** **$'000**
Packaged and Ingredients: Ingredients Recovery	74,564	56,616
Bulk Stockfeed	12,334	12,334
Total	**86,898**	68,950

Contracts

Amortisation methods, useful lives and residual values are and were reviewed at each financial year end and adjusted if appropriate. Contracts are amortised as a reduction in revenue.

Assets under development

Assets under development as at 30 June 2024 comprised the cumulative value of the five year NovaqPro® alliance with CSIRO under which the Group contributed $1.0m per annum and CSIRO an equivalent value in kind.

Amortisation

Amortisation is calculated to write off the cost of the Intangible assets less their residual values using the straight line method over their estimated useful lives, and is generally recognised in Profit or Loss.

6. Impairment testing of assets

Recognition and measurement

Methodology
Formal impairment tests are carried out annually for goodwill. In addition, formal impairment tests for all assets are performed when there is an indication of impairment. The Group conducts an internal review of asset values at each reporting period, which is used as a source of information to assess for any indications of impairment. External factors, such as changes in expected future prices, costs and other market factors, are also monitored to assess for indications of impairment. If any such indication exists, an estimate of the asset's recoverable amount is calculated.

The recoverable amount is determined using the higher of value in use or fair value less costs to dispose. Value in use is the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. Value in use is determined by applying assumptions specific to the Group's continued use and does not consider future development. The value in use calculations use cash flow projections which do not exceed five years based on actual operating results and the operating budgets approved by the Board of Directors. Growth rates are specific to individual cash-generating units (CGUs) and reflect expected future market and economic conditions. Fair value less costs to dispose is the value that would be received in exchange for an asset in an orderly transaction.

The discount rates applied to the post-tax cash flows are derived using the weighted average cost of capital methodology. Adjustments to the rates are made for any risks that are not reflected in the underlying cash flows. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBIT growth rate.

In testing for indications of impairment and performing impairment calculations, assets are considered as collective groups and referred to as CGUs. CGUs are the smallest identifiable group of assets, liabilities and associated goodwill that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets with each CGU being no larger than a segment. CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The test of goodwill and its impairment is undertaken at the operating segment level.

Key assumptions

The key assumptions for Packaged and Ingredients: Ingredient Recovery (Group of CGUs) and Bulk Stockfeed used in the estimation of value in use were as follows:

	Goodwill Allocation $'000	Post-tax discount rate (%)	Terminal growth rate (%)
2024			
Packaged and Ingredients: Ingredient Recovery	**74,564**	**8.0**	**2.0**
Bulk Stockfeed	**12,334**	**8.0**	**2.0**
2023			
Packaged and Ingredients: Ingredient Recovery	56,616	8.0	2.0
Bulk Stockfeed	12,334	8.0	2.0

Increases in discount rates or changes in other key assumptions such as operating conditions or financial performance, may cause the recoverable amount to fall below the carrying values.

Based on current economic conditions and CGU/Group of CGUs performance, there are no reasonably possible changes to key assumptions used in the determination of CGU/Group of CGUs recoverable amounts that would result in an impairment.

Impairments during the year

There have been no impairments raised in the 2024 financial year.

7. Leases

While the majority of the Group's operations are conducted on sites owned by the group, the Group leases certain sites and warehouses on long term lease periods of up to ten years in duration, preferably with options for Ridley to renew in order to provide operational flexibility. Each lease is negotiated in the context of market conditions and unique terms and conditions as offered by the individual lessor.

The Group leases motor vehicles and certain items of mobile plant under a number of different lease arrangements with external fleet management entities. The Group leases certain IT equipment with contract terms of up to three years. Respectively, these leases are considered to be short term and for low value individual items.

a) Right-of-use assets

2024 ($'000)	Property	Motor vehicles	Plant	Total
At 30 June 2024				
Carrying amount	11,056	3,280	3,711	18,047
Accumulated depreciation	(2,562)	(1,101)	(1,132)	(4,795)
Net carrying amount	8,494	2,179	2,579	13,252
Movement				
Carrying amount at the beginning of the year	5,570	1,124	1,911	8,605
Additions	3,296	1,887	1,412	6,595
Acquisitions through business combinations	2,190	110	347	2,647
Execution of extension option	-	159	41	200
Depreciation	(2,562)	(1,101)	(1,132)	(4,795)
Balance as at 30 June 2024	**8,494**	**2,179**	**2,579**	**13,252**

2023 ($'000)	Property	Motor vehicles	Plant	Total
At 30 June 2023				
Carrying amount	8,071	2,080	3,042	13,193
Accumulated depreciation	(2,502)	(955)	(1,131)	(4,588)
Net carrying amount	5,570	1,124	1,911	8,605
Movement				
Carrying amount at the beginning of the year	7,839	968	2,910	11,717
Additions	-	947	132	1,079
Execution of extension option	232	165	-	397
Depreciation	(2,502)	(955)	(1,131)	(4,588)
Balance as at 30 June 2023	5,570	1,124	1,911	8,605

b) Lease liabilities

2024 ($'000)	Property	Motor vehicles	Plant	Total
Balance as at 1 July 2023	(5,889)	(925)	(1,852)	(8,666)
Additions to lease liability	(3,296)	(1,887)	(1,412)	(6,595)
Acquisition through business combinations	(2,190)	(110)	(347)	(2,647)
Execution of extension option	-	(159)	(41)	(200)
Accretion of interest	(237)	(74)	(111)	(423)
Payments	2,943	1,098	1,195	5,236
Balance as at 30 June 2024	**(8,669)**	**(2,057)**	**(2,568)**	**(13,294)**
Current	2,951	1,078	1,063	5,092
Non-current	5,718	979	1,505	8,202
Total	**8,669**	**2,057**	**2,568**	**13,294**

2023 ($'000)	Property	Motor vehicles	Plant	Total
Balance as at 1 July 2022	(8,196)	(773)	(2,846)	(11,815)
Additions to lease liability	-	(947)	(132)	(1,079)
Execution of extension option	(225)	(165)	-	(390)
Accretion of interest	(255)	(43)	(94)	(391)
Payments	2,787	1,002	1,220	5,009
Balance as at 30 June 2023	**(5,889)**	**(925)**	**(1,852)**	**(8,666)**
Current	2,779	602	779	4,160
Non-current	3,109	323	1,073	4,506
Total	**5,889**	**925**	**1,852**	**8,666**

Extension options
Some leases contain extension options exercisable by the Group up to one year before the expiry of the initial lease term. The Group assesses at the commencement of the initial lease term, or whenever there is a significant event or change in circumstances relating to a lease, the likelihood of it exercising its option to extend the lease. The Group considers the potential future lease payments associated with the exercise of any lease term extension options to be immaterial or uncertain.

