

18 November 2024

## Appendix 4E and Annual Report for the Financial Period Ended 30 September 2024

Elders Limited (**ASX:ELD**) today reports its results for the financial year ended 30 September 2024.

Attached is the Appendix 4E (Results for announcement to the market) and Annual Report for the 12-month period ended 30 September 2024.

---

**Further Information:**

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

**Authorised by:**

Elders Limited Board of Directors

View this announcement on [Elders' Investor Hub](#).



### Join the Elders Investor Hub

Receive ASX announcements and company information direct to your inbox and interact with Elders' announcements with our interactive Q&A functionality.

Scan the QR code or click here to sign up: <https://investors.elders.com.au/s/368318>

## Elders Limited Appendix 4E (Rule 4.3A)

### RESULTS FOR ANNOUNCEMENT TO MARKET

#### For the year ended 30 September 2024

Attached is the final report for the year ended 30 September 2024. The consolidated profit after tax and non-controlling interests was \$45.1 million (2023: \$100.8 million).

Additional Appendix 4E disclosure requirements and further details on the results and operations are included in the Annual Report provided to the Australian Securities Exchange.

Result				12 months September 2024
				\$000
Revenue	down	6%	to	3,131,290
Profit after tax for the year attributable to members	down	55%	to	45,080

Dividends	Amount per security	Franked amount per security
<b>2024</b>		
Final Dividend	18 cents	12.6 cents
Interim Dividend	18 cents	9.0 cents
<b>Total</b>	<b>36 cents</b>	<b>21.6 cents</b>
<b>2023</b>		
Final Dividend	23 cents	6.9 cents
Interim Dividend	23 cents	6.9 cents
<b>Total</b>	<b>46 cents</b>	<b>13.8 cents</b>

The record date for the final dividend is 18 December 2024. Dividend payment date is 24 January 2025.

	September 2024	September 2023
	\$	\$
Net tangible assets backing per ordinary security (158,041,121) <sup>1</sup>	1.93	2.80

<sup>1</sup>

Assets for the purpose of net tangible assets include right-of-use assets associated with leases recognised in accordance with AASB 16

#### Details of subsidiaries, associates and joint ventures

Subsidiaries and joint ventures	Name	% Held by the group
Details of entities over which control has been gained	IPST Holdings Pty Ltd	100
	Integrated Property Services Tas Pty Ltd	100
	KF Tas (Property Services) Pty Ltd	100
	KF Tas (Valuations) Pty Ltd	100
	SBK Beef Pty Ltd	75
Details of entities over which control has been lost	Elders China Trading Company	100
	Elders Fine Foods (Shanghai) Company	100
	Primac Exports Pty Ltd	100
Details of acquired associates or joint venture entities	TLX Pty Ltd	50



# Annual Report 2024

Elders Limited ABN 34 004 336 636



185 EST.  
1839

Bordertown Branch approx 1910

BSA

# Contents

Chair's Report	2
CEO's Report	4
Year in Brief	6
Operating and Financial Review	8
Review of Operations	20
Sustainability	29
Directors' Report	38
Remuneration Report	45
Executive Management	66
Elders Limited Annual Financial Report	70
Shareholder Information	131
Company Directory	132

# Chair's Report



**Elders has demonstrated its durability in FY24, delivering a reasonable financial result, including underlying earnings before interest and tax of \$128 million, despite difficult conditions in the first half of FY24. Directors announced a final dividend of 18 cents per share.**

## Financial and operational highlights

The agricultural operating landscape has generated plenty of challenges, with declines in livestock prices in the first quarter impacting Elders' agency business, reducing demand for animal health products and diminishing client sentiment. Performance of the agriculture sector varied across the country with some regions flourishing and others facing drought-like conditions. A focus on building and maintaining Elders' product and geographic diversification has allowed us to deliver steady earnings overall during this period.

## 'First strike' against the 2023 Remuneration Report

At the 2023 AGM, Elders received a 'first strike' against the Remuneration Report when more than 25% of votes were cast against the adoption of the Report. Shareholders also rejected a proposal to award Mark Allison Service Rights intended to incentivise him to remain as Managing Director and Chief Executive Officer until at least June 2025. The Board subsequently determined to settle its commitment to Mr Allison by way of a cash payment.

The Board invested considerable time engaging with proxy advisors and major shareholders during the year. Their feedback indicated that the vote against the Remuneration Report reflected concerns with the overall level of the remuneration package put in place to retain the services of Mr Allison and the succession planning prior to Mr Allison's intent to retire from Elders. Your Board acknowledges the concerns expressed by shareholders and proxy advisors as a result of what were one-off decisions taken to deal with the circumstances related to CEO succession. These were intended to mitigate risks to the business at the time, taking account of Elders' systems modernisation and supply chain rationalisation, along with the challenging business conditions.

The Board believes the remuneration package put in place for Mr Allison is reasonable and appropriate for the circumstances of the company and Mr Allison's performance, and in line with external benchmarking sourced from an independent third party.

Mr Allison's value to Elders has been demonstrated by his leadership, particularly in respect of laying a foundation for the continued growth of the company through significant acquisitions in FY24, the completion of the ground-breaking Elders Wool facility and the continued momentum in systems modernisation.

## Board renewal

We have implemented significant changes to the Board at Elders in the last 12 months to ensure that we are equipped with the right skills and expertise to serve the business as it continues to grow. Following the departures of two directors earlier in the year, in December 2023 we welcomed John Lloyd, a director with extensive experience and knowledge of the agricultural industry in both cropping and livestock sectors, and whose broad understanding of agribusiness will be of immense benefit to the Board.

In August 2024, Damien Frawley joined the Board as Non-Executive Director. Mr Frawley is a respected leader and experienced CEO and director. He is currently Chair of Queensland Treasury Corporation and Chair of Host-Plus Pty Limited. Mr Frawley is also a non-executive director of both Mirvac Group and Blue Sky Beef Pty Ltd. Mr Frawley brings skills in CEO and leadership oversight, board leadership, strategy and planning, talent and remuneration, customers and consumers and government relations.

In September 2024, Glenn Davis, a highly experienced director of both listed and unlisted companies, also joined the Board. He has almost 40 years of experience as a commercial lawyer. Mr Davis is a director of SkyCity Entertainment Group Limited (and Chair of its Adelaide-based casino), Chair of ASX listed Adrad Holdings Limited and Chair of ASX listed Itech Minerals Ltd. He was previously Chair of Beach Energy Limited. His knowledge and skills will add significantly to the Board as the company continues its development.

### **CEO succession and leadership changes**

The Board has continued its important task of CEO succession planning during FY24, working with an external professional firm to identify, evaluate and develop the Elders' senior executive team. The executive leadership team has developed significantly in recent years. Changes this year included the appointment of Patrick White as General Counsel. He has responsibility for the Company's legal, compliance, risk and insurance functions. Prior to his appointment, Mr White served as Elders' Head of Legal Affairs for nearly 10 years, a role in which he helped to protect and grow shareholder value through the provision of advice and services across the entire group. His appointment followed the decision, by Elders' Company Secretary and General Counsel Peter Hastings, to step down from the executive team, a position he has held since 2010. In December this year Amanda-Lea Smith, an experienced human resource and safety executive, will join the company as Executive General Manager People and Performance, further strengthening the executive team.

I am pleased that as the Board continues CEO succession planning, Mr Allison has indicated his willingness to continue in the role of Managing Director and CEO at least until the end of the current Eight Point Plan, in 2026.

With a secure leadership team in place, and refreshed CEO succession plans being overseen by a Board that has continued its own renewal process, your Directors look forward to continuing to oversee the interests of shareholders through the next chapter of Elders' growth and success.

I would like to recognise my fellow directors and all members of the Elders' team for their dedication and commitment. Finally, thank you to all our shareholders for your ongoing support.



**Ian Wilton**  
Chair

# CEO's Report



**Against a backdrop of fluctuating commodity markets and challenging trading conditions, Elders has delivered a resilient result in FY24.**

## Brand

Guided by the Eight Point Plan, Elders' performance reflects our commitment to achieving long-term consistent and methodical growth, driven by financial discipline and decision making that is true to our core as a pure-play agribusiness. On the back of this approach, Elders was awarded the 'Most Trusted Agribusiness Products and Services Brand', and the 'Best of the Best Most Trusted Agribusiness Brand' in the 2024 Roy Morgan Trusted Agribusiness Brand Awards. Through our 185 years of servicing rural Australia, we have taken great care to nurture strong client relationships built on a foundation of trust, and I am proud to deliver this result.

## Safety and wellbeing

At Elders, we are dedicated to continually evolving and improving our safety performance. This year we maintained our downward trend in lost time injuries to two, compared to three in FY23. We also made progress in reducing our Total Recordable Injury Frequency Rate (TRIFR) from 10.1 in FY23 to 9.0 in FY24. It is unacceptable that any of our people are harmed at work, and we continue to strive for a 'zero harm' work environment.

Central to employee wellbeing is their feeling of inclusion and representation in the workplace. In FY24, the Elders Inclusion Committee introduced our inaugural Indigenous Engagement Strategy to support Elders in creating shared benefits and expanding our contribution to communities. We also progressed our efforts to increase the proportion of women in higher paying roles through recruitment and succession programs. This is an area that we will continue to focus on in FY25.

## Resilient financial performance

In FY24, our underlying earnings before interest and tax (EBIT) was \$128.0 million, a decrease of 25% on last year. An underperforming first quarter, caused by declining livestock prices, lower crop protection gross margin and subdued client sentiment, was partially offset by improved trading in the second half. This resilient result reflects Elders' investment in a geographically diversified, multi-product portfolio.

Summary of the FY24 results include:

- sales of \$3,131.3 million (down 6%) and gross margin of \$637.6 million (up 3.0%) benefitting from recent acquisitions, the commencement of Elders Wool and recovery in livestock prices
- costs of \$509.6 million, up 14%, driven by continued investment in transformational growth initiatives and acquisitions. Costs, excluding transformation and acquisitions held below CPI at 1.8%
- underlying EBIT of \$128.0 million (down 25%) and return on capital of 11.3%, were impacted by low livestock prices and subdued client sentiment in Q1, partially offset by an improved H2 performance
- operating cash inflow of \$82.9 million, resulting in a cash conversion of 129%
- covenant leverage ratio of 1.3 times against a limit of 2.5 times, demonstrating significant headroom
- accounting leverage ratio of 3.1 times, forecast to return to target by FY25 H1 based on a normalised Q1 and debtor collection.

### Growth and reinvestment

A major highlight of 2024 has been the growth of our network, which expanded by 21 points of presence to welcome a range of high-quality bolt-on businesses that have incremental benefit to our earnings.

The launch of Elders Wool is another key highlight for us. We officially launched Elders Wool in August 2024 at our world-first automated Ravenhall facility, with the opening marking the single largest investment in Australian wool handling this century. We see this as a reaffirmation of Elders' enduring commitment to the sheep and wool industry and its growers, and a vote of confidence for wool's future as a sustainable and in-demand fibre.

Investment in our Systems Modernisation project is integral to Elders' ability to continue to grow and provide a seamless experience to our customers. In FY24 we progressed to Wave 2 where we will begin to implement Microsoft Dynamics 365 for our retail operations and supply chain. Commencing in South Australia and moving to a national rollout in 2025, transitioning from our legacy system will allow us to streamline our processes across sales, inventory management and customer service, setting us up for success into the future. We have also commenced work on Wave 3 Livestock, in which we're implementing Saleg8 as our new livestock operations system.

### Longstanding commitment to sustainability and innovation

Elders continues to advocate for the sustainable growth of our sector to meet industry ambitions of \$100 billion pre-farmgate value by 2030. Our work with industry bodies and education institutions is evidence of this; our continued partnership with industry leading agricultural innovation event, evokeAG, continues to foster entrepreneurship in the industry, and in September we signed a Memorandum of Understanding with SmartSat Cooperative Research Centre, Australia's leading space research centre to explore how satellite-enabled earth observation technologies can be used in agriculture.

We have continued to evolve our offering to clients to support their own sustainability goals through our Thomas Elder Sustainable Agriculture (TESA) division, including our carbon farming arm. Elders is in position to provide tailored advice to growers with the backing of our national network to assist producers with navigating the complexities of the carbon market, and TESA is facilitating the delivery of this service with commercial projects and trials around the country.

The wellbeing and resilience of rural and regional communities is an important element of our sustainability strategy, and an area in which we excelled this year. In FY24 we actively supported rural and regional Australia not just in our dealings with producers each day, but through our advocacy work with the Regional Australia Institute. We also launched the first round of the Elders Community Giving Project which provided 14 grants to small community groups and organisations around the country to implement long-term change in rural and regional Australia. Our most trusted brand title affirms that our community engagement strategy is effectively supporting the communities that are intrinsic to the success of our business.

### Outlook

A return to average seasonal conditions appears promising for FY25, and we intend to maintain a heightened focus on the fundamentals of our Eight Point Plan strategy to achieve sustainable, consistent growth and create shareholder value. Cost control and reduction is a central focus that will allow us to maintain acceptable shareholder returns in challenging conditions and excellent shareholder returns in favourable conditions.

The significance of achieving 185 years servicing Australian farmers in 2024 does not go unrecognised here at Elders. Our longevity is a testament to the unparalleled understanding that Elders has of the farming landscape and the needs of our clients. Our unwavering commitment to this sector means we continue to prosper as leaders at the forefront of the agriculture industry. On behalf of the leadership team, I would like to thank our people for their dedication to achieving FY24's result, and our clients for their ongoing support.



**Mark Allison**  
Managing Director  
and CEO

# 2 LOST TIME INJURIES

---

# #1 MOST TRUSTED AGRIBUSINESS BRAND<sup>1</sup>

amongst farmers for the fifth year in a row

---

# 77% EMPLOYEE ENGAGEMENT

---

# 47 NET PROMOTER SCORE

---

<sup>1</sup> Most Trusted Agribusiness Products and Services Brand', and the 'Best of the Best Most Trusted Agribusiness Brand'  
in the 2024 Roy Morgan Trusted Agribusiness Brand Awards

# YEAR IN BRIEF

Sales  
revenue

**\$3.1b**

volume growth offset by softening input prices

Costs

**\$509.6m**

investment in people and transformational projects

Gross  
margin

**\$637.6m**

diversified portfolio mitigating adverse headwinds

Return  
on  
capital

**11.3%**

negatively impacted by Q1 under performance

Underlying  
EBIT

**\$128m**

resilient performance despite market headwinds

Leverage  
ratio

**3.1x**

expected to return within target range in FY25

Dividends  
per share

**36c**

resulting in a dividend payout ratio of 88%

Cash  
conversion

**129.5%**

exceeds target of 90% per capital management framework

# *Operating and Financial Review*

2024



# Operating and Financial Review

Improved second half trading partially offset the negative earnings impact in the first quarter from low livestock prices, lower crop protection margins and subdued client sentiment.

Our product, channel and geographical diversification allowed Elders to partially overcome market headwinds, particularly impacting Q1, while investment continues in our transformational projects to support underlying EBIT growth and operational efficiency.

## Key metrics for the full year ended 30 September 2024:

- resilient **underlying EBIT** at \$128.0 million
- improved **gross margin** result of \$637.6 million, supported by livestock price recovery throughout the year
- **cost** increase of 14%, resulting primarily from recent acquisitions and transformational growth initiatives
- **return on capital** of 11.3% and **leverage ratio** of 3.1x, impacted by the subdued Q1 performance and spend on transformational projects
- operating **cash inflow** of \$82.9 million and **cash conversion** ahead of target at 129%
- thirteen new businesses **acquired** and 21 additional **points of presence** to expand our product and geographical footprint
- providing shareholder returns with **underlying EPS** of 40.7 cents and **dividends per share** of 36.0 cents
- sustaining a **safer** working environment with the total recordable injury frequency rate decreasing to 9.0
- commitment to **sustainability** priorities, including achieving key climate milestones
- **diverse working environment**, with 45% of the workforce are women and 21% of leadership positions are occupied by women
- awarded Australia's **Most Trusted Agribusiness Brand** amongst farmers for the fifth year in a row

## Elders FY25 outlook:

- improving market conditions anticipated to benefit our multi-channelled and diversified portfolio
  - favourable summer crop planting in key geographic areas following average seasonal outlook, with gradually improving Rural Products margins from the stabilisation of fertiliser and crop protection prices
  - cattle and sheep price recovery a tailwind for FY25, partially offset by potential volume pressure with improving pasture availability
  - improving inflationary conditions through FY25 in line with the Reserve Bank forecast, and continued focus on cost management to hold the cost base below CPI excluding acquisition and new business
- new acquisitions and greenfield opportunities will expand our points of presence and support product and geographical diversification
- continued uptake at our wool handling facilities generating margin improvement and customer satisfaction
- Systems Modernisation project wave 2 forecast to go live in November 2024, and ongoing investment in our other transformational initiatives to enhance capabilities and capture efficiencies

## Profit and Loss

### Profit: Reported and Underlying

<i>\$million</i>	FY24	FY23	Change	Change %
<b>Sales</b>	3,131.3	3,321.4	(190.1)	(6%)
<b>Gross margin</b>				
Retail Products	284.5	306.9	(22.4)	(7%)
Wholesale Products	75.7	71.7	4.0	6%
Agency Services	123.1	113.7	9.4	8%
Real Estate Services	82.6	59.5	23.1	39%
Financial Services	54.5	53.5	1.0	2%
Feed and Processing Services	17.2	13.7	3.5	26%
<b>Total gross margin</b>	<b>637.6</b>	<b>619.0</b>	<b>18.6</b>	<b>3%</b>
Costs (distribution and administration)	(509.6)	(448.2)	(61.4)	(14%)
<b>Underlying earnings before interest and tax</b>	<b>128.0</b>	<b>170.8</b>	<b>(42.8)</b>	<b>(25%)</b>
Finance Costs	(34.6)	(22.9)	(11.7)	(51%)
<b>Underlying profit before tax</b>	<b>93.4</b>	<b>147.9</b>	<b>(54.5)</b>	<b>(37%)</b>
Tax	(24.7)	(39.1)	14.4	37%
Non-Controlling Interests	(4.8)	(5.0)	0.2	4%
<b>Underlying profit to shareholders</b>	<b>64.0</b>	<b>103.7</b>	<b>(39.7)</b>	<b>(38%)</b>
<b>Items excluded from underlying profit</b>	<b>(18.9)</b>	<b>(2.9)</b>	<b>(16.0)</b>	<b>552%</b>
<b>Reported profit after tax to shareholders</b>	<b>45.1</b>	<b>100.8</b>	<b>(55.7)</b>	<b>(55%)</b>
Underlying earnings before interest, tax, depreciation and amortisation	201.5	228.4	(26.9)	(12%)
Underlying earnings per share (cents)	40.7	66.3	(25.6)	(39%)

### Items Excluded from Underlying Profit

The statutory result included items that are unrelated to operating financial results. Measurement and analysis of financial results excluding these items are considered to give a meaningful representation of like-for-like performance from ongoing operations ("underlying profit"). Underlying profit is a non-IFRS measure and is not audited or reviewed.

<i>\$million</i>	FY24	FY23	Commentary
Acquisition, divestment and other closure costs	(7.2)	1.5	Costs incurred to exit various investments
Restructuring initiatives	(6.1)	-	Costs associated with the re-organisation of operations and structure to improve efficiency and reduce costs
Platform and system modernisation	(5.6)	(5.4)	Relates to platform modernisation costs that are one off in nature and cannot be capitalised
Business transformation costs	(4.8)	(4.5)	Recognition of one off costs for transformational activity, mostly related to start-up costs for Elders Wool
Other costs	(2.0)	(0.6)	Predominantly relates to one off retention arrangements
Tax adjustments	6.7	6.1	Tax benefits from temporary differences on one off costs
<b>Total</b>	<b>(18.9)</b>	<b>(2.9)</b>	

## Sales

Sales decreased \$190.1 million or 6% compared to the prior year, proving a resilient result considering the material impact to Q1 from lower livestock prices and associated reduction in client sentiment, as well as lower input prices for key agricultural chemicals and fertilisers. Prices for Retail Products remained historically low offsetting improved volumes sold across most categories. Key FY24 upsides include strong performances from Real Estate Services, our Elders Wool Handling investment and Elders Finance offering.

## Gross Margin



### Retail Products

Retail Products continued to grow market share, achieving volume growth across most products, benefitting from our backward integration strategy and gradual improvement in seasonal conditions following the materially lower Q1 performance. Margins remained negatively impacted by subdued crop protection and fertiliser input prices, compared to prior period.



### Wholesale Products

Wholesale Products were up on the prior period, as demand for animal health products benefitting from the recovery in livestock prices following the sell-off in 2023.



### Agency Services

Agency Services margin increased largely driven by the recovery in livestock prices and higher volumes sold, with wool margins benefitting from Elders Wool as throughput and earn-per-bale increased.



### Real Estate Services

Real Estate Services margin benefitting from recent acquisitions, particularly Knight Frank in Tasmania, and improved broadacre demand following the recovery in the livestock market.



### Financial Services

Financial Services made considerable progress in the transition to the expanded broker model with earnings growth across all products largely attributable to the Elders Insurance business and Elders Home Loans.



### Feed and Processing Services

Feed and Processing Services margins recovered from negatively impacted trading conditions in Q1, with improvements in feeder cattle and commodity prices benefitting the second half of FY24.

## Costs

Costs increased \$61.4 million or 14% compared to last year, largely attributable to acquisitions (\$26.0 million), which contributed to increased people costs (\$24.5 million or 8%). FTE employees reduced by 15, excluding acquisitions and new business.

## Net Profit After Tax

Net profit after tax includes the recognition of underlying tax expense (\$24.7 million). The physical payment of tax is forecast to recommence in FY26.

## EBIT by Geography

\$million	FY24	FY23	Change	Change %
Wholesale Products	31.3	32.1	(0.8)	(2%)
New South Wales	40.4	44.6	(4.2)	(9%)
Queensland and Northern Territory	12.6	21.0	(8.4)	(40%)
Victoria and Riverina	58.4	57.1	1.3	2%
South Australia	26.7	36.4	(9.7)	(27%)
Tasmania	5.2	5.0	0.2	4%
Western Australia	31.1	50.5	(19.4)	(38%)
Corporate Overheads	(77.7)	(75.9)	(1.8)	(2%)
<b>Underlying earnings before interest and tax</b>	<b>128.0</b>	<b>170.8</b>	<b>(42.8)</b>	<b>(25%)</b>



### Wholesale Products

Earnings improvement in the second half of FY24 was unable to fully offset the impact of the material Q1 under-performance on animal health products, in line with lower livestock prices and increased costs.



### New South Wales

Agency Services gross margin was a key tailwind, with a recovery in livestock prices and increased volumes. This was more than offset by weaker Rural Products earnings and increased costs, due to higher average FTEs and increased property costs. Pleasingly, the Killara Feedlot contributed favourably to margin, benefitting from a decline in both feeder cattle and feed prices.



### Queensland and Northern Territory

Real Estate gross margin was a key upside, with favourable residential and property management earn. Unfortunately it was unable to offset the decline in performance by the other products and inflation in people costs.



### Victoria and Riverina

Sizable gross margin improvement across all products, benefitting from the Charles Stewart acquisition and recovery in Agency Services.



### South Australia

Unfavourable seasonal conditions with limited rainfall adversely affecting Rural Products demand, coupled with ongoing margin pressure, partially offset by improved Agency Services and Real Estate earnings as livestock prices recovered. Costs were maintained below inflation.



### Tasmania

Tasmania's EBIT increased, primarily due to higher residential Real Estate earnings following the Knight Frank acquisition.



### Western Australia

Gross margin was adversely affected by unfavourable seasonal conditions which materially impacted H1 earnings, particularly Rural Products. Real Estate showed improvement on the prior period, with improvement across most products in the second half of FY24.



### Corporate Overheads

Corporate overheads increased mainly due to inflation, people costs and strategic investment through acquisitions and transformational projects, offset by business initiatives.

## Capital Management

### Balance Sheet

<i>\$million</i>	FY24	FY23	Change	Change %
Trade and other receivables	895.3	738.2	157.1	21%
Inventory	399.5	491.7	(92.2)	(19%)
Livestock	47.4	49.1	(1.7)	(3%)
Trade and other payables	(667.0)	(646.2)	(20.8)	(3%)
<b>Working capital</b>	<b>675.2</b>	<b>632.8</b>	<b>42.4</b>	<b>7%</b>
Property, plant and equipment	93.2	70.6	22.6	32%
Right-of-use assets	246.6	199.2	47.4	24%
Equity accounted investments and other financial assets	66.1	79.9	(13.8)	(17%)
Intangibles	538.1	409.3	128.8	31%
Provisions	(79.5)	(76.6)	(2.9)	(4%)
<b>Capital (net operating assets)</b>	<b>1,539.7</b>	<b>1,315.2</b>	<b>224.5</b>	<b>17%</b>
Borrowings: working capital and other facilities	(477.0)	(281.2)	(195.8)	(70%)
Lease liabilities	(253.7)	(203.6)	(50.1)	(25%)
Cash and cash equivalents	40.2	21.5	18.7	87%
<b>Net debt</b>	<b>(690.5)</b>	<b>(463.3)</b>	<b>(227.2)</b>	<b>(49%)</b>
<b>Tax assets</b>	<b>(3.9)</b>	<b>14.9</b>	<b>(18.8)</b>	<b>(126%)</b>
<b>Shareholders' equity</b>	<b>845.3</b>	<b>866.8</b>	<b>(21.5)</b>	<b>(2%)</b>

### Working Capital

<i>\$million</i>	FY24	FY23	Change	Change %
Retail Products	502.2	463.8	38.4	8%
Wholesale Products	110.6	116.1	(5.5)	(5%)
Agency Services	63.2	40.9	22.3	55%
Real Estate Services	(18.4)	1.3	(19.7)	(1515%)
Financial Services	(0.3)	10.4	(10.7)	(103%)
Feed and Processing Services	51.9	54.8	(2.9)	(5%)
Other	(34.0)	(54.5)	20.5	38%
<b>Working capital (balance date)</b>	<b>675.2</b>	<b>632.8</b>	<b>42.4</b>	<b>7%</b>
<b>Working capital (average)</b>	<b>676.0</b>	<b>733.8</b>	<b>(57.8)</b>	<b>(8%)</b>

#### Key movements in working capital

Working capital as of balance date closed at \$675.2 million, up \$42.4 million or 7%, primarily due to the increase in trade and other receivables partially offset by a favourable movements in trade and other payables and inventory:

- trade and other receivables increased \$157.1 million or 21%, mainly due to higher Rural Products and livestock debtors (up 17% and 12% respectively), as a result of some temporary pressure on debtor days in the Rural Products business, and a later winter crop season in WA and SA
- inventory (including livestock) fell \$93.8 million or 17% on last year, benefitting from our supply chain optimisation initiatives and lower crop protection prices
- trade and other payables increased \$20.8 million or 3%, mainly due to the impact on clients from unfavourable seasonal timing.