Amounts recognised in profit or loss and statement of cash flows
The financial impact of lease accounting on profit or loss was $5.2m (2023: $5.0m), comprising interest and amortisation (Refer Note 4 and Note 9 (c)). The total cash outflows for leases in the year was $7.9m (2023: $5.0m).

Recognition and measurement
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease assets
Lease assets are recognised at the commencement date of the lease (i.e. the date the underlying asset is available for use). Lease assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of lease assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Lease assets are depreciated on a straight-line basis over the lease term. Lease assets are also subject to impairment, assessed in accordance with the Group's impairment policy.

Lease liabilities
Lease liabilities are recognised by the Group at the commencement date of the lease. Lease liabilities are measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group. Variable lease payments are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the lease liability is increased to reflect the recognition of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment to purchase the underlying asset.

Short term leases and leases of low value
The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Section C. Taxation

This section outlines the taxes paid by Ridley and the impact tax has on the financial statements.

8. Income tax expense

(a) Income tax expense

	2024 $'000	2023 $'000
Current tax	**12,328**	9,891
Deferred tax	**3,889**	6,846
Under provided in prior year	**(8)**	73
Total income tax expense in income statement	**16,208**	16,810

(b) Reconciliation of income tax expense and pre-tax net profit

	2024 $'000	2023 $'000
Profit before income tax expense	**56,061**	58,635
Income tax expense using the Group's tax rate of 30%	**16,818**	17,592
Tax effect of items which (decrease)/increase tax expense:		
Non-deductible expenses	**214**	(9)
Under provision in prior year	**(8)**	73
Research and development allowance	**(809)**	(840)
Other	**(7)**	(6)
Income tax expense	**16,208**	16,810

(c) Income tax recognised in equity

	2024			2023		
	Gross $'000	Tax $'000	Net $'000	Gross $'000	Tax $'000	Net $'000
Cash flow hedges						
Effective portion of changes in fair value	356	(107)	249	-	-	-
Total recognised in equity	**356**	**(107)**	**249**	-	-	-

(d) Recognised deferred tax assets and liabilities

	Balance Sheet		Income Statement	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Deferred tax assets				
Intangibles	381	946	(565)	(631)
Doubtful debts	15	34	(19)	(9)
Property, plant and equipment	1,552	1,422	129	(401)
Provision for employee entitlements	4,465	4,788	(323)	70
Provisions	400	1,302	(902)	594
Total	**6,813**	**8,492**	**(1,680)**	**(377)**
Deferred tax liabilities				
Intangibles	(,4,773)	(314)	(4,459)	-
Doubtful debts	12	(156)	168	(144)
Property, plant and equipment	(4,092)	(5,811)	1,719	(5,811)
Other	(538)	(902)	363	(514)
Total	**(9,391)**	**(7,183)**	**(2,209)**	**(6,469)**
Net	**(2,578)**	**1,309**	**(3,889)**	**(6,846)**

Recognition and measurement

Income tax on the profit or loss for the year comprises current and deferred tax and is recognised in the income statement.

Current tax expense is the expected tax payable on the taxable income for the year using tax rates applicable at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax balances are determined by calculating temporary differences based on the carrying amounts of assets and liabilities for financial reporting purposes and their amounts for taxation purposes. Where amounts are recognised directly in equity the corresponding tax impact is also recognised directly in equity.

The amount of deferred tax recognised is based on the expected manner of realisation of the asset or settlement of the liability, using tax rates enacted or substantively enacted at reporting date.

A deferred tax asset will be recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets will be reduced to the extent it is no longer probable that the related tax benefit will be realised.

Tax consolidation
Ridley Corporation Limited is the parent entity in the tax consolidated group comprising all wholly-owned Australian entities.

Due to the existence of a tax sharing agreement between the entities in the tax consolidated group, the parent entity recognises the tax effects of its own transactions and the current tax liabilities and the deferred tax assets arising from unused tax losses and unused tax credits assumed from the subsidiary entities.

Section D. Capital management

This section details specifics of the Group's capital structure. When managing capital, management's objective is to ensure that the Group continues as a going concern as well as to provide optimal returns to shareholders and other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

9. Net Debt and net financing costs

The Group manages capital to ensure it maintains optimal returns to shareholders and benefits for other stakeholders. The Group also aims to maintain a capital structure that ensures the optimal cost of capital available to the Group.

The Group reviews, and where appropriate, adjusts the capital structure to take advantage of favourable costs of capital or high returns on assets. The Group may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital through the gearing ratio (gross debt / gross debt plus equity) for bank covenant requirements. The gearing ratios as at 30 June are as follows:

	2024 $'000	2023 $'000
The gearing ratio is calculated as follows:		
Interest bearing liabilities excluding lease liabilities	**85,000**	72,500
Total equity	**323,119**	315,386
Total interest bearing liabilities excluding lease liabilities and equity	**408,119**	387.886
Gearing ratio (%)	**20.8%**	18.7%

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash balances in Australian dollars and foreign currencies.

	2024 $'000	2023 $'000
Cash at bank	**34,196**	43,023

(b) Interest bearing liabilities

	2024 $'000	2023 $'000
Current		
Lease liabilities	**5,092**	4,160
Non-current		
Bank loans (unsecured)	**85,000**	72,500
Lease liabilities	**8,202**	4,505
	93,202	77,005
	98,294	81,165

Total loan facilities available to the Group

All in AUD$'000		**2024** Limits	**2024** Utilised	2023 Limits	2023 Utilised
Long Term Loan facility	(a)	**150,000**	**55,000**	100,000	42,500
Trade receivables facility	(b)	**30,000**	**30,000**	30,000	30,000
		180,000	**85,000**	130,000	72,500

(a) Long-Term Loan Facility

In March 2024, the Group increased its Long-Term Loan Facility (**Facility**) with ANZ and Westpac from $100m to $150m in order to fund the OMP acquisition. The Facility term expiry date is August 2026 and the available funding facility continues to be split equally between the two financiers. The Facility comprises unsecured bank loans with floating interest rates subject to bank covenant arrangements in respect of a Leverage Cover Ratio, Interest Cover Ratio, Gearing Ratio and Consolidated Net Worth. The Group is in compliance with all Facility covenants and reports as such to the two financiers on a six-monthly basis coinciding with the release of the half year and full year financial reports.

(b) Trade Receivables Facility

The Group operates a fully drawn $30m Trade Receivables Facility with Cooperative Rabobank U.A. Australia Branch (**Rabobank**). In addition to adopting the same bank covenants calculation and reporting arrangements as prevailing under the Facility, a detailed monthly analysis of the Trade Receivables Ledger is provided by the Group to Rabobank.