#### Key movements in net operating assets

Net operating assets at balance date increased \$224.5 million or 17% on last year to close at \$1,539.7 million:

- intangibles grew \$128.8 million or 31%, driven by goodwill on thirteen acquisitions in FY24
- provisions increased \$2.9 million or 4%, predominantly as a result of higher leave entitlements, offset by lower staff incentives
- property, plant and equipment increased \$22.6 million or 32%, largely relating to investment spend on our transformational initiatives
- right-of-use assets increased \$47.4 million or 24%, resulting from recent acquisitions, additional distribution centres and new locations, as well as renegotiated lease contracts.

## Net Debt

Net debt at balance date was \$690.5 million, which is up \$227.2 million or 49% on the prior year. Lease liabilities comprises \$253.7 million of the total balance and \$50.1 million of the movement. The positive operating cash inflow was mainly offset by further capital expenditure on our transformational initiatives and acquisition spend on thirteen businesses.

## Capital management ratios

<b>Key Ratios - rolling 12 months</b>	<b>FY24</b>	<b>FY23</b>	<b>Change</b>	<b>Change %</b>
Underlying return on capital (%)	11.3%	16.0%	(4.7%)	n/m
Leverage ratio (balance date net debt to EBITDA) (times)	3.1	1.4	1.7	114%
Interest cover ratio (EBITDA to net interest) (times)	4.8	9.2	(4.4)	(48%)
Gearing ratio (balance date net debt to closing equity) (%)	51.7%	30.0%	21.7%	n/m

Leverage excluding AASB 16 (Elders' preferred measure) totalled 3.1 times and bank covenant leverage, which excludes the Rabobank debtor facility, of 1.3 times against a covenant limit of less than 2.5 times. Our undrawn facilities as at 30 September 2024 were \$90.9 million out of total committed facilities of \$655.0 million.

Financial ratios were negatively impacted by the trading conditions that prevailed in the first quarter. Consequently, significant improvement is forecast across these ratios assuming a normalised first quarter in FY25.

## Tax Assets

Tax assets balance, which includes both deferred tax assets and tax liabilities, decreased \$18.8 million or 126% to \$3.9 million at balance date. This is driven by the recognition of an underlying tax expense of \$24.7 million.

## Shareholders' Equity

Shareholders' equity at balance date closed at \$845.2 million, a decrease of \$21.6 million or 2% on prior period. This movement primarily pertains to FY24 reported net profit of \$45.1 million, partially offset by dividend distribution to shareholders of \$64.3 million.

## Return on Capital

Elders' underlying return on capital finished the year at 11.3%, a decrease of 4.7% compared to last year, influenced by the material impact on Q1 EBIT from lower livestock prices and associated reduction in client sentiment, as well as ongoing investment spend on our strategic initiatives increasing average capital.

## Cash Flow

<i>\$million</i>	<b>FY24</b>	<b>FY23</b>	<b>Change</b>	<b>Change %</b>
Operating cash flows	82.9	169.2	(86.3)	(51%)
Investing cash flows	(150.9)	(132.1)	(18.8)	(14%)
Financing cash flows	86.7	(33.5)	120.2	359%
<b>Net cash flow</b>	<b>18.7</b>	<b>3.6</b>	<b>15.1</b>	<b>n/m</b>
Cash conversion (%)	129%	163%	(34%)	n/m

### Operating cash flow

Operating cash flow was a net inflow of \$82.9 million, represented by underlying EBITDA adjusted for non-cash items of \$200.0 million, partially offset by movements in assets and liabilities of \$117.1 million:

- trade and other receivables increased \$157.1 million or 21%
- inventory (including livestock) declined \$93.8 million or 17% on last year
- trade and other payables increased \$20.8 million or 3%
- remaining \$74.6 million, which includes movements in provisions and balances acquired via business acquisitions

Despite an unfavourable movement in assets and liabilities and a decline in EBIT year on year, an operating cash inflow of \$82.9 million was achieved resulting in a cash conversion of 129%.

While net working capital increased against prior period, significant progress was made in improving inventory management with a reduction of \$93.8 million against prior period. Trade receivables were elevated at balance date compared to prior period due to a late start to winter crop in WA and SA, greater client demand for deferred terms and some increase in overdue debtors. Elders is confident in the quality of the debtor book with most material exposures maintaining significant net asset cover.

A significant reduction in debtors is forecast in FY25 Q1.

### Investing cash flow

Investing cash flow was a net outflow of \$150.9 million at balance date, driven by acquisition spend on thirteen businesses and the strategic investment in our transformational initiatives, such as Systems Modernisation and Elders Wool.

### Financing cash flow

Financing cash flow was an outflow of \$86.7 million, primarily representing full year FY23 and half year FY24 dividends paid to shareholders of \$52.5 million and \$51.3 million payment for lease liabilities, largely offset by \$195.8 million proceeds from borrowings.

# Material Business Risks

## Elders faces a variety of financial and non-financial risks that might impact its operations and outcomes.

While some of these risks are unique to Elders, others are general risks associated with any stock market investment. Elders has an established risk appetite set by the Board and has implemented a Resilience and Risk Management Framework and strategy with internal checks and balances to address these risks. Nonetheless, the nature and severity of these risks can evolve, and Elders' approach to managing them is adaptive.

The following overview lists key risks faced in pursuit of Elders' objectives. This list is not exhaustive and does not rank the risks by materiality. Elders continue to identify, analyse, evaluate, manage and monitor risks, aiming to capitalise on opportunities and minimise potential losses.

More detail on Elders' approach to managing risk is contained in the Corporate Governance Statement on Elders' website at [elders.com.au/for-investors/performance/periodic-reports/](https://elders.com.au/for-investors/performance/periodic-reports/).

In line with ASX Corporate Governance Council recommendation 7.4, Elders has identified those risks of a specific environmental or social risk type:

-  **Environmental**  
The potential negative consequences to a listed entity if its activities adversely affect the natural environment or if its activities are adversely affected by changes in the natural environment.
-  **Social**  
The potential negative consequences to a listed entity if its activities adversely affect human society or its activities are adversely affected by changes in human society.

Material Business Risk	Our risk management approach
------------------------	------------------------------

<p><b>Health and safety</b></p> <p>Safety risk is inherent in Elders' business activities. Key safety risks include livestock handling, remote driving, manual handling and chemical handling. Beyond these physical risks, we recognise the impact of psychosocial risks in the workplace. These include challenges like excessive workloads, limited job control, unsupported organisational environments, and issues such as bullying, discrimination and harassment.</p>	<div style="text-align: right; margin-bottom: 10px;">   </div> <p>At Elders, the safety of our people and a strong safety culture are non-negotiable priorities. Our Health, Safety and Environment team shapes the processes, behaviours and reporting that underpin our safety standards. Our One Elders Awards program, held monthly, recognises and reinforces safe practices across the business, while our annual Safety Week focuses on core safety principles.</p> <p>In 2024 we prioritised enterprise-wide safety risk assessments to evaluate our control environment and construct the most effective mitigation strategies. Critical Risk Teams further bolster effectiveness by collaboratively working to enhance safety controls. Additionally, safety is a standing agenda item in every team meeting.</p>
--	---

<p><b>Animal welfare</b></p> <p>The welfare of livestock is of paramount importance to Elders. A failure to adequately protect and ensure the wellbeing of animals within our control may lead to significant consequences, including stakeholder scrutiny, operational disruptions and potential reputational damage.</p>	<div style="text-align: right; margin-bottom: 10px;">   </div> <p>Elders has a "zero tolerance" policy for poor treatment of livestock. We ensure our people are trained and adhere to safe livestock handling procedures, aiming to surpass government requirements. Beyond compliance we're committed to proactive engagement with the broader industry and stakeholders, pushing for enhanced animal welfare practices where possible.</p>
--	---

---

**Material Business Risk**
**Our risk management approach**
**Climate variability and severe weather events**


Climate variability and severe weather events risk is the short to medium term risk of adverse weather patterns and natural events directly impacting Elders' agricultural operations. The risk pertains to sudden or cyclical events such as drought, floods, frost and fires, which can unpredictably affect the volume of agricultural production, disrupt supply chains and create volatility in the availability of rural products. These events can cause fluctuations in revenue, supply demand imbalances and operational disruptions due to the immediate impact of weather related natural disasters.

Elders manages its exposure to cyclical weather conditions and events via its geographical spread of operations and the diversification of its product, channel and service range.

In its operational planning, Elders integrates forecasting and supply management, taking into account usual weather patterns. These strategies are designed to bolster the flexibility of our supply chain, enabling us to swiftly adapt to weather-induced challenges.

**Climate change**



Climate change risk refers to the long term systemic risk posed by both physical and transitional factors arising from climate change. Physical risks include the gradual increase in temperature, changing precipitation patterns and the frequency of extreme weather events. Transitional risks involve regulatory changes aimed at curbing greenhouse gas emissions, market shifts toward sustainability and evolving consumer preferences.

For Elders, this risk encompasses potential disruptions to agricultural productivity, supply chain vulnerabilities, increased operational costs due to compliance with environmental regulations and reputational damage if perceived as lagging in environmental stewardship. It also includes potential financial performance impacts due to these direct and indirect effects of climate change.

In FY24, Elders made significant progress in managing climate-related risks by implementing emissions reduction targets that guide our business activities and employing scenario analysis to assess our exposure to climate risks and opportunities. We continue to evolve our diverse product and service offerings across Australia to help mitigate risks and support our clients as they adapt to climate impacts.

Additionally, we incorporate climate considerations into our due diligence processes for potential business acquisitions, ensuring alignment with our sustainability principles, climate trends and emissions profile.

More details on our energy and emissions management can be found in our FY24 Sustainability Report, which follows the recommendations of the Taskforce on Climate-related Financial Disclosures.

**Environmental**



This is the risk of operational, financial and reputational damage from Elders' interactions with the natural environment, particularly through our supply of chemicals and fertilisers to the agriculture industry. It includes risks related to biodiversity loss and environmental contamination affecting soil health which impact agricultural productivity and sustainability.

Additionally, this is the risk of stringent environmental regulations, potential legal liabilities and reduced competitiveness if our products are perceived as environmentally harmful.

Elders recognise the importance of managing environmental risks relating to our agricultural operations, particularly in the supply of chemicals and fertilisers. We invest in minimising the impacts on soil health and biodiversity through sustainable practice under our Thomas Elder Sustainable Agriculture and Sustainability Framework.

Additionally, we maintain compliance with evolving environmental regulations to mitigate legal liabilities and uphold our reputation for sustainability. Our focus on sustainable agriculture practices and community engagement helps ensure we contribute positively to long term agricultural productivity and environmental preservation, while also maintaining our competitiveness in the market.

**Biosecurity**


Australia's expansive agricultural landscape means companies like Elders are vulnerable to biosecurity threats impacting crops and livestock. An outbreak can trigger quarantine measures across rural areas, potentially halting trading and transport operations.

Such outbreaks can also initiate or exacerbate international trade restrictions, directly influencing market access and profitability. Furthermore, producers might curtail their demand for goods and services due to these biosecurity challenges, or even find their operational capacities severely hampered.

Elders is committed to being a proactive part of the solution to biosecurity challenges. We have instated disease management protocols and maintain a business continuity framework to ensure resilience against unforeseen disruptions. We scan for and recognise threats, especially from Foot-and-Mouth Disease and Lumpy Skin Disease occurring in regions near Australia.

Beyond our internal measures, we actively engage with regulators who monitor these biosecurity threats, ensuring that we not only stay informed but also adhere to their recommendations and directives.

**Food**


Elders' Feed and Processing operations handle livestock destined for human consumption, presenting a possible risk of food product contamination.

Elders enforces strict animal health controls in its feedlot, supported by a dedicated business continuity framework.

---

**Material Business Risk****Our risk management approach****Global and domestic economic conditions**

This risk pertains to the impact of global and domestic economic trends on Elders' products and services. It includes factors like population growth, living standards and broader economic cycles such as recessions or booms. A significant global economic downturn or domestic recession could alter consumer demand patterns, leading to changes in the volume and type of products and services Elders sells. This risk focuses primarily on macroeconomic factors, including shifts in GDP, inflation rates and consumer spending behaviours, which could directly influence Elders' profitability and market position.

Exposures are managed through diversification of income streams by product and geography, controlled inventory levels and flexible remuneration models for the Agency business and appropriate debt facility management.

**Pandemic**

Pandemic events can jeopardise health and wellbeing and lead to considerable economic, operational and societal upheavals, with the potential to impact Elders' ability to conduct its business. The safety of our people, customers and clients, the general community and business continuity are at risk during such events.

To effectively triage and respond to such events, Elders activates its Business Continuity and Incident Response teams to ensure a coordinated approach. During the COVID-19 pandemic, Elders established a dedicated COVID-19 Committee, bringing together executive level business unit leaders and functional experts. Chaired by the Company Secretary and General Counsel, this Committee placed a critical role in navigating the challenges of the pandemic, ensuring the safety of our people, customers and the broader community while maintaining business continuity.

**Commodity pricing**

Elders has exposure to commodity price fluctuations in its Agency, Rural Products, and Feed and Processing operations where movements in commodity prices, exchange rates and/or a change in the volume of Australian rural production could affect margins.

Exposures are managed through diversification of income streams by product, channel and geography, controlled inventory levels and flexible remuneration models for the Agency business which allow for cost base adjustments in response to fluctuations.

**Supply chain**

Elders operates in complex supply chains, reliant on multiple third-party suppliers, including those located in China. The availability and cost of inputs can be affected by disruptions, evolving environmental standards, and policy shifts. Such interruptions can increase our expenses and impede order fulfilment. Additionally, extreme weather events, due to changing climatic conditions, pose risks to our infrastructure and supply chain, which could impact financial results. Furthermore, our dependence on diverse suppliers exposes potential risks of modern slavery and labour exploitation, especially in those regions with lower standards of labour oversight.

In 2024, Elders remains aware of supply chain risks, magnified by the residual impacts of the pandemic, geopolitical events, economic fluctuations and climatic events. To fortify against these challenges and ensure alignment with strategic goals, Elders actively manages its Rural Products supply chain vulnerabilities. Furthermore, Elders has embarked on a comprehensive multi-year initiative to enhance resilience and excellence throughout its supply chain ecosystem. Our actions addressing the risk of modern slavery in operations and supply chains are explained in our annual Modern Slavery Statement. We outline the minimum ethical expectations we have of our suppliers in our Responsible Sourcing Code.

**Counterparty**

Elders engage with numerous counterparties. We extend credit to approved parties and may experience losses from a customer's inability to settle debts. Additionally, we are exposed to supply counterparty risk where there is potential for suppliers or partners to default or not meet their service, supply or contractual obligations.

Elders manage counterparty risks through credit assessments, underpinned by credit policies and procedures. Oversight is provided by the Credit Committee, complemented by monitoring, reporting of debtors and trade credit insurance. The CEO, CFO, and when relevant, the Board review notable credit issues. To address supply counterparty risks, Elders incorporates standard contract clauses, conducts due diligence, adheres to procurement procedures and emphasises the establishment of long-term relationships with trusted suppliers.

**Geopolitical**

This risk is the influence of political events, regulatory changes and international relations on Elders' operations. Elders, as an importer from foreign and domestic markets, is vulnerable to shifts in government policies, trade tensions and international conflicts. This risk also includes the effects of foreign government subsidies that may undermine the competitive position of Australian agricultural products. It encompasses broader concerns such as trade barriers, sanctions and political instability, which could disrupt supply chains, increase costs or limit market access.

Elders controls consequential exposure to this risk through contractual means wherever practicable and seeks to cultivate a diverse range of international markets to reduce concentration risk. The Board maintains control and oversight over ventures in new jurisdictions.

**Material Business Risk**

**Our risk management approach**

**Key personnel and human resource**



The loss of critical employees, or difficulties in recruiting, retaining or motivating skilled talent, can affect Elders. As a company with a national footprint across various regions, Elders faces increased talent complexities compared to businesses operating in a single location. Staff changes, particularly in pivotal and senior roles, has the potential to create disruptions, impacting Elders' financial standing and its forward looking strategy.

Essential personnel and positions with Elders have been identified, with corresponding succession and retention plans formulated.  
 Compensation and incentive guidelines have been established to assist Elders in effectively attracting and retaining skilled talent.

**Strategic outcomes**



This is the risk of strategic outcomes failing to meet market expectations due to the inadequacy of planning and preparation in achieving the Eight Point Plan objectives. For Elders, the risk implies that growth initiatives might fall short of their targets because of flawed assumptions or faulty implementation. Such a shortfall can result in strategic misalignment with market demands and investor expectations, leading to reduced stakeholder confidence and potential financial under performance.

Our strategic risk mitigation focuses on leveraging geographic and product diversification, we remain responsive to market shifts, mitigating the risk of flawed assumptions about growth opportunities.  
 Additionally, we refine our operational efficiency and investment strategies to support long term growth. This includes ongoing review of our financial health and transformation initiatives, helping to ensure our growth aligns with shareholder expectations.  
 Elders commits to ongoing assessment of our Eight Point Plan objectives, ensuring that we identify any gaps early and recalibrate strategies to minimise misalignment with investor expectations and reduce financial underperformance risks.

**Compliance and regulation**



Elders' adherence to local laws and regulations is paramount to maintaining our licence to operate. Non-compliance could expose us to investigations, penalties, liabilities, reputational damage and other adverse consequences.

Elders has established policies and procedures to facilitate legislative and regulatory compliance. Central to these is our Code of Conduct, which delineates the expected behaviours of our people. In addition to our internal legal team we have dedicated compliance resources that support compliance education and offer insights into legislative and regulatory compliance matters. To further enhance our commitment to ethical operations, we operate a whistleblower program, allowing employees to report any conduct that may be unethical, illegal or fraudulent.

**Fraud and corruption**



This risk refers to the potential for intentional deceit or unethical behaviour including fraud, bribery or misuse of power for personal or financial gain. This risk can result in financial loss, legal liabilities or reputational damage.

Elders has several controls to counter these risks, including appropriate segregation of duties, the terms of its Code of Conduct, compliance policies, anti-fraud policy, anti-bribery and corruption policy, training throughout the business, financial reconciliation processes, Whistleblower Policy and reporting hotline, leave management protocols and an internal audit program which is complemented by periodic reviews conducted by the external auditor.

**Cyber**



Cyber risk encompasses both malicious and non-malicious events that could disrupt Elders' operations or compromise data security. It includes external threats such as cyber attacks, as well as systems outages or failures caused by technical faults, human error or malicious activity. These incidents can result in service unavailability, unauthorised access to sensitive information or operational disruptions.

We have proactively managed the risk with dedicated cyber risk resources, continued investment and alignment with best practice frameworks such as the Australian Signals Directorate Essential 8 and National Institute of Standards and Technology Cybersecurity Framework 2.0.

**Technology and systems capability**



This risk refers to the potential for Elders' internal technology infrastructure and third-party systems to fail in keeping pace with operational demands and industry advancements. This risk includes the possibility of Elders' systems becoming outdated, inefficient or incompatible with new technological standards, which could lead to reduced productivity, operational bottlenecks and missed strategic opportunities. It also encompasses the challenges in adopting and integrating new technologies essential for innovation, process optimisation and maintaining a competitive edge.

Elders is committed to ensuring our IT infrastructure remains current and safe. To directly address the risk of technological inadequacy, Elders is running a Systems Modernisation Program. This initiative aims to elevate customer experience, enhance people engagement and streamline processes and administration for better adaptability to change.

# *Review of Operations*

2024



# OPERATING HIGHLIGHTS

Retail  
Products  
Sales

**\$2.2b**

Down 7% on FY23 results ▼

Wholesale  
Products  
Sales

**\$0.4b**

Down 6% on FY23 results ▼

Head of  
Cattle Sold

**1.7m**

Up 26% on FY23 results ▲

Head of  
Sheep Sold

**11.3m**

Up 15% on FY23 results ▲

Broadacre  
Sales  
Turnover

**\$2.2b**

Up 11% on FY23 results ▲

Residential  
Sales  
Turnover

**\$2.3b**

Up 36% on FY23 results ▲

Gross  
Written  
Premiums

**\$1.4b**

Up 9% on FY23 results ▲

Killara  
Head of  
Cattle Sold

**56k**

Down 3% on FY23 results ▼

## Rural Products

Elders is one of Australia’s leading suppliers of rural farm inputs, including seeds, fertilisers, agricultural chemicals, animal health products and general rural merchandise. These rural products are supplied to primary producers and corporate farm customers through our 260 Elders owned retail stores. Additionally, we also provide professional production and cropping advice with 246 agronomists nationwide, including additional specialists operating through Elders Technical Services.

Elders also operates a Wholesale Products business which supplies products to independently owned member stores, utilising the AIRR branding. AIRR also provides retail services through corporate owned stores and the Ag, Horse & Pet brand to independently owned member stores.

Central to our product value-add is our backward integration strategy which is facilitated through various brands and channels, allowing for margin enhancement and transparency.

### Performance

Retail Products margin declined \$22.4 million or 7% compared to the prior year, with sales impacted by lower crop protection and fertiliser prices, as well as subdued client sentiment during the first quarter of FY24. Overall, we achieved volume growth across most categories (fertiliser and crop protection volumes growth, generating sales uplift of \$199.3 million), however this was offset by a negative sales impact from commodity price declines (sales reduction of \$388.8 million), particularly in herbicide crop protection products and fertiliser.

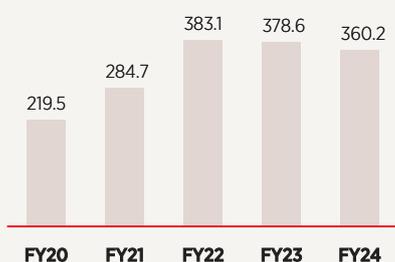
Wholesale Products margin increased \$4.0 million or 6% year on year, as animal health products benefitted from the recovery in livestock prices following the first quarter lows. This was partially offset by the under-performance of AIRR's Apparent product, in line with softening commodity prices.

### Strategy

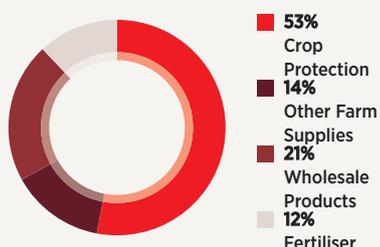
To deliver profitable growth through execution of our backward integration strategy, capturing more gross margin through optimised pricing and supply chain efficiency, and winning market share through customer centricity, sales force effectiveness and strategic acquisitions.

Strategy	Achievement	Plan
Expand own brand product segment	<ul style="list-style-type: none"> <li>Successful integration of Eureka!</li> <li>10 new Titan AG product registrations in FY24</li> <li>Investment in toll formulation operations</li> <li>Employed demand planning and procurement specialists</li> </ul>	<ul style="list-style-type: none"> <li>Continue to grow the Eureka! business and expand on Titan AG utilisation and wallet growth</li> <li>Continued focus on Titan AG share of wallet growth within branches</li> <li>Plan to be operational by March FY25 with our new toll formulation plant in WA</li> <li>Expand the innovation function and identify strategic opportunities</li> </ul>
Margin management and efficiency improvements	<ul style="list-style-type: none"> <li>Maintained GM% despite competitive pressure</li> <li>Established a national supply chain function to deliver efficiencies and support risk management</li> </ul>	<ul style="list-style-type: none"> <li>Develop an enhanced pricing platform as part of the systems modernisation project</li> </ul>
Customer focus and expanded store footprint	<ul style="list-style-type: none"> <li>Continued expansion of our retail footprint through acquisitions and greenfield development</li> <li>Customers supported by 246 agronomists</li> </ul>	<ul style="list-style-type: none"> <li>Continue to fill geographic gaps with strategic acquisitions and greenfield developments, combined with organic growth from capturing additional market share</li> </ul>
Growth of Wholesale Products	<ul style="list-style-type: none"> <li>Warehouse footprint expansion to grow market share</li> <li>Delivered procurement synergies through the Elders network</li> <li>Launched a range of insurance and short term funding products</li> </ul>	<ul style="list-style-type: none"> <li>Continue to increase the warehouse footprint in Brisbane and Rockhampton, and streamline with robotics within Queensland warehouse</li> <li>Deepen customer relationships through AIRR EComm and Feed Club loyalty program</li> </ul>

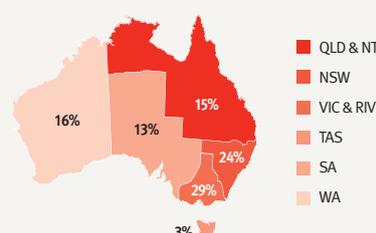
Rural Products margin (\$million)



Margin by product



Margin split by geography



## Agency Services

Elders provides a range of marketing options for livestock, wool and grain. Elders' livestock network comprises employees and agents operating across Australia conducting on-farm sales to third parties, regular physical and online public livestock auctions and direct sales to Elders-owned and third-party feedlots and livestock exporters.

Elders is one of the largest wool agents for the sale of Australian greasy wool and operates a brokering service for wool growers. Our team of dedicated wool specialists assists clients with wool marketing, in-shed wool preparation, ram selection and sheep classing.

In 2023, Elders commenced its wool handling operations, a \$25 million investment in the Australian wool industry with operations in Perth and Melbourne. Full transition to the new wool handling operation was completed in late FY24 which will deliver greater efficiency and long-term cost savings within the wool supply chain.

Elders also has a 50% interest in AuctionsPlus, an online livestock auction platform, and a 30% interest in Clear Grain Exchange (CGX), which is an online grain trading platform.

### Performance

Agency Services margin increased \$9.4 million or 8% on last year, driven by the move to Elders' new wool handling operations out of Perth and Melbourne.

Livestock was a tale of recovery during FY24 with gross margin increasing \$3.0 million or 3% due to an improvement in prices from the lows of Q1 with cattle and sheep prices up 22% and 56% respectively over the period. Price recovery and strong volumes (cattle up 26% and sheep up 15%) saw earn improve across both cattle and sheep with FY24 ending up marginally ahead of the prior year.

There was an improvement in wool margin (\$7.0 million or 43%) in FY24 driven by the move to Elders wool handling operations. The transition to the new operations occurred throughout FY24, starting with Western Australia in October 23, then South Australia and Victoria early 2024 and finally New South Wales and Queensland in June 2024. Given the staggered transition throughout the year ~50% of total bales sold went through Elders Wool, with overall bales sold 5% fewer than in FY23. However, this was offset by a higher earn per bale up 51% as the fully automated operations in Melbourne provide significant logistics outcomes and lower labour units and floor space required when compared to a traditional wool store. Largely driven by additional pre-sale and post-sale revenue as a result of the transition away from third party providers.

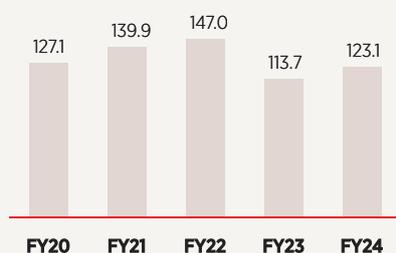
Grain margin was lower than in FY23 driven by fewer tonnes traded with the FY24 harvest back on prior year.