Offsetting of financial instruments

The Group does not set-off financial assets with financial liabilities in the consolidated financial statements.

Under the terms of the Facility agreement, subject to the paragraph following, if the Group does not pay an amount when due and payable, the banks may apply any credit balance in any currency in any account that the Group has with the bank, in or towards satisfaction of that amount.

Under the terms of the Rabobank facility, ANZ as the Group's transactional bank has agreed not to exercise its right of set off until Rabobank has received payment in full of the amount advanced to the Group under the Trade Receivables Facility.

As at 30 June 2024, the value of legally enforceable cash balances which upon default or bankruptcy would be applied to the loan facility is $34.2m (2023: $43.0m).

Defaults and breaches

During the year, there were no defaults or breaches on ant of the loan terms and conditions.

(c) Net financing costs

	2024 $'000	**2023 $'000**
Interest income	**785**	397
Interest expense	**7,970**	4,984
Interest expense on lease liabilities	**423**	391
Amortisation of borrowing costs	**215**	109
Total finance costs	**8,608**	5,484
Net financing costs	**7,823**	5,087

(d) Notes to the statement of cash flows

Reconciliation of net cash inflow from operating activities to profit after income tax

	2024 $'000	2023 $'000
Net profit after tax	**39,853**	41,825
Adjustments for non-cash items:		
Depreciation and amortisation (Note 4 and 5)	**26,128**	24,781
Net gain on sale of non-current assets	**73**	-
Non-cash share-based payments expense (Note 19)	**3,261**	3,582
Non-cash finance movements	**637**	500
Other non-cash movements	**712**	1,301
Change in operating assets and liabilities, excluding the effects of acquisitions of businesses:		
Decrease / (increase) in prepayments	**7,692**	(5,483)
Decrease / (increase) in receivables	**824**	5,722
Decrease / (increase) in inventories	**13,133**	10,083
Decrease / (increase) in deferred tax asset	**1,309**	6,845
Increase in trade creditors	**8,845**	1,923
Increase / (decrease) in provisions	**(1,215)**	567
Increase / (decrease) in deferred tax liability	**(1,981)**	-
Increase in tax liabilities	**5,785**	(12,565)
Net cash from operating activities	**105,056**	79,081

Recognition and Measurement

Cash and cash equivalents
Cash includes cash at bank, cash on hand and deposits at call.

Interest bearing liabilities, excluding lease liabilities
Interest bearing liabilities are initially recognised net of transaction costs. Subsequent to initial recognition, interest bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the liabilities on an effective interest basis, unless they are liabilities designated in a fair value relationship in which case they continued to be measured at fair value.

Financing costs
Borrowing costs are expensed as incurred unless they relate to qualifying assets where interest on funds are capitalised.

Lease liabilities
Details for lease liabilities are set out in Note 7(b).

10. Contributed equity and reserves

(a) Contributed equity

	Parent entity	
Fully paid up capital:	**2024 $'000**	2023 $'000
315,832,713 ordinary shares with no par value (2023: 315,832,713)	**218,090**	218,090

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Ordinary shares entitle the holder to receive dividends and the proceeds on winding up the interest in proportion to the number of shares held and to one vote per share at general meetings of the Company.

(b) Reserves

Recognition and Measurement

Cash flow hedge reserve
Represents the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Other reserves
Other reserves represent share-based payments reserve used to recognise the fair value of performance rights and options issued to employees in relation to equity settled share-based payments. Treasury shares reserve represents the cost of the Company's shares held by the Group.

(c) Dividends

	2024 $'000	**2023 $'000**
Dividends paid or declared in respect of the year ended 30 June were:		
Ordinary shares		
interim dividend of 4.0 cents per share, fully franked, paid 27 April 2023	**-**	12,720
interim dividend of 4.40 cents per share, fully franked, paid 24 April 2024	**13,897**	-
final dividend of 4.0 cents per share, fully franked, paid 27 October 2022	**-**	12,780
final dividend of 4.25 cents per share, fully franked, paid 26 October 2023	**13,423**	-
Dividends paid in cash or applied to employee in-substance option loan balances during the year were as follows:		
paid in cash	**27,075**	25,239
non-cash dividends paid applied to employee in-substance option loan balances	**245**	261

Since the end of the financial year, the Directors declared the following dividend:

Final dividend on ordinary shares of 4.65 cents per share, fully franked, payable 24 October 2024.

The financial effect of the final dividend on ordinary shares has not been brought to account in the financial statements for the year ended 30 June 2024, however will be recognised in the 2025 financial statements.

Franking credits

Franking credits available at the 30 per cent corporate tax rate after allowing for tax payable in respect of the current year's profit or loss and the payment of the final dividend for 2024 are $31.6m (2023: $32.2m).

Section E. Managing our financial risks

This section discusses the principal market and other financial risks that Ridley is exposed to and the risk management program, which seeks to mitigate these risks and reduce the volatility of Ridley's financial performance.

11. Financial risk management

Financial risk management is carried out by management under policies approved by the Board.

The Group's principal financial risks are:
- Foreign exchange risk
- Commodity price risk
- Interest rate risk
- Credit risk
- Liquidity risk.

(a) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the relevant entity's functional currency. The Group is exposed to foreign exchange risk through the purchase and sale of goods in foreign currencies.

Forward contracts and foreign currency bank balances are used to manage foreign exchange risk. Management is responsible for managing exposures in each foreign currency by using external forward currency contracts and purchasing foreign currency that is held in US dollar, New Zealand dollar, Thai Baht and Euro bank accounts. Where possible, borrowings are made in the currencies in which the assets are held in order to reduce foreign currency translation risk.

Foreign currency

The Group holds foreign currency bank accounts in US dollars, New Zealand dollars, Thai Baht and Euros which are translated into AUD using spot rates. These foreign currency bank accounts, and at times forward foreign exchange contracts, are entered into for purchases and sales denominated in foreign currencies. The Group classifies forward foreign exchange contracts as financial assets and liabilities and measures them at fair value.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	2024				2023			
($'000)	**USD**	**NZD**	**EUR**	**THB**	USD	NZD	EUR	THB
Cash	**3,681**	**138**	**1**	**842**	1,340	22	78	914

Foreign currency sensitivity

A change of a 10% strengthening or weakening in the closing exchange rate of the foreign currency bank balances at the reporting date for the financial year would have decreased by $423,936 (2023: $213,990) or increased by $518,145 (2023: $261,543) the Group's reported comprehensive income and the Group's equity. A sensitivity of 10% has been selected as this is considered reasonable, considering the current level of exchange rates and volatility observed both on a historical basis and on market expectations for future movements. The Directors cannot and do not seek to predict movements in exchange rates.