### Strategy

To deliver profitable growth of the Agency Services portfolio through business improvement, recruitment and acquisition for our Livestock and Wool businesses and through focused growth of our investments in AuctionsPlus and CGX.

Strategy	Achievement	Plan
Operating model	<ul style="list-style-type: none"> <li>Acquisition of Charles Stewart Group, consisting of 5 locations in Victoria</li> <li>Complete national transition to Elders' wool handling operations</li> </ul>	<ul style="list-style-type: none"> <li>Elders wool handling to reach 100% capacity in FY25</li> <li>Continue to strengthen, expand and improve our livestock finance and livestock production advice offerings</li> <li>Identify and capture strategic opportunities in key geographic locations via acquisitions</li> </ul>
People	<ul style="list-style-type: none"> <li>Continued roll out of national livestock handling training</li> <li>Continued growth and uptake of our Livestock trainee program</li> <li>Increased investment in training young staff through Elders Livestock Academy</li> </ul>	<ul style="list-style-type: none"> <li>Increase wool handling capability and knowledge through recruitment and training</li> <li>Continued recruitment of high performing staff in key geographical areas</li> </ul>

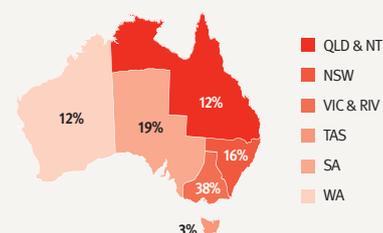
Agency Services margin (\$ million) <sup>1</sup>



Margin by product



Margin split by geography



<sup>1</sup> Includes equity earnings from investments.

## Real Estate Services

Elders' Real Estate Services includes company owned rural agencies primarily involved in the marketing of farms, stations and lifestyle estates. It also includes a network of residential real estate agencies providing sales and property management services in major population centres and regional areas through company owned and franchise offices. Other services include water broking, commercial real estate and valuation.

### Performance

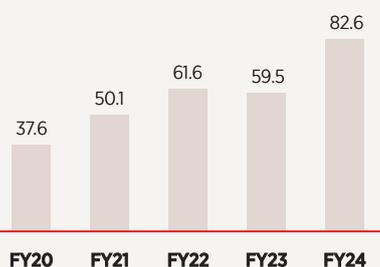
Real Estate Services margin increased by \$23.1 million or 39% year on year. The main driver of this growth came from acquisitions of new and bolt on businesses. Turnover for broadacre and residential properties increased 11% and 36% respectively, with Emms Mooney, Rockingham and Knight Frank Tasmania acquisitions adding significant growth. Property management gross margin increased \$11.5 million or 52% year on year, benefitting from acquisitions, rental inflation and ongoing rent roll growth.

### Strategy

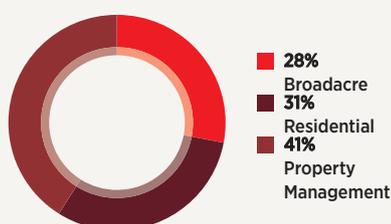
To increase market share and deliver profitable growth of the Real Estate Services portfolio, through increased productivity, recruitment and acquisition across rural, residential and property management.

Strategy	Achievement	Plan
Operating model	<ul style="list-style-type: none"> <li>Key acquisition of Knight Frank Tasmania, expanding our geographical footprint by including 5 locations</li> <li>Strong FY24 performance with the realisation of a full year period of acquisitions, contributing to the growth of Residential, Broadacre and Property Management</li> <li>Maintained commission rate in an increasingly competitive market through a range of marketing and agent support initiatives</li> <li>Increased rent roll assets via organic and acquisitive growth</li> </ul>	<ul style="list-style-type: none"> <li>Continue to grow company owned broadacre agency, residential agency and property management market share in major regional centres and capital cities through acquisition, franchise and agent recruitment</li> <li>Grow our product expertise to include valuation and asset management services</li> <li>Continue to expand market share in large scale corporate transactions through participation in global agri-investing forums and working closely with Elders' Customer Solutions Team</li> </ul>
People	<ul style="list-style-type: none"> <li>Targeted recruitment of high performing real estate sales representatives, water brokers and appointment of key management personnel</li> <li>Continued implementation of numerous business improvement initiatives, primarily focused on brand enhancement, digital strategy, system modernisation and people development</li> </ul>	<ul style="list-style-type: none"> <li>Enhance productivity and efficiency initiatives in our property management business</li> <li>Delivery of national appraisal campaigns to drive awareness of the real estate business</li> </ul>

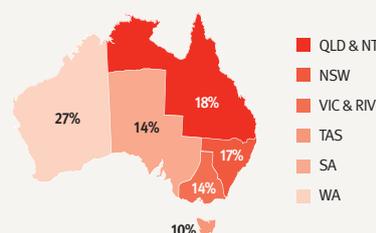
Real Estate Services margin (\$ million)



Margin by product



Margin split by geography



## Financial Services

Elders Finance provides and distributes a wide range of finance, insurance and warranty products and services through its Australian network and Wholesale Products channel.

Elders' partnership with Rural Bank for our banking portfolio was ceased in early FY24, allowing the expansion and promotion of the Elders Finance brokerage model which is now providing a variety of financing options, across personal and business lending, to our customers.

In addition, Elders provides various Livestock and Wool Funding products and a Livestock in Transit (LIT) Delivery Warranty service, which all complement our Agency business. Collectively, these relationships and business units enable us to offer a broad spectrum of products designed to help our customers grow their businesses and manage cash flow and risk.

We work together with a number of partners to deliver some of these offerings, including offering third party livestock funding products and general insurance products from Elders Insurance (a QBE subsidiary).

### Performance

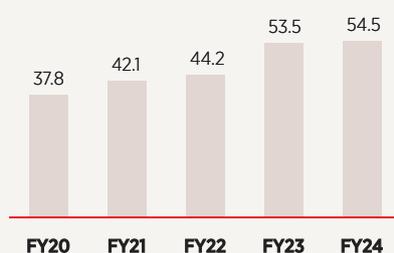
Financial Services margin increased \$1.0 million or 2% in comparison to prior year, with growth achieved in the Elders Finance brokerage model, including strengthening our contractor broker cohort, and investment in dedicated regionally based Agricultural lending brokers. This produced an increase of \$0.7 million with the other key upside in our LIT Delivery warranty (\$0.5 million). Livestock funding placements with third parties declined year on year in line with the promotion of Elders' own Balance Sheet lending products.

### Strategy

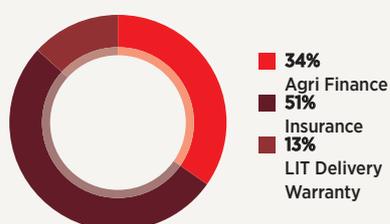
To deliver incremental profitable growth across the Financial Services portfolio through expansion of the Elders Finance brokerage model across all loan types, utilising a disciplined and controlled approach to identify and onboard brokers, incremental growth of existing products, and enhanced training driving a referral culture in our financial services business.

Strategy	Achievement	Plan
Loan brokerage launched	<ul style="list-style-type: none"> <li>Increase in quality and quantity of contractor brokers</li> <li>Establishment of centralised in-house brokers servicing all loan types</li> <li>Establishment of regionally located employed Agri Finance brokerage model</li> </ul>	<ul style="list-style-type: none"> <li>Embed and grow RLS Agribusiness (acquired 1 Nov)</li> <li>Continued focus on contractor broker earnings growth</li> <li>Continue roll-out of employed Agri Finance broker model, ensuring discipline regarding quality of hires</li> <li>Install employed Agri Finance brokers into Wholesale Products business (AIRR)</li> <li>Fill geographical gaps through acquisition</li> </ul>
Incremental growth of existing products	<ul style="list-style-type: none"> <li>Increased Livestock Funding, subject to normal capital allocation processes</li> <li>Slight recovery in LIT delivery warranty to historical levels, with improved penetration and claim rates</li> <li>Significant growth in Rural Products Prepayment product</li> </ul>	<ul style="list-style-type: none"> <li>Finalise and launch white label deposit product to complete Rural Bank product replacement</li> <li>Continue to drive incremental growth across all products and capitalise on recovery in Livestock segment</li> </ul>
Referral culture and staff training	<ul style="list-style-type: none"> <li>Significant training at branch level to promote ownership and understanding of product, and capitalise on investment in brokerage business and Elders Finance brand</li> <li>Expansion of referral activity from Elders Network and Wholesale Products across home, asset and equipment and Agri Loans</li> </ul>	<ul style="list-style-type: none"> <li>In-branch champions to build sales and referral capabilities</li> <li>Continue Financial Services Academy training</li> </ul>

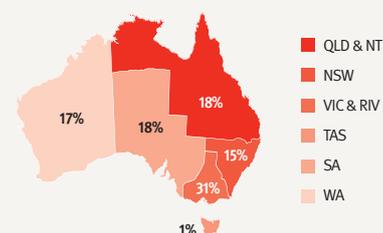
Financial Services margin (\$ million)<sup>1</sup>



Margin by product



Margin split by geography



<sup>1</sup> Includes equity earnings from investments.

## Feed and Processing Services

Elders owns and operates Killara Feedlot, a diversified business incorporating grain and grass fed cattle production operations, manure processing and irrigated feed production in Quirindi, New South Wales.

### Performance

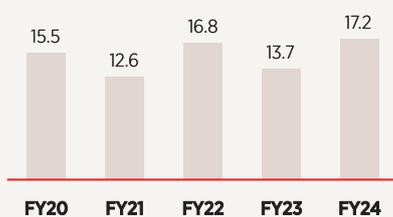
Feed and Processing Services margin increased \$3.5 million, or 26% on the prior period, with improved performance across Killara Feedlot. The key drivers of the result were the performance of the grass-fed cattle program as well as an increase in occupancy and tonnes fed in the feedlot. The positive result was supported by continued upside in the manure processing, as well as farming and grass finishing operations.

### Strategy

To deliver continuous improvement in EBIT and ROC across the operations of the Killara Feedlot, whilst maintaining the highest standards of animal welfare.

Strategy	Achievement	Plan
Grow Killara Feedlot	<ul style="list-style-type: none"> <li>Expansion of feedlot capacity by 10%</li> <li>Implementation of new feed mill and steam flake processing facility</li> <li>Installation of solar farm to provide Killara with access to sustainable, cost-effective electricity</li> </ul>	<ul style="list-style-type: none"> <li>New feed mill and steam flake processing facility in full operation in early FY25</li> <li>Pursue opportunities to expand farming and grass finishing operations</li> <li>Continuous improvement in cattle performance and gross margin given recent capital investment</li> </ul>

Feed and Processing Services margin  
(\$ million)



# Outlook

**The FY25 outlook is promising with favourable moisture profiles in many dry land areas and average seasonal conditions across most of our key regions. Livestock agency is forecast to drive improved performance in the first quarter given significantly higher livestock prices compared to prior period.**

**We anticipate continued benefit from our product, channel and geographical diversification, growth via acquisitions and additional market share.**

**We will continue to invest in our strategic initiatives, in line with our Eight Point Plan strategy, particularly in our Systems Modernisation project with benefits commencing in FY25.**

## Rural Products

- favourable winter crop outlook with NSW, QLD and WA offsetting challenging conditions in SA and western VIC
- promising summer crop outlook with encouraging moisture profiles in many dry land areas and sufficient water allocations in irrigated areas
- gross margin expected to gradually improve on FY24 as fertiliser and crop protection prices remain stable
- continued progress on our backward integration strategy following the acquisition of Eureka! and investment in a new greenfield sites
- strategic expansion of our branch network, as well as our own brand product segment through strategic opportunities

## Agency Services

- livestock price recovery a tailwind, supporting improved performance against the prior period
- cattle and sheep volumes may be impacted by drier conditions in SA and VIC, with the national cattle herd forecast to ease to 28.7m in FY25 (29.7m 2024) and national flock to decline marginally from 70.5m in FY24 to 68.5m in FY25.
- increased sheep slaughter rates are anticipated to continue, bolstered by a favourable export market with Australia contributing 50% of the global export total
- wool prices are expected to remain steady reflecting subdued global spend on discretionary items

## Real Estate Services

- demand for broadacre properties is anticipated to benefit from improving livestock prices
- full year benefit from acquisitions in FY24, predominately Knight Frank Tasmania
- continued expansion of our property management offering

## Financial Services

- Elders Finance to gain traction with an additional 21 brokers onboarded during FY24
- continued uptake of livestock funding product to support margin growth

## Feed and Processing Services

- favourable outlook assuming continued stability or improvement in cattle prices
- benefits from new feed mill and solar array expected to be realised in FY25
- softening feed prices are anticipated to offset increase in feeder cattle prices
- FY25 gross margin improvement further supported by below CPI costs increases

## Costs and Capital

- focus on holding cost increases below CPI, excluding the impact of acquisitions and new business
- maintain financial discipline for cost and capital efficiency
- ongoing investment on our transformational initiatives and acquisitive growth

## Eight Point Plan

- Elders commenced its fourth Eight Point Plan in FY24; our three-year strategy taking us through to FY26
- we continue to strive for compelling shareholder returns, industry leading sustainability outcomes, being the most trusted agribusiness brand in rural and regional Australia
- our strategic priorities are categorised in three key areas: Run, Transform, and Innovate & Grow, focusing on optimising the existing business, future-proofing our business, and expanding and innovating our portfolio

## Investment in innovation paves the way for livestock clients

### The Prendergast family runs a mixed farming operation in Clarkes Hill, Victoria, a blink-and-you'll-miss-it town just northeast of Ballarat. The family first began farming at their property, Brackenhurst, in 1906, and 118 years later, the fourth generation is taking the reins.

The Prendergasts' now doubled-in-size mixed enterprise is built on commercial potato production, and the family also grows canola, barley, wheat and peas, and runs sheep and cattle.

Third generation Pat Prendergast recalls how agriculture is part of his family's DNA.

"After coming out from Ireland during the Potato Famine, our family first settled in Newlands, Victoria, and farmed there for about 50 years, before shifting across to where we have been farming ever since," said Pat.

"I took on the farm from my father about 40 years ago, in 1985.

"I like to think that our family have been leaders in farming in our region. My grandfather was a founding member of the Victorian Producers Cooperative (VPC) and when they folded in the 1990s, Elders took them on.

"Elders has been looking after us ever since."

The family works alongside Elders to buy and sell livestock, and for their rural products, from fencing, to animal health and crop protection.

Now in his 80s, Pat still has a vested interest and role in the operation, but it is his eldest son Dominic who largely manages the day-to-day farming activities. Dominic works on the farm alongside his own son

Ben, who also runs a successful local bulk haulage business.

Pat's younger son, Julian, is even more connected to Elders, having worked for the business since 2013. Commencing as a senior sales support officer in the Ballarat branch, Julian has since worked his way into leadership, becoming a branch and then area manager, and most recently taking on a role leading the modernisation of Elders' livestock systems.

"In my role, I am the conduit between a technology team, a project team and our Elders branches and staff on the ground. My core motivation is to ensure that any solution we implement works well and positively impacts producers," said Julian.

Julian said he is excited to be delivering a project which will have sweeping benefits for clients like his own family.

"We are building a brand-new livestock system, which is going to deliver significant benefits for both our company and our clients, particularly in how it will deliver efficiencies in processing and also greater traceability," he said.

"With this new system, we will be able to get a lot more data out of livestock sales. We want to be able to predict trends, see when people are buying or selling, and even things like their habits in buying bulls and rams for breeding programs.

"There is so much potential for better analysis of the data that we gather. With this new system we will be able to report on livestock weight gains, yields and that sort of thing.

"It will give us a lot more insight into how farms are performing, and our clients will see a lot of efficiencies in processing.

"It's a big innovation for Elders and of course I am excited that the benefits will flow through to our clients."

Julian's role is part of the wider Elders Systems Modernisation (SysMod) project, which is seeking to revolutionise business

systems and processes, to better support staff, clients and customers.

Pat explained that it is satisfying to see Elders continually innovate to better service farmers, and it is clear he is proud of his son and the leading role he is taking in the project's implementation.

"It gives me a lot of joy and I am excited to be able to see some of these new insights come to life," said Pat.

"I think some of that really in-depth reporting about our sold stock, what we got for them and how much they cost us in the first place will help us to make on-farm decisions going forward. I'm looking forward to our family being able to tap into that."

While Julian's family is excited to see the system come to life, his brother Dominic joked that the biggest benefit of Julian's connection to Elders is being able to ring him to ask that a new packet of drench be brought home.

"He just leaves it in the mailbox now; saves me a trip into town," he joked.



# *Sustainability Report*

2024



# SUSTAINABILITY PERFORMANCE



## CLIMATE TARGETS TO REDUCE GREENHOUSE GAS EMISSIONS<sup>1</sup>

### TARGET

### 2024

### 2025

100% renewable electricity  
in all Australian sites by 2025

Target achieved through on-site solar  
generation and procurement and retirement  
of Large-scale Generation Certificates (LGCs)

Increase of 13 sites with solar installations;  
76 sites now equipped with solar panels

### 2030

50% reduction in Scope 1 and 2 emissions  
intensity (tCO<sub>2</sub>e/\$m revenue) by 2030,  
against a baseline year of 2021<sup>2</sup>

23% reduction in Scope 1 and 2 emissions  
intensity against baseline year of 2021

18.3 tCO<sub>2</sub>e/\$m revenue in 2024

Up from 17.93 tCO<sub>2</sub>e in 2023

### 2050

Net zero Scope 1 and 2 emissions by 2050

57,210 tCO<sub>2</sub>e this year  
(Scope 1 and 2)

Down from 59,551 tCO<sub>2</sub>e in 2023

<sup>1</sup> Reported emissions are based on the period 1 July 2023 to 30 June 2024.

<sup>2</sup> Subject to commercially viable technology being available to address feedlot cattle emissions.



## DIVERSITY AND INCLUSION

**33%**

Board positions held by women

**21%**

Women in senior positions



## HEALTH AND SAFETY

**2**

Lost Time Injuries (down from three in FY23)  
Over \$2.5m invested in safety  
capital expenditure

**9**

TRIFR  
Down from 10.1 in FY23



## COMMUNITY IMPACT AND INVESTMENT

**\$3.39m**

Donations and sponsorships

**14**

Grants awarded through  
Community Giving Project



## WASTE MANAGEMENT

**51,000**

Agricultural chemical containers collected  
for reuse or recycling

**3.1t**

Bags collected for recycling  
through Big Bag Recovery



# Elders' Sustainability Framework

**Our Sustainability Framework is designed to address the priorities of our customers, clients, and the industries and communities in which we operate. It guides us in navigating both challenges and opportunities, ensuring that we remain focused on the areas that matter most to drive meaningful impact.**

The Elders Sustainability Framework features eight priority topics which were identified through a materiality assessment conducted in FY23. During FY24, we reviewed Elders' sustainability topics to ensure that we continue to address and report on issues that are most important to our business and our stakeholders. It was determined that the topics featured within our Sustainability Framework remain material and require ongoing focus. For more information, please see our FY24 Sustainability Report.<sup>1</sup>

## Elders' Sustainability Framework

### Our Principles



**We provide our customers and clients with the goods and services they need**



**We support our people and industries and communities in which we operate**



**We do our part to look after the environment and animals in our care**



**We operate ethically and to the highest standard**

### Our Priorities

**1. Health and Safety**

Prioritise the safety and wellbeing of our people

**2. Sustainable Farming**

Enable customers to achieve sustainability and productivity goals amid diverse and demanding conditions, leveraging innovation and technology

**3. Employee Attraction and Retention**

Invest in our people and cultivate diversity, inclusion and growth for collective empowerment and success

**4. Climate Change**

Reduce our carbon footprint and support our customers in climate adaptation and resilience

**5. Animal Welfare**

Safeguard the wellbeing of animals in our care and collaborate with our industry to promote livestock welfare and responsible stewardship

**6. Corporate Governance**

Secure our standing as the most trusted agribusiness brand by upholding ethical operations

**7. Community Impact and Investment**

Support rural and regional Australia to positively impact our communities

**8. Waste Management**

Collaborate with industry to minimise waste for positive environmental outcomes

<sup>1</sup> Available on our website, at Elders' [Periodic Reports](#).

# Climate Change

## Australia's changing climate presents systemic challenges to our clients and the agriculture sector as a whole.

Increasing temperatures, prolonged droughts, and more intense weather events are profoundly affecting farmers, their supporting businesses, the communities we are part of, and the broader Australian economy. The challenge of reducing emissions while improving farm productivity and building on-farm climate resilience presents both difficulties and opportunities.

As a key partner in Australian agriculture, we are committed to strengthening the sector's resilience and supporting the adoption of innovative technologies for emissions reduction and climate adaptation. We also acknowledge our responsibility to address climate change by actively managing and minimising the greenhouse gas emissions from our own operations.

## Climate Change Governance

Elders considers climate change to be a material business risk with potential impacts on our economic, environmental, and social sustainability. Both the operational and strategic risks posed by climate change are captured under our current governance, risk management and resilience frameworks. Our Climate Change Policy<sup>2</sup>, which was updated during FY24 to ensure its currency and relevance, sets out:

- our commitment to supporting the global effort to reduce greenhouse gas emissions in alignment with the recommendations of the Paris Agreement established by the UNFCCC (United Nations Framework Convention on Climate Change)
- the role of our Board and executive in managing climate change strategy, risks and opportunities.

## Australian Sustainability Reporting Standards

In FY24, we transitioned our focus towards the requirements of the newly released Australian Sustainability Reporting Standards (ASRS), which will apply to Elders from FY26. Given our alignment with the Taskforce on Climate-related Financial Disclosure recommendations, we believe that we are well placed to align with the incoming mandatory climate-related disclosure requirements. We have also completed a thorough readiness assessment, pinpointing the necessary steps to ensure compliance with the standards, and created an internal implementation plan to direct efforts.

Our Board and Executive Management have both been briefed on requirements under the ASRS. In FY24, our Integrated Reporting Working Group, originally established in FY23 and comprising of members of our executive and representatives from our sustainability, finance, governance and risk teams, continued to work in collaboration to enable Elders to become compliant with the ASRS.

## Strategy and Risk Management

Climate change presents both risks and opportunities to Elders. We recognise that climate change will have different impacts across Australia, and economic decarbonisation will also affect our sector in different ways. We are managing the impact of climate change through:

- maintaining and evolving our diverse product and service offerings across our national footprint, which supports risk mitigation and the ability to meet our clients' needs as they adapt and respond to climate-related impacts
- the implementation of emissions reduction targets that guide business activities
- the utilisation of scenario analysis to understand our exposure to climate-related risks and opportunities
- due diligence processes that facilitate the evaluation of potential business

acquisitions against our key sustainability principles, relevant climate trends and impacts (i.e. industry and geography) and our emissions profile.

### Important information

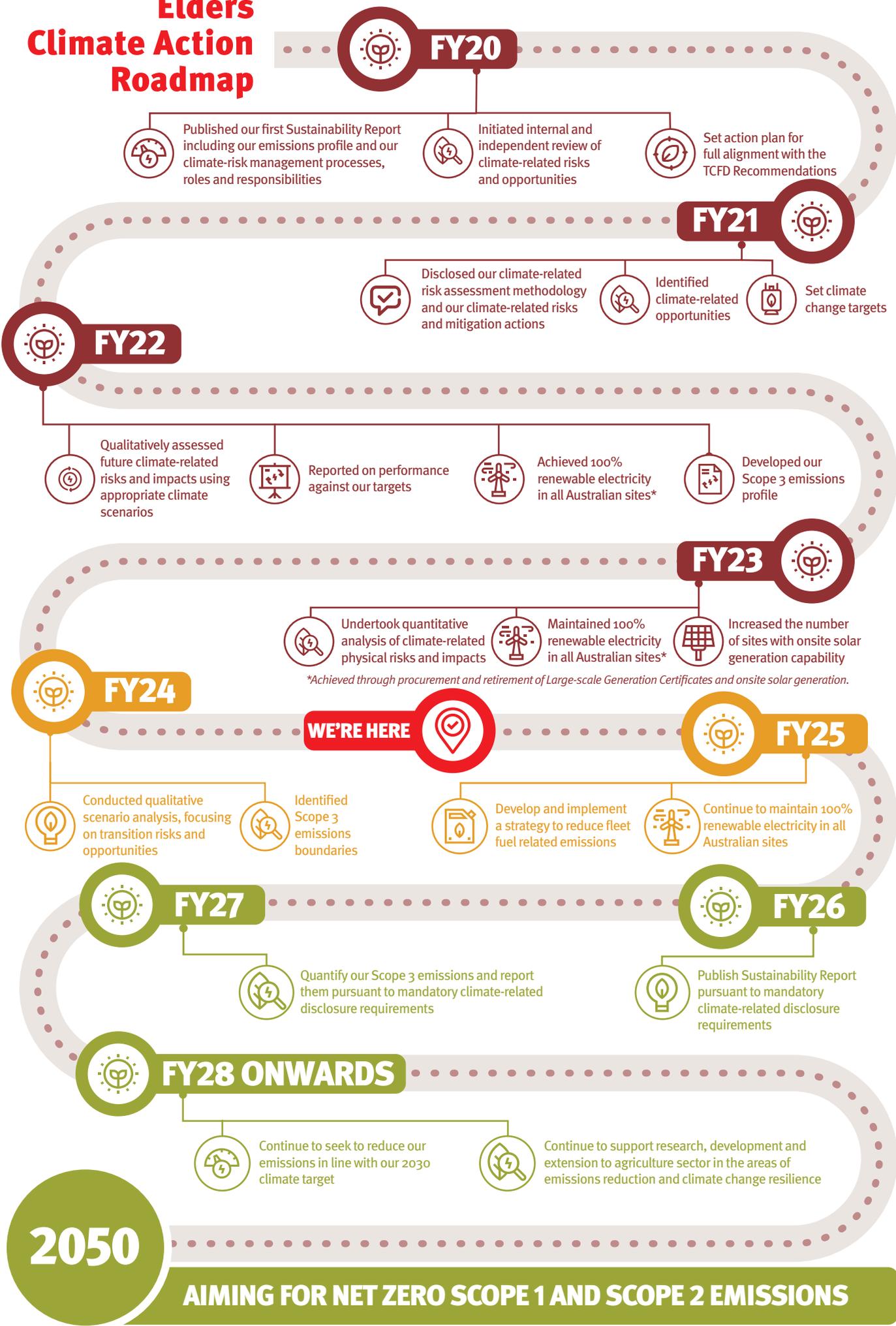
It is important to note that where Elders' climate-related disclosures contain forward-looking statements and metrics, they should not be viewed as guarantees for future outcomes in climate change, financial or operational performance or share pricing. Our statements and metrics are influenced by various risks, uncertainties and other factors, many of which are outside of Elders' control.

Readers should be cautious and avoid placing excessive reliance on these statements due to the uncertainty in climate metrics and modelling, and the potential for divergent outcomes based on underlying risks and assumptions.

While Elders has developed this report based on its current knowledge and in good faith, it reserves its right to modify its views in the future.

<sup>2</sup> Available on our website, at Elders' [Periodic Reports](#).