(b) Commodity Risk

Impact of movements in commodities is managed through procurement practices and many of our customers retaining responsibility for the supply of raw materials for the feed Ridley manufactures on their behalf, as a result, the impact of fluctuations in commodity prices is reduced.

(c) Interest Rate Risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash inflows are substantially independent of changes in market interest rates.

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group policy is to ensure that the interest cover ratio does not fall below the ratio limit set by the Group's financial risk management policy. At balance date, bank borrowings of the Group were incurring an average variable interest rate of 6.34% (2023: 5.51%).

Interest Rate Risk Exposures

The Group's exposure to interest rate risk (defined as interest on drawn and undrawn facilities plus allocation of prepaid facility fee establishment costs) and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below. Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Group intends to hold fixed rate assets and liabilities to maturity.

In $'000	**Interest rate**	**2024**	Interest rate	2023
Variable rate instruments				
Cash	**-**	**34,196**	-	43,023
Bank loans	6.34%	**85,000**	5.51%	72,500

Interest rate sensitivity

A 100 basis point change in interest rates at the reporting date annualised for the financial year would have increased or decreased the Group's reported comprehensive income and equity (i.e. post tax) by $0.6m (2023: $0.5m).

(d) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and the risk arises principally from the Group's receivables from customers. Wherever possible, the Group mitigates credit risk through securing of collateral and/or credit insurance. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. The Group holds collateral and/ or credit insurance over certain trade receivables.

Derivative counterparties and cash transactions are limited to financial institutions with a high credit rating. The Group has policies that limit the amount of credit exposure to any one financial institution. The maximum exposure to credit risk at the reporting date was:

	2024 $'000	2023 $'000
Trade receivables	**132,078**	121,928
Cash and cash equivalents	**34,196**	43,023
	166,274	164,951

Further credit risk disclosures on trade receivables are disclosed in Note 3.1(a).

(e) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The ultimate responsibility for liquidity risk management rests with the Board which has established an appropriate risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, and by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Details of finance facilities are set out Note 9(b).

The following tables disclose the contractual maturities of financial liabilities, including estimated interest payments:

2024 in $'000

	Carrying Amount	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Total contractual cash flows
Non-derivative financial liabilities							
Trade and other payables	**220,406**	**220,406**	**-**	**-**	**-**	**-**	**220,406**
Lease liabilities	**13,294**	**5,092**	**3,581**	**1,614**	**1,226**	**1,781**	**13,294**
Bank loans	**85,000**	**4,885**	**34,315**	**55,536**	**-**	**-**	**94,736**
	318,700	**230,383**	**37,896**	**57,150**	**1,226**	**1,781**	**328,436**

2023 in $'000

	Carrying Amount	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Total contractual cash flows
Non-derivative financial liabilities							
Trade and other payables	205,188	205,188	-	-	-	-	205,188
Lease liabilities	8,666	4,250	3,044	1,767	632	22	9,715
Bank loans	72,500	3,995	38,210	7,419	44,195	-	93,819
	286,354	213,433	41,254	9,186	44,827	22	308,722

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts, noting that the maturity of the contractual cashflows for the Group's borrowings reflects the impact of the waivers granted by the Group's lenders.

(f) Financial Instruments

Non-derivative financial assets

The Group initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through comprehensive income) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability. Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through comprehensive income) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans, borrowings, trade and other payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Derivative financial instruments and hedge accounting

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered. Subsequently, at each reporting date, the gain or loss on remeasurement to fair value is recognised immediately in the Consolidated Income Statement, unless they qualify for hedge accounting as outlined in AASB 9 *Financial Instruments*.

The Group enters into certain cash flow hedges to hedge exposure to variability in cash flows that are attributable to the risk associated with the cash flows of highly probable forecast transactions caused by foreign currency movements. The Group's cash flow hedges include forward foreign exchange contracts.

When a derivative financial instrument is designated as a cash flow hedge, the effective part of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement.

When a hedging instrument expires, or is sold, terminated or exercised, but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss accumulated in equity is reclassified immediately into the Consolidated Income Statement.

	2024 $'000	**2023 $'000**
Derivative financial instruments – cash flow hedge		
Forward exchange contracts	**356**	-
Derivative financial instruments – fair value through profit and loss		
Foreign currency derivative	**58**	58
	414	58

(g) Fair Values

Fair values versus carrying amounts

The carrying amount of financial assets and liabilities approximates their fair value.

For financial assets and liabilities carried at fair value, the Group uses the following to categorise the method used:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Valuation inputs include forward curves, discount curves and underlying spot and futures prices.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Section F. Group Structure

This section provides details of acquisitions which the Group has made in the financial year, as well as details of controlled entities.

12. Investment in controlled entities

Recognition and measurement

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being the Company (the parent entity) and its subsidiaries as defined in AASB 10 *Consolidated Financial Statements*.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill.

When the Group relinquishes control over a subsidiary, it derecognises its share of net assets. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control until such time as the Company ceases to control such entity. In preparing the consolidated financial statements, all intercompany balances, transactions and unrealised profits arising within the Group are eliminated in full.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The ultimate parent entity within the Group is Ridley Corporation Limited.

Name of Entity	Country of Incorporation	Class of Shares	Ownership Interest 2024	Ownership Interest 2023
Ridley AgriProducts Pty Ltd and its controlled entity:	Australia	Ordinary	**100%**	100%
CSF Proteins Pty Ltd	Australia	Ordinary	**100%**	100%
Oceania Meat Processors Pty Ltd	Australia	Ordinary	**100%**	-%
Oceania Meat Processors Limited	New Zealand	Ordinary	**100%**	-%
Pen Ngern Feed Mill Co., Ltd. (PNFM)	Thailand	Ordinary	**100%**	100%
Barastoc Stockfeeds Pty Ltd	Australia	Ordinary	**100%**	100%
Ridley Corporation (Thailand) Co., Ltd	Thailand	Ordinary	**100%**	100%
Ridley Corporation Ecuador S.A.	Ecuador	Ordinary	**100%**	100%
Ridley Corporation (India) Private Limited	India	Ordinary	**100%**	100%
RCL Retirement Pty Limited	Australia	Ordinary	**100%**	100%
Ridley Land Corporation Pty Ltd[1] and its controlled entities:	Australia	Ordinary	**100%**	100%
Lara Land Development Corporation Pty Ltd	Australia	Ordinary	**100%**	100%
Moolap Land Development Corporation Pty Ltd	Australia	Ordinary	**100%**	100%

[1] *Following the completion of the divestment of all Moolap and Lara properties, application will be made in FY25 to de-register Ridley Land Corporation Pty Ltd and its two controlled entities.*

13. Business combinations – Provisional

Business combinations are accounted for under the acquisition method when control is transferred to the Group, in accordance with AASB 3 *Business Combinations*. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. The transaction costs are expensed in the Consolidated Income Statement.