# Elders Climate Action Roadmap



## Assessing Climate Risks and Opportunities

### Physical Risks and Opportunities

We recognise that our ability to prepare for and respond to physical risks is critical to maintaining business continuity as the frequency and intensity of climate-related events increase. Below is an overview of the key physical risks identified by Elders. The risks noted are not exhaustive and are in no particular order. More information on our physical risks and opportunities is available in our FY24 Sustainability Report.<sup>3</sup>

**Risk categories:** **A** – Acute **C** – Chronic

**Opportunity categories:** **RE** – Resource efficiency **E** – Energy source **PS** – Products/Services **M** – Markets/Geographies **R** - Resilience

Risks and impacts	Our strategy
<p><b>C Crop yields</b></p> <p>Crop yields may be adversely impacted by a fall in total annual rainfall; prolonged drought; future rainfall occurring in fewer, heavier events; higher temperatures; increased fire risk and an increased prevalence of pests, diseases and weeds. These events could impact farm profitability and the demand for the goods and services which Elders supplies.</p>	<p><b>PS</b> Continue to offer supportive rural products, including water-efficient and heat-tolerant plant varieties and plants with shorter growing seasons.</p> <p><b>PS</b> Continue to offer agronomic advisory services and supportive AgTech assisting farmers with effective cropping, pest, disease and weed management and farm adaptation.</p> <p><b>R</b> Maintain and improve inventory management practices to mitigate the impact of demand variability.</p> <p><b>PS</b> Investigate opportunities to partner with additional suppliers providing climate-resilient plant varieties.</p>
<p><b>C Health and safety</b></p> <p>Increased frequency and severity of extreme heat days may result in reduced productivity, increased changes of heat-related illness, exposure to heat-related injury and exposure to diseases which may become more prevalent.</p>	<p><b>R</b> Continue to implement and improve our Work Health and Safety Management System, provide appropriate, sun-safe uniforms and personal protective equipment and maintain appropriate and effective incident management plans.</p>
<p><b>C Livestock production</b></p> <p>Livestock production may be affected by variability in pasture quality driven by prolonged drought, higher temperatures and heat stress and flood-related mortality. This could impact the demand for animal health, feed products and agency services. Killara Feedlot may also be impacted due to increased mitigation requirements.</p>	<p><b>M</b> Retain our geographically diverse livestock agency base to serve clients across the country and mitigate the impacts of regional adverse conditions.</p> <p><b>PS</b> Continue to offer supportive rural products, including pasture varieties that maximise water use efficiency, heat tolerance and shorter growing seasons, and feed supplements that mitigate the effects of heat stress, dehydration and physical stress in animals in extreme weather.</p> <p><b>PS</b> Continue to offer livestock production advisory services, advising farmers on the selection of animals based on genetic resilience, and appropriate seedstock and commercial replacements.</p> <p><b>R</b> Ongoing scenario analysis and an increased understanding of the likely geographical shifts of livestock production may identify further opportunities and controls.</p>
<p><b>A Severe weather</b></p> <p>Tropical storms and cyclones may increase the risk of heavy, prolonged rainfall events and the potential for widespread flooding and destruction of infrastructure, physical assets, crops and livestock. These events may affect the productivity of our agribusiness customers and, in turn, increase the variability of Elders' financial performance.</p>	<p><b>M</b> Retain and grow our national footprint to serve customers and clients across the country in responding to the impacts of severe weather. Given Australia's vast and diverse landscape, severe weather events rarely occur across multiple regions at the same time. By maintaining a geographical spread of operations across the country and a diverse product and service range, the negative impacts of severe weather events on our organisation are limited and mitigated.</p> <p><b>R</b> Maintain and improve our incident management, emergency evacuation and business continuity plans.</p> <p><b>R</b> Maintain and improve inventory management practices to mitigate the impact of demand variability.</p>
<p><b>A Storm impacts</b></p> <p>Coastal events like cyclones, storms and associated storm surges may result in damage to port infrastructure, vessels or goods, which could impact Elders' supply chains.</p>	<p><b>M</b> Maintain and diversify our supplier base to mitigate supply chain disruptions.</p> <p><b>R</b> Continue working with suppliers to manage risks and implement effective inventory management practices, including holding stock in our Australia-based AIRR warehouses, working with local suppliers, and formulating certain products locally.</p>
<p><b>C Water availability</b></p> <p>Decreases in average rainfall and an increase in the frequency and duration of drought conditions limits the replenishment of dams, reservoirs and aquifers. This could impact water supply for on-site usage and trading, and could see changes to licence terms. Water scarcity could impact farm operations and reduce the demand for the goods and services which we supply.</p>	<p><b>RE</b> Monitor and maintain Killara Feedlot's water licences, centre pivot irrigation system and relationships with third party feed suppliers.</p> <p><b>M</b> Continue to explore opportunities to increase our offering of water capture and storage equipment, including through our business, Sunfam, which provides irrigation and pumping equipment from its base in Bundaberg, Queensland.</p>

<sup>3</sup> Available online at Elders' [Periodic Reports](#).

### Transition Risks and Opportunities

Given the rapidly evolving landscape of regulations, technology, and market trends, it is essential to continuously address these factors to maintain competitiveness and ensure business resilience. The following is a list of transition risks that have been identified. The risks noted are not exhaustive and are in no particular order. More information on our transition risks and opportunities is available in our FY24 Sustainability Report.<sup>4</sup>

**Risk categories:** **PL** – Policy and Legal **M** – Markets **R** – Reputation **L** – Liability

**Opportunity categories:** **RE** – Resource efficiency **E** – Energy source **PS** – Products/Services **M** – Markets/Geographies **R** - Resilience

Risks and impacts	Our strategy
<p><b>R Demand for key products</b></p> <p>Consumer preferences shifting to ‘green’ labelled products may result in a decreased demand for some of Elders’ product lines.</p>	<p><b>PS</b> Maintain and grow our diverse product offering.</p> <p><b>M</b> Continue to investigate opportunities to expand our range to accommodate changes in demand.</p>
<p><b>PL Climate change policy and carbon charges</b></p> <p>International pressure or changes at a Federal government level have the potential to rapidly shift the types of obligations faced by Australian companies in the coming years. Changes may include the introduction of a carbon charge, which may impact Elders’ operational costs and that of its customer base. International changes may also impact customers’ ability to conduct business in foreign jurisdictions, which may impact the demand for the products and services which we supply.</p>	<p><b>R</b> Align our climate-related disclosures with the requirements of the Australian Sustainability Reporting Standards.</p> <p><b>RE</b> Implement strategies to reduce Elders’ greenhouse gas emissions in alignment with our emissions reduction targets.</p> <p><b>PS</b> Continue to offer products and services which support sustainable farming practices which deliver climate change mitigation and adaptation.</p>
<p><b>R Achieving our climate-related targets</b></p> <p>Delayed, or lack of, innovation could affect Elders’ ability to meet its 2030 and 2050 climate-related emissions targets, which may require an investment in carbon offsets.</p>	<p><b>RE</b> Continue to monitor developments in technology through industry partnerships and aim to implement innovative technology as it becomes commercially viable.</p>



Riverina region, March 2023

<sup>4</sup> Available online at Elders’ [Periodic Reports](#).

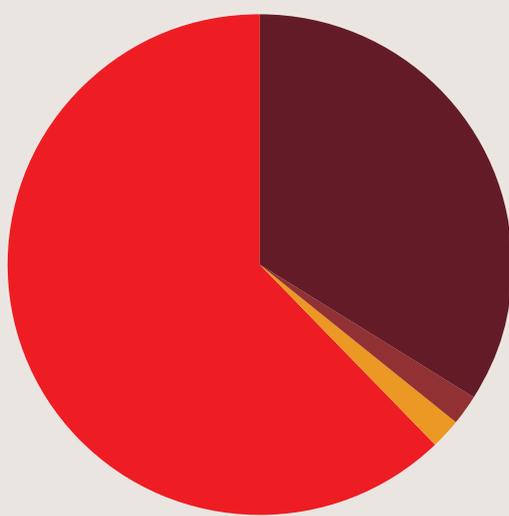
# ELDERS' EMISSIONS PROFILE

## Scope 1 and 2 emissions

Our emissions profile reflects our emissions between 1 July 2023 and 30 June 2024, and was calculated using the following methodologies.

- For electricity usage: The methodology used is set out in the National Greenhouse and Energy (Measurement) Determination 2008 (as updated from time to time). Specifically, Elders utilises the NGER emissions and energy threshold calculator to calculate its scope 2 emissions and energy usage.
- For fuel use: The methodology used is set out in the National Greenhouse and Energy Reporting (Measurement) Determination 2008(as updated from time to time). Specifically, Elders' utilises the NGER emissions and energy threshold calculator to calculate fuel emissions and energy usage.
- For cattle production: the methodology set out in the Greenhouse Gas Accounting Framework for Feedlots and the Sheep and Beef Accounting Framework (Monthly) produced by the University of Melbourne and based on the Australian National Greenhouse Gas Inventory methodology. These methodologies are unable to account for sequestered carbon from minimum till farming practices at the feedlot or specific manure and fertiliser management practices used by the feedlot.

For more information on the methodologies used by Elders, please see our FY24 Sustainability Report



**Killara Feedlot Cattle - 62%**



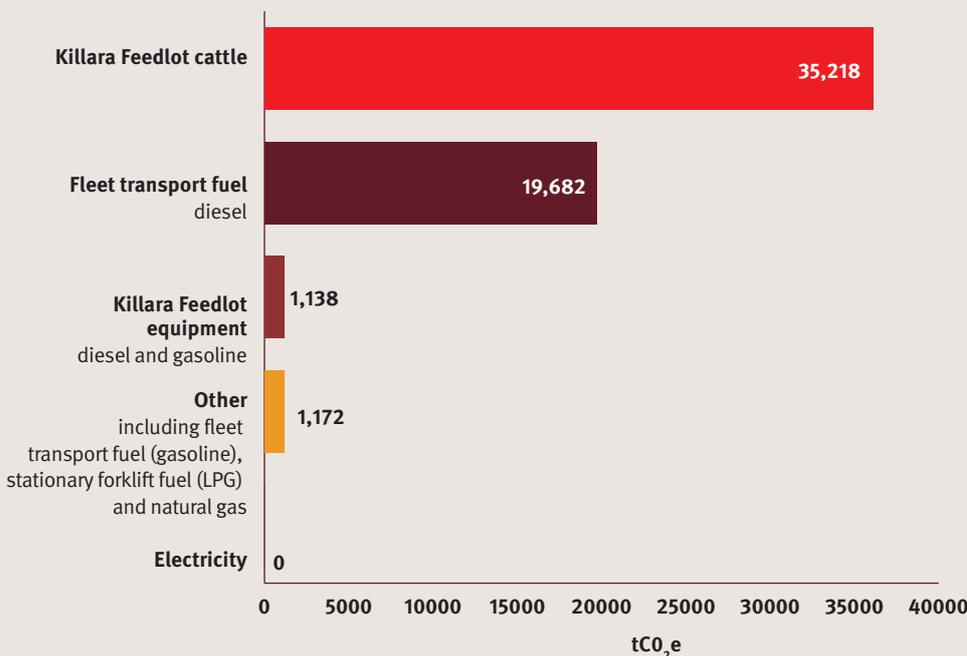
**Fleet Transport Fuel - 34%**  
diesel



**Killara Feedlot Equipment - 2%**  
diesel and gasoline



**Other - 2%**  
including fleet transport fuel (gasoline), stationary forklift fuel (LPG) and natural gas



**TOTAL SCOPE 1 AND 2**  
**57,210**  
tCO<sub>2</sub>e

Further information on our energy, emissions and procurement of LGCs is contained in our FY24 Sustainability Report

# *Directors' Report*

2024



## Directors' Report

Your Directors present their report on the consolidated entity consisting of Elders Limited (Elders) and the entities it controlled at the end of, or during, the year ended 30 September 2024.



### Ian Wilton

*MSc, FCCA, FCPA, CA, FAICD*

Appointed Chair on 11 Sept 2019 and Non-Executive Director since 2014, Mr Wilton is also Chair of the Nomination and Prudential Committee (appointed 11 Sept 2019) and the Safety and Sustainability Committee (Sept 2019 to Feb 2023, re-appointed Sept 2023). He is a member of the Audit, Risk and Compliance Committee (former Chair) and the Remuneration, People and Culture Committee.

Mr Wilton is an experienced non-executive director and former senior executive with extensive knowledge of the agricultural sector. He has held chief financial officer positions with Ridley Corporation Limited, CSR Sugar and GrainCorp Limited. He was President and Chief Executive Officer of GrainCorp Malt.

Mr Wilton is currently a non-executive director of Namoi Cotton Limited (since June 2020). He was previously a non-executive director of Sheep CRC Ltd (Nov 2015 – Sept 2020) and was also previously Chair of the advisory board of Mackay's Banana Marketing.

Mr Wilton is a resident of New South Wales.



### Mark Allison

*BAgrSc, BEcon, GDM, AMP (HBS), DUniv (hc) (Adel), FAICD*

Mr Allison joined Elders Limited as a non-executive director in November 2009, served as Chairman and Executive Chairman, before being appointed Managing Director and Chief Executive Officer in May 2014.

His 44-year agribusiness career spans technical, manufacturing, supply and distribution roles and businesses. Previous roles include Managing Director/CEO of GrainGrowers Limited, Jeminex Limited, Farnoz Pty Ltd, Wesfarmers Landmark Limited, Wesfarmers CSBP Limited, CropCare Australasia Pty Ltd and General Manager of Incitec Fertilisers.

Mr Allison is currently Chair of the Agriculture and Natural Resources End-User Advisory Board of the SmartSat CRC, the Agrifood and Wine Advisory Board of the University of Adelaide, and a member of the Rabobank Food and Agriculture Advisory Board.