Consolidated – 2024

Acquisitions of business and controlled entities

On 28 March 2024, the Group acquired the business assets of Oceania Meat Processors NZ LP (OMP). OMP is a premium producer of mechanically deboned meat (MDM) and other raw materials for global pet food customers. The purchase price comprises AUD$55.4m.

For the three months ended 30 June 2024, OMP contributed EBITDA of AUD$3.2m to the Group's results.

	2024 Provisional $'000
Consideration	
cash paid	**53,048**
working capital settlement	**2,399**
Total consideration	**55,447**
Fair value of net assets of business acquired	
Working capital	**19,692**
Other assets	**175**
Property, plant and equipment	**9,907**
Customer relationships	**15,197**
Lease liabilities	**(2,647)**
Provisions	**(265)**
Deferred tax liability	**(4,559)**
Total fair value of net assets of business acquired	**37,500**
Goodwill on acquisition	**17,947**

Goodwill on the purchase is attributable mainly to the skills and technical talent of the acquired business' workforces and the synergies expected to be achieved from integrating this business. None of the goodwill recognised is expected to be deductible for income tax purposes.

The Group incurred acquisition-related costs of $2.2m on legal fees and due diligence costs. These costs are included in 'general and administrative expenses' in the Consolidated Income Statement and in operating cash flows in the Consolidated Statement of Cash Flows.

14. Parent company disclosure – Ridley Corporation Limited

As at 30 June 2024 and throughout the financial year ending on that date, the parent company of the Group was Ridley Corporation Limited.

	2024 $'000	2023 $'000
Result of the parent entity		
Income / (loss) for the year	**5,143**	43,008
Total comprehensive income / (loss) for the year	**5,143**	43,008
Financial position of the parent entity at year end		
Current assets	**2,018**	1,208
Non-current assets	**226,580**	269,410
Total assets	**228,599**	270,618
Current liabilities	**8,565**	2,224
Non-current liabilities	**89,506**	72,500
Total liabilities	**98,071**	74,724
Net assets	**130,527**	195,894
Share capital	**218,090**	218,090
Share based payment reserve	**4,309**	4,227
Treasury Shares	**(5,020)**	(6,115)
Profit Reserve	**47,180**	74,500
Retained earnings	**(134,032)**	(94,808)
Total equity	**130,527**	195,894

The parent entity has entered into a Deed of Cross Guarantee with the effect that the Company guarantees the debts of certain of its subsidiaries which are party to the deed. Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed, are disclosed in Note 15.

15. Deed of Cross Guarantee

Ridley Corporation Limited, Ridley AgriProducts Pty Ltd and CSF Proteins Pty Ltd are parties to a Deed of Cross Guarantee under which each company guarantees the debts of the other entities.

The above companies represent a Closed Group for the purposes of the ASIC Class Order which governs the operation and establishment of the Deed of Cross Guarantee. As there are no other parties to the Deed of Cross Guarantee that are controlled but not wholly owned by Ridley Corporation Limited, they also represent the Extended Closed Group.

(a) Consolidated statement of comprehensive income

	2024 $'000	**2023 $'000**
Revenue	**1,231,211**	1,252,239
Cost of sales	**(1,118,740)**	(1,142,745)
Gross profit	**112,470**	109,494
Other income	**336**	328
Selling and distribution expenses	**(15,078)**	(13,669)
General and administrative expenses	**(36,348)**	(34,129)
Operating profit	**61,380**	62,024
Finance income	**765**	397
Finance costs	**(8,570)**	(5,484)
Net finance costs	**(7,805)**	(5,086)
Profit before income tax expense	**53,574**	56,937
Income tax expense	**(16,208)**	(16,810)
Profit after income tax	**37,366**	40,127
Other comprehensive income for the year, net of tax	**249**	-
Total comprehensive income for the year	**37,615**	40,127

(b) Summary of movements in retained profits

	2024 $'000	2023 $'000
Opening balance at 1 July	**99,253**	89,535
Comprehensive income for the year	**37,615**	40,127
Dividends paid	**(27,320)**	(25,500)
Share based payment reserve net transfer	**(6,227)**	(4,909)
Closing balance at 30 June	**103,321**	99,253

15. Deed of Cross Guarantee (continued)

(c) Balance sheet

	2024 $'000	2023 $'000
Current assets		
Cash and cash equivalents	**27,536**	42,103
Receivables	**118,620**	125,089
Inventories	**93,296**	106,623
Tax asset	**-**	705
Derivative financial instruments	**414**	-
Total current assets	**239,866**	274,521
Non-current assets		
Receivables	**8,319**	9,847
Property, plant and equipment	**250,091**	235,770
Intangible assets	**92,230**	73,988
Investments	**58,440**	20,408
Deferred tax asset	**1,980**	1,309
Total non-current assets	**411,060**	341,322
Total assets	**650,926**	615,834
Current liabilities		
Payables	**219,001**	207,424
Provisions	**14,508**	15,636
Tax Liability	**4,973**	-
Total current liabilities	**238,484**	223,059
Non-current liabilities		
Interest bearing liabilities	**91,118**	77,005
Provisions	**376**	325
Total non-current liabilities	**91,494**	77,330
Total liabilities	**329,978**	300,389
Net assets	**320,948**	315,454
Equity		
Share capital	**218,090**	218,090
Reserves	**(463)**	(1,889)
Retained earnings	**103,321**	99,253
Total equity	**320,948**	315,454

16. Related party disclosures

Dr Robert van Barneveld, a director of Ridley Corporation until 20 November 2023, is the Group CEO and Managing Director of the SunPork Group. Ridley supply feed to the SunPork Group. All transactions between Ridley and the SunPork Group are on normal commercial terms in the ordinary course of business.

There were no other transactions with related parties in the current or prior period.

Section G. Remunerating our people

This section provides financial insight into employee reward and recognition designed to attract, retain, reward and motivate high performing individuals so as to achieve Ridley's objectives, in alignment with the interests of the Group and its shareholders.

This section should be read in conjunction with the Remuneration Report, which provides specific details on the setting of remuneration for key management personnel (KMP).

17. Employee benefits expenses and provisions

The Group's employee benefits expenses for the year ended 30 June were as follows:

	2024 $'000	2023 $'000
Wages and salaries	**72,411**	66,418
Defined contribution superannuation expense	**7,177**	6,298
Other employee benefits expense	**12,934**	16,470
Share-based payments expense	**3,261**	3,582
Total employee benefits expense	**95,783**	92,768

The employee entitlements provisions as at 30 June comprise the following:

	2024 $'000	2023 $'000
Current		
Employee entitlements	**14,635**	15,636
Non-current		
Employee entitlements	**376**	325

Recognition and measurement

Employee Entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Benefits vested within twelve months of the reporting date are classified as current and are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

The non-current liability for long service leave expected to be settled more than 12 months from the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the timing of estimated future cash outflows.

18. Key management personnel

The amounts disclosed in the table below are the amounts recognised as an expense during the year relating to KMP:

	2024 $'000	2023 $'000
Short-term employee benefits	**3,245**	3,172
Post-employment benefits	**205**	207
Short term incentive remuneration	**-**	1,335
Other benefits	**1,242**	95
Share-based payments expense	**1,763**	1,171
Total compensation	**6,455**	5,979

19. Share-based payments

Share-based payment expense	2024 $'000	2023 $'000
Shares issued under the employee share scheme	**500**	458
Performance rights issued under the Ridley long-term incentive plan	**2,761**	3,124
Total Share-based payment expense	**3,261**	3,582

Recognition and measurement

The fair value at grant date of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the period of vesting of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share based payment awards with non-vesting conditions, such as the ESS, the fair value at grant date is measured to reflect such conditions and there is no true up for differences between expected and actual outcomes.

The Long-Term Incentive Plan (LTIP)

The purpose of the Ridley Corporation Long-Term Incentive Plan (LTIP) is to provide long-term rewards that are linked to shareholder returns. Under the LTIP, selected executives and the Managing Director may be offered a number of performance rights (Right). Each Right provides the entitlement to acquire one Ridley share at nil cost subject to the satisfaction of performance hurdles. The fair value of Rights granted is recognised as an employee benefit expense over the performance period with a corresponding increase in equity.

Current year issues under the Ridley Corporation Long-Term Incentive Plan

For FY22, FY23 and FY24, there were two performance measures, namely Return on Funds Employed (ROFE) and Absolute Total Shareholder Return (TSR).

The number of Rights issued to each participant in FY24 is divided equally into two tranches, Tranche A and Tranche B. The performance measure for Tranche A Rights issued in FY24 is the ROFE hurdle as applied to all three years of the performance period (FY22 and FY23: year three of the performance period only). The Absolute TSR is the performance hurdle for Tranche B Rights as applied across the entire three-year performance period (FY22 and FY23: also the full three years). The testing of each tranche is independent of the other tranche, such that one tranche could hypothetically result in 100% vesting while the other could result in 100% forfeiture, or any combination thereof.

The fair value of Tranche B Rights has been calculated by an independent expert in accordance with AASB2 on an option-equivalent basis, while the accounting fair value of Tranche A Rights is estimated excluding the impact of the ROFE hurdle (as this is considered a “non-market condition”). The impact of the ROFE hurdle is then taken into consideration via adjusting the estimated number of Tranche A Rights that will vest based on current and projected performance.

The model inputs for the Tranche A and Tranche B Rights granted during the reporting period under the LTIP included:

	2024	2023	2022
Grant date	**1 July 2023**	1 July 2022	1 July 2021
Expiry date	**30 June 2026**	30 June 2025	30 June 2024
Share price at grant date	**$2.00**	$1.74	$1.15
Fair value at grant date: Tranche A / Tranche B	**$1.74[1]/$0.78**	$1.54[1]/$0.56	$1.04[1]/$0.31
Expected price volatility of the Company’s shares	**27.0%**	26.0%	25.0%
Expected dividend yield	**13.8 cps**	6.70 cps	5.00 cps
Risk-free interest rate being the Commonwealth Government Bond rate at the date of grant	**4.03%**	3.01%	0.195%

1 *The fair of Tranche A Rights before adjusting for the initial estimate of the likelihood of exceeding the ROFE hurdle. A 100% probability was attached to the likelihood of exceeding the ROFE hurdle.*

The expected share price volatility is based on the historic volatility (based on the remaining life of the Rights), adjusted for any expected changes to future volatility due to publicly available information.

Details of Rights outstanding under the Long-term incentive plans at balance date are as follows:

2024

Grant Date	Expiry Date	Balance at 1 July 2023	Granted during the year	Cancelled during the year	Vested during the year	Balance at 30 June 2024
1 Sept 2020	30 June 2023[1]	4,546,971	-	(146,875)	(4,400,096)	-
1 July 2021	30 June 2024[2]	3,938,826	-	(295,108)	-	3,643,718
1 July 2022	30 June 2025	2,885,558	-	(286,416)	-	2,599,142
1 July 2023	30 June 2026	-	4,359,350	(267,778)	-	4,091,572
		11,371,355	**4,359,350**	**(996,177)**	**(4,400,096)**	**10,334,432**

1 *The performance targets for this tranche of Performance Rights were met to 100% and consequently all of these Rights vested and were converted into ordinary shares in FY24.*

2 *The FY22 Plan is tested as at 30 June 2024 and vests on 1 July 2024. Refer to section 4.3 of the remuneration report for summary of the Long-Term Incentive Plan outcomes.*

2023

Grant Date	Expiry Date	Balance at 1 July 2022	Granted during the year	Cancelled during the year	Vested during the year	Balance at 30 June 2023
1 July 2019	30 June 2022[1]	3,520,056	-	(373,503)	(3,146,553)	-
1 Sept 2020	30 June 2023	5,764,913	-	(798,313)	(419,629)[2]	4,546,971
1 July 2021	30 June 2024	4,400,436	-	(361,307)	(100,303)[2]	3,938,826
1 July 2022	30 June 2025	-	3,033,730	(148,172)	-	2,885,558
		13,685,405	**3,033,730**	**(1,681,295)**	**(3,666,485)**	**11,371,355**

1 *The performance targets for this tranche of Performance Rights were met to 100% and consequently all of these Rights vested and were converted into ordinary shares in FY23.*

2 *Rights of former executives who departed from Ridley in FY23 and on an agreed arrangement, whereby these rights vested prior to the original test date and were converted into ordinary shares in FY23.*

Ridley Employee Share Scheme (ESS)

Under the ESS, shares are offered to permanent employees with a minimum of 6 months' continuous service prior to the offer date, at a discount of 50%. Employees can elect to receive an interest free loan to fund the purchase of the shares. The maximum discount per employee is limited to $1,000 annually in accordance with current Australian taxation legislation. Dividends on the ESS shares are applied against the outstanding loan balance until such balance is fully extinguished. The amount of the discount and number of shares allocated is at the sole discretion of the Board. The purpose of the ESS is to align employee and shareholder interests and to foster a sense of loyalty and ownership in the Company.

Shares issued to employees under the ESS vest immediately on grant date. Dividends on the shares are allocated against the balance of any loan outstanding. The shares issued are accounted for as 'in-substance' options which vest immediately. The fair value of these 'in-substance' options is recognised as an employee benefit expense with a corresponding increase in equity.