He is the previous Chair of Agribusiness Australia, AuctionsPlus, CropLife, Agsafe, the APVMA, as well as a number of other agricultural and industrial and safety businesses.

Mr Allison oversaw the development and implementation of the four Elders' Eight Point Plans from 2014. This strategic plan returned the company to a pure play agribusiness and resulted in the first shareholder distribution in nearly a decade in 2017. Since 2014 Elders has grown from a market capitalisation of \$50 million to a peak of \$2.3 billion.

In 2023 Mr Allison was awarded an Honorary Doctorate from the University of Adelaide for his experience and lifelong contribution to agriculture and agribusiness.

Mr Allison is from far north Queensland, and is a passionate advocate of agriculture, and regional and rural Australia.



### **Robyn Clubb AM**

*BEC, CA, SF Fin, MAICD*

Non-Executive Director since September 2015, Ms Clubb is Chair of the Audit, Risk and Compliance Committee (appointed 11 Sept 2019) and a member of the Safety and Sustainability Committee; the Remuneration, People and Culture Committee (former Chair); and the Nomination and Prudential Committee.

Ms Clubb is an experienced non-executive director, a chartered accountant and senior fellow of the Finance and Securities Institute of Australasia. She has over 20 years' experience as a senior executive in the financial services industry, working for organisations including AMP Limited and Citibank Limited.

Ms Clubb is currently Chair of ProTen Limited (Director since Apr 2019) and a director of Australia Post (since Sept 2022). She was previously a director of Essential Energy (Apr 2018 - Mar 2024), Craig Mostyn Holdings Pty Ltd (Feb 2017 - Dec 2022), Chair of the Australian Wool Exchange Limited (Aug 2016 - Nov 2022) and Chair of FCFA Management Leasing Limited (Director Aug 2021 - Feb 2023).

Ms Clubb is a resident of New South Wales.



### **Raelene Murphy**

*BBus, FCA, GAICD*

Non-Executive Director since January 2021, Ms Murphy is a member of the Safety and Sustainability Committee; the Audit, Risk and Compliance Committee; the Remuneration, People and Culture Committee (Chair Sept 2023 - Aug 2024); and the Nomination and Prudential Committee.

Ms Murphy has non-executive director experience in the Australian listed company environment, across a range of industry sectors. She holds a Bachelor of Business (Accounting), is a fellow of the Institute of Chartered Accountants and a graduate of the Australian Institute of Company Directors. She also has many years' experience as a senior executive, having previously been the CEO of the Delta Group and Managing Director of 333 Management.

Ms Murphy's current ASX non-executive director roles are at Bega Cheese Limited (since June 2015), Integral Diagnostics Limited (since Oct 2017) and Tabcorp Holdings Limited (since Aug 2022). Ms Murphy was also previously a non-executive director of Altium Limited (Sept 2016 - Nov 2022).

Ms Murphy is a resident of Victoria.



### **John Lloyd**

*BSc, MBA*

Non-Executive Director since 1 December 2023, Mr Lloyd is Chair of the Remuneration, People and Culture Committee (appointed 19 Aug 2024) and a member of the Safety and Sustainability Committee; the Audit, Risk and Compliance Committee; and the Nomination and Prudential Committee.

Mr Lloyd holds a Bachelor of Science, Wool and Pastoral, from the University of NSW and an MBA from the Macquarie Graduate School of Management.

He has extensive experience in the agricultural industry, including his current appointment as Chair-Elect of Meat and Livestock Australia. Mr Lloyd is a council member of Charles Sturt University and was previously a non-executive director of Wine Australia and Grains and Legumes Nutrition Council.

Mr Lloyd's previous executive roles include CEO of Horticulture Innovation Australia, Managing Director of Case New Holland ANZ, General Manager Commercial at Incitec Pivot and General Manager Merchandise at Wesfarmers Dalgety.

Mr Lloyd is a resident of New South Wales.



### **Damien Frawley**

Non-Executive Director since 1 August 2024, Mr Frawley is a member of the Safety and Sustainability Committee; the Audit, Risk and Compliance Committee; the Remuneration, People and Culture Committee; and the Nomination and Prudential Committee.

Mr Frawley is an experienced CEO and director, with extensive experience in the financial services sector and a strong passion for agriculture. He is currently Chair of Queensland Treasury Corporation (since 2022) and Chair of Host-Plus Pty Limited (Director since Jul 2021). Mr Frawley is also a non-executive director of both Mirvac Group (ASX: MGR, since Dec 2021) and Blue Sky Beef Pty Ltd (since Mar 2018). He was previously Chair of AMPS Agribusiness Limited (Nov 2018 - Apr 2024).

Mr Frawley brings to the Elders Board skills in CEO and leadership oversight, Board leadership, strategy and planning, talent and remuneration, customers and consumers and government relations. He also has a well-developed understanding of agribusiness through various professional and personal undertakings.

Mr Frawley is a resident of New South Wales.



### **Glenn Davis**

*LLB, BEc, FAICD*

Non-Executive Director since 2 September 2024, Mr Davis is a member of the Safety and Sustainability Committee; the Audit, Risk and Compliance Committee; the Remuneration, People and Culture Committee; and the Nomination and Prudential Committee.

Mr Davis holds a Bachelor of Laws and a Bachelor of Economics from the University of Adelaide. He is a fellow of the Australian Institute of Company Directors, with extensive experience serving on both listed and unlisted company boards.

He currently serves as a director of ASX and NZX dual listed SkyCity Entertainment Group Limited and Chair of SkyCity's Adelaide-based casino (since Sept 2022), as Chair of ASX listed Adrad Holdings Limited (since Jan 2022), and Chair of ASX listed iTech Minerals Ltd (since Apr 2021).

Mr Davis was previously Non-Executive Director of Beach Energy Limited (2007-2023), including serving as Chair between 2012 and his retirement.

In addition to his experience as a director, Mr Davis has almost 40 years' experience as a commercial lawyer. Since 2002 he has been principal and co-founder of DMAW Lawyers. As a lawyer he has advised many corporate clients, including listed clients, on transactional and risk management matters.

Mr Davis brings to the Board skills in legal, CEO and leadership oversight, talent and remuneration, strategy and planning, Board leadership and risk management.

Mr Davis is a resident of South Australia.

## Directors and Secretaries

Elders' Directors in office during the financial year and until the date of this report were:

### Non-Executive Directors

- Ian Wilton, Chair
- Robyn Clubb
- Raelene Murphy
- John Lloyd

### Executive Director

- Mark Allison, Managing Director and Chief Executive Officer

### New Directors

- Damien Frawley was appointed by the Board as a non-executive director, effective 1 August 2024
- Glenn Davis was appointed by the Board as a non-executive director, effective 2 September 2024.

Mr Frawley and Mr Davis will stand for election by Shareholders at the 2024 Annual General Meeting.

Ms Clubb and Ms Murphy will retire by rotation at the 2024 AGM in accordance with the Company's Constitution. Ms Clubb will offer herself for re-election, and Ms Murphy has advised of her intention to retire, at the 2024 AGM.

Elders' Company Secretaries during the financial year and until the date of this report were:

### Company Secretaries

- **Peter Gordon Hastings,**  
*BA, LLB, GDLP, FGIA, Grad Dip Applied Corporate Governance, GAICD*  
Mr Hastings was appointed Company Secretary in February 2010. He held the position of Group Solicitor with the Elders Group between 1995 and 1999 and again between 2003 and 2010. He also held the position of General Counsel from 2010 to 2024. Mr Hastings is Chair of Walford Anglican School for Girls.
- **Shannon Hope Doecke,**  
*BAcc, Grad Dip Applied Corporate Governance, AGIA, MAICD*  
Ms Doecke was appointed as a company secretary in July 2020. Ms Doecke has served as the Assistant Company Secretary since April 2019. Ms Doecke previously worked for AustCham Shanghai, between 2014 and 2019, as Governance Manager, then Company Secretary.

## Results and Review of Operations

The consolidated entity recorded a profit for the year, after tax and non-controlling interests, of \$45.1 million (2023: profit of \$100.8 million). A review of the operations and results of the consolidated entity and

its principal businesses during the year is contained in pages 20 to 26.

## Principal Activities

The principal activities of Elders during the year were:

- the provision of retail products and associated services to the rural sector
- the provision of wholesale products to independent rural and regional farm supplies retailers
- the provision of livestock and wool agency services
- storage and handling of wool
- feedlotting of cattle
- the provision of real estate sales agency services (both company-owned and franchised) and property management services
- arrangements for the provision of financial services to rural and regional customers, including a 20% investment in Elders Insurance (Underwriting Agency) Pty Ltd
- the provision of digital and technical services and investments in the AuctionsPlus and Clear Grain Exchange online trading platforms
- formulation, blending, and importation of, and selling, own-brand agricultural chemicals and animal health products.

## Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity that are not otherwise disclosed elsewhere in this annual report.

## Events Subsequent to Balance Date

There was no matter or circumstance that has arisen since 30 September 2024 which is not otherwise dealt with in this report or in the consolidated financial statements, that has significantly affected or may affect the operations of Elders, the results of those operations or the state of affairs of Elders and its controlled entities in subsequent financial periods.

## Likely Developments and Future Results

Discussion of other likely developments in the operations of the consolidated entity and the expected results for those operations in future financial years is included on page 27 of this report.

## Non-Audit Services

In accordance with Company policy, and based on advice received from the Audit, Risk and Compliance Committee, the Directors are satisfied that the provision of non-audit and audit-related services is compatible with the general standard of

independence for auditors and imposed under the *Corporations Act 2001*, for the following reasons:

- all non-audit and audit-related services have been reviewed by the Audit, Risk and Compliance Committee to ensure they do not impact on the impartiality or objectivity of the auditor
- the nature and scope of the non-audit services provided means that auditor independence was not compromised.

The amount received or due to be received for the provision of non-audit services is disclosed in note 28 of the financial report, Auditor's Remuneration.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 121.

## Insurance of Officers and Indemnities

The consolidated entity paid an insurance premium in respect of a contract insuring each of the Directors of Elders named earlier in this report and each full time executive officer, director and secretary of Australian group entities against liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The terms of the policy prohibit disclosure of the premiums paid.

As at 30 September 2024, Elders has provided each officer a Deed of Access, Insurance and Indemnity. These deeds provide:

- that Elders will maintain an insurance policy insuring the Officer against any liability incurred by the Officer in the Officer's capacity as an officer of Elders or another group entity, or other entity (where required by the Officer's employment with Elders) to the extent allowed by law
- for indemnity against liability as an officer, except to the extent of indemnity under the insurance policy or where prohibited by law
- for access to company documents and records, subject to undertakings as to confidentiality.

## Remuneration of Directors and Senior Executives

Details of the remuneration arrangements in place for Elders' Key Management Personnel are set out in the Remuneration Report commencing on page 45. In compiling this report, Elders has met the disclosure requirements prescribed in the Australian accounting standards and *Corporations Act 2001*.

## Attendance at Meetings by Directors

Director attendance at meetings in the 12 months to 30 September 2024 is set out below.

Committee attendance is only recorded where a director is a member of the relevant committee. Although Mr Allison is recorded as a non-member for some committees, he attended all meetings held for each of those committees.

	Board of Directors		Safety and Sustainability Committee		Audit, Risk and Compliance Committee		Remuneration, People and Culture Committee		Nomination and Prudential Committee	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held
I Wilton	14	14	4	4	5	5	5	5	3	3
M Allison	14	14	-	-	-	-	-	-	3	3
R Clubb	14	14	4	4	5	5	5	5	3	3
R Murphy	13	14	4	4	5	5	5	5	3	3
J Lloyd <sup>1</sup>	11	11	3	3	4	4	3	3	1	1
D Frawley <sup>2</sup>	2	2	-	-	1	1	1	1	-	-
G Davis <sup>3</sup>	1	1	-	-	1	1	1	1	-	-

<sup>1</sup> Commenced 1 December 2023. <sup>2</sup> Commenced 1 August 2024. <sup>3</sup> Commenced 2 September 2024.

## Share and Other Equity Issues During the Year

During FY24, shares allocated under Elders' incentive plans were purchased on market. The following ordinary shares were issued during the year:

Relevant Date	No. Ordinary Shares Issued	Reason for Issue
20 December 2023	893,454	Shares issued in accordance with Elders' DRP for dividends paid on 20 December 2023
22 December 2023	71	Shares issued in accordance with Elders' DRP for dividends paid to a participant in Elders' Long-Term Incentive Plan
26 June 2024	670,972	Shares issued in accordance with Elders' DRP for dividends paid on 26 June 2024
28 June 2024	50	Shares issued in accordance with Elders' DRP for dividends paid to participant in Elders' Long-Term Incentive Plan

The total number of ordinary shares on issue at the date of this report is 158,041,121.

## Share Options and Performance Rights

Share options and rights may be granted to Company executives under the Long-Term Incentive Plan that is part of Elders' remuneration structure. Information about the Long-Term Incentive Plan can be found in the Remuneration Report on pages 45 to 65 of this Annual Report.

The number of performance rights on issue at 30 September 2024, which were held by 29 Long-Term Incentive Plan participants, is disclosed in note 27 to the Financial Statements. If each of these rights vested, this would represent 1.00% of the Company's current issued ordinary shares.

These performance rights are Elders' only unquoted equity securities and represent the number of performance rights outstanding at the date of this report.



<sup>1</sup> In accordance with Australian accounting standards. <sup>2</sup> Differs from note 27 in the financial statements which does not take into account 316,200 rights that lapsed after 30 September 2024.

Note: The FY23 Directors' Report included an immaterial