An offer under the Scheme was made in September 2023, such that 366,000 (FY23: 342,000) shares were allocated to participating employees during the year, all of which were allocated from the RCL Retirement Pty Ltd account in which Company shares are accumulated upon the departure of ESS scheme participant employees (FY23: 342,000). The fair value at grant date of the options issued in FY24 through the ESS was measured based on the binomial option pricing model using the following inputs:

	2024	**2023**
Grant date	**30 Sept 2023**	30 Sept 2022
Restricted life	**3 years**	3 years
Share price at grant date	**$2.11**	$2.04
Fair value at grant date	**$1.44**	$1.34
Expected price volatility of the Company's shares	**25.0%**	25.0%
Expected dividend yield per annum in cents per share (**cps**)	**10.0 cps**	8.9 cps
Risk-free interest rate being the Commonwealth Government Bond rate at the date of grant	**3.725%**	3.895%

Ridley ESS loan movements

2024 Number of shares

Grant date	Date shares become unrestricted	Weighted Average exercise price	Balance at start of the year	Granted during the year	Exercised during the year	Balance at end of the year	Exercisable at end of the year
30 April 2010	30 April 2013	$0.61	73,260	-	(73,260)	-	-
30 April 2011	30 April 2014	$0.66	66,352	-	(9,048)	57,304	57,304
30 April 2012	30 April 2015	$0.61	82,700	-	(11,578)	71,122	71,122
26 April 2013	26 April 2016	$0.41	192,049	-	(192,049)	-	-
23 May 2014	23 May 2017	$0.48	222,780	-	(222,780)	-	-
31 May 2015	31 May 2018	$0.66	192,564	-	(33,877)	158,687	158,687
20 May 2016	20 May 2019	$0.85	207,060	-	(36,975)	170,085	170,085
19 May 2017	19 May 2020	$0.84	222,985	-	(42,935)	180,050	180,050
31 May 2018	31 May 2021	$0.84	280,170	-	(49,525)	230,645	230,645
21 June 2019	21 June 2022	$0.64	328,600	-	(67,363)	261,237	261,237
1 Sept 2020	1 Sept 2023	$0.41	608,650	-	(194,250)	414,400	414,400
1 Sept 2021	1 Sept 2024	$0.78	359,667	-	(51,381)	308,286	-
30 Sept 2022	30 Sept 2025	$1.34	326,000	-	(41,000)	285,000	-
30 Sept 2023	30 Sept 2026	$1.44	-	326,112	(19,908)	306,204	-
			3,162,837	326,112	(1,045,929)	2,443,020	1,543,530
Weighted average exercise price			$0.70	$1.44	$0.59	$0.85	$0.66

2023 Number of shares

Grant date	Date shares become unrestricted	Weighted Average exercise price	Balance at start of the year	Granted during the year	Exercised during the year	Balance at end of the year	Exercisable at end of the year
30 April 2010	30 April 2013	$0.61	87,912	-	(14,652)	73,260	73,260
30 April 2011	30 April 2014	$0.66	78,416	-	(12,064)	66,352	66,352
30 April 2012	30 April 2015	$0.61	102,548	-	(19,848)	82,700	82,700
26 April 2013	26 April 2016	$0.41	240,669	-	(48,620)	192,049	192,049
23 May 2014	23 May 2017	$0.48	279,660	-	(56,880)	222,780	222,780
31 May 2015	31 May 2018	$0.66	251,403	-	(58,839)	192,564	192,564
20 May 2016	20 May 2019	$0.85	266,220	-	(59,160)	207,060	207,060
19 May 2017	19 May 2020	$0.84	288,080	-	(65,095)	222,985	222,985
31 May 2018	31 May 2021	$0.84	348,090	-	(67,920)	280,170	280,170
21 June 2019	21 June 2022	$0.64	441,967	-	(113,367)	328,600	328,600
1 Sept 2020	1 Sept 2023	$0.41	668,220	-	(59,570)	608,650	-
1 Sept 2021	1 Sept 2024	$0.78	386,136	-	(26,469)	359,667	-
30 Sept 2022	30 Sept 2025	$1.34	-	342,000	(16,000)	326,000	-
			3,439,321	342,000	(618,484)	3,162,837	1,868,520
Weighted average exercise price			$0.64	$1.34	$0.67	$0.70	$0.68

The “Exercisable at end of the year” column in the above tables reflects the fact that the options remain restricted for 3 years.

20. Retirement benefit obligations

Superannuation

The Group endorses the Ridley Superannuation Plan – Australia which is administered by Mercer. The fund provides available benefits on a defined contribution basis for employees or their dependents on retirement, resignation, total and permanent disability, death and in some cases, on temporary disablement. The members and the Group make contributions as specified in the rules of the plan.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in comprehensive income in the periods during which services are rendered by employees.

Group contributions in terms of awards and agreements are legally enforceable, and in addition, contributions for all employees have to be made at minimum levels for the Group to comply with its obligations. Other contributions are in the main not legally enforceable, with the right to terminate, reduce or suspend these contributions upon giving written notice to the trustees.

Benefits are based on an accumulation of defined contributions. The amount of contribution expense recognised in the Consolidated Statement of Comprehensive Income for the year is $7.2m (2023: $6.3m).

Section H. Other Disclosures

This section includes additional financial provides that is required by Australian Accounting Standards and which management considers to be relevant information to shareholders.

21. Contingent liabilities

Guarantees

The Group is, in the normal course of business, required to provide certain guarantees and letters of credit on behalf of controlled entities, associates and related parties in respect of their contractual performance obligations. These guarantees and letters of credit only give rise to a liability where the entity concerned fails to perform its contractual obligations.

	2024 $'000	2023 $'000
Bank guarantees	**1,411**	950

Litigation

In the ordinary course of business, the Group may be subject to legal proceedings or claims. Where there is significant uncertainty as to whether a future liability will arise in respect of these items, or the amount of liability (if any) which may arise cannot be reliably measured, these items are accounted for as contingent liabilities. Based on information available as of the date of this report, the Group does not expect any of these items to result in a material charge to profit and loss.

22. Events subsequent to balance sheet date

There were no matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect:

(i) the Group's operations in future financial years, or

(ii) the results of those operations in future financial years, or

(iii) the Group's state of affairs in future financial years.

23. Auditor's remuneration

	2024	2023
(a) Audit and review of financial reports	**$**	$
Auditor of the Company - KPMG Australia	**369,930**	411,691
(b) Other services		
Auditor of the Company - KPMG Australia - in relation to taxation and other services	**68,068**	21,422
Total remuneration of auditor	**437,998**	433,113

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Set out below is a list of entities that are consolidated in this set of Consolidated financial statements at the end of the financial year.

Entity name	Body corporate, partnership or trust	Country of Incorporation	% of share capital held directly or indirectly by the Company in the body corporate		Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
			2024	2023		
Ridley AgriProducts Pty Ltd and its controlled entity:	Body corporate	Australia	**100%**	100%	Australian	n/a
CSF Proteins Pty Ltd	Body corporate	Australia	**100%**	100%	Australian	n/a
Oceania Meat Processors Pty Ltd	Body corporate	Australia	**100%**	-%	Australian	n/a
Oceania Meat Processors Limited	Body corporate	New Zealand	**100%**	-%	Foreign	New Zealand
Pen Ngern Feed Mill Co., Ltd. (PNFM)	Body corporate	Thailand	**100%**	100%	Foreign	Thailand
Barastoc Stockfeeds Pty Ltd	Body corporate	Australia	**100%**	100%	Australian	n/a
Ridley Corporation (Thailand) Co., Ltd	Body corporate	Thailand	**100%**	100%	Foreign	Thailand
Ridley Corporation Ecuador S.A.	Body corporate	Ecuador	**100%**	100%	Foreign	Ecuador
Ridley Corporation (India) Private Limited	Body corporate	India	**100%**	100%	Foreign	India
RCL Retirement Pty Limited	Body corporate	Australia	**100%**	100%	Australian	n/a
Ridley Land Corporation Pty Ltd and its controlled entities:		Australia	**100%**	100%	Australian	n/a
Lara Land Development Corporation Pty Ltd	Body corporate	Australia	**100%**	100%	Australian	n/a
Moolap Land Development Corporation Pty Ltd	Body corporate	Australia	**100%**	100%	Australian	n/a

Key assumptions and judgements

Determination of Tax Residency
Section 295(3A) of the Corporation Act 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining the tax residency, the consolidated entity has applied the following interpretations:

- *Australian tax residency* – the consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.
- *Foreign tax residency* – the consolidated entity applies current legislation and where applicable judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Ridley Corporation Limited (the **Company**):

(a) The consolidated financial statements and notes that are set out on pages 22 to 63 and the Remuneration Report are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*, and

  (ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the financial year ended on that date.

(b) The consolidated entity disclosure statement as at 30 June 2024 set out on page 63 is true and correct; and

(c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. There are reasonable grounds to believe that the Company and the group entities identified in note 15 will be able to meet any obligations or liabilities to which they are or may be become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785.*

3. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Managing Director and Chief Financial Officer for the financial year ended 30 June 2024.

4. The directors draw attention to *Basis of Preparation* on page 27 to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

M McMahon
Director and Ridley Chair

Q L Hildebrand
CEO and Managing Director

Melbourne
21 August 2024

Independent Auditor's Report

To the shareholders of Ridley Corporation Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Ridley Corporation Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group's*** financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated balance sheet as at 30 June 2024;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2024;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Acquisition accounting; and
- Existence of Inventory

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Acquisition accounting (cash purchase consideration of $53m)

Refer to Note 13 *Business Combinations - Provisional* to the financial report

The key audit matter	How the matter was addressed in our audit

On 28 March 2024, the Group acquired 100% of Oceania Meat Processors NZ LP (OMP) for consideration of $53m, resulting in the recognition of right-of-use assets, property, plant and equipment, customer relationships and goodwill.
 	
The transaction is considered to be a key audit matter due to the:
 	
• size of the acquisition having a significant impact on the Group's financial statements;
 	
• the judgement and complexity involved in the determination of the fair values of assets and liabilities acquired in the transaction requiring significant audit effort. The Group engaged an external valuation expert to assess the fair value of customer relationships.
 	
The key assumptions we focused on in the valuations of intangible assets included forecast earnings, discount rate and attrition rate.
 	
We involved our valuation specialists to supplement our senior audit team members in assessing this key audit matter.
	Our procedures included:
	• Evaluating the acquisition accounting by the Group against the requirements of the accounting standards;
	
	• Reading the underlying transaction agreements to understand the terms of the acquisition and nature of the assets and liabilities acquired;
	
	• Assessing the accuracy of the calculation and measurement of consideration paid to acquire OMP based on the underlying transaction agreements and underlying documentation from the Group's bank;
	
	• Working with our valuation specialists, we assessed the Group's external valuation expert reports and:
	
	  • Considered the objectivity, competence and scope of work of the Group's external valuation expert;
	
	  • Assessed the key assumptions in the Group's external valuation expert report prepared in relation to the identification and valuation of the customer relationships including:
	
	    - Checking forecast earnings assumptions used as a part of the acquisition process against Board approved forecasts;
	
	    - Verifying that the attrition rate used in the model aligns with the analysis on customer attrition;
	
	    - Comparing terminal growth rates to published studies of industry trends and expectations; and

	- independently developing a discount rate range considered comparable using publicly available market data for comparable entities, adjusted by risk factors specific to the acquired business and the industry it operates in. • Recalculating the goodwill balance arising as a result of the transaction and comparing it to the goodwill amount recorded by the Group; and • Assessing the adequacy of disclosures in the financial report using our understanding of the transaction obtained from our testing and against the requirements of the accounting standard.

Existence of Inventory ($105m)

Refer to Note 3 *Inventories* to the financial report

The key audit matter	How the matter was addressed in our audit
Existence of inventory is a key audit matter due to: • the size of the inventory balance relative to the Group's financial position (16% of total assets); • the Group's diverse and broad product range for different market segments; and • inventory being held at geographically diverse locations around Australia at various distribution centres managed by the Group or third parties. These conditions result in greater audit effort across locations and across product ranges to gather sufficient evidence.	Our procedures included: • Obtaining an understanding of the Group's key processes for accounting for inventory; • Attending a sample of inventory counts to test the existence and condition of inventory at year end. Observing the Group's processes, which included identifying slow moving and potentially obsolete finished goods inventory. We performed sample counts ourselves and compared count results to the Group's and to underlying system records; • For stocktakes attended, assessing the processing of count discrepancies to underlying inventory systems and financial reporting records for consistencies with amounts determined by the stocktake; and • Obtaining external confirmations for a sample of third party managed locations and comparing the external parties' records of inventory quantity to the Group's.

Other Information

Other Information is financial and non-financial information in Ridley Corporation Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Financial Report (including Directors' Report and the Remuneration Report). The Introduction, Chair and Managing Director's Joint Review, Five Year Summary, Sustainability Review, Board of Directors, and Shareholder Information are expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001;*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error; and
- assessing the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Ridley Corporation Limited for the year ended 30 June 2024, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages, 10 to 20 of the Directors' report for the year ended 30 June 2024.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

J.Carey.

KPMG

Julie Carey

Partner

Melbourne

21 August 2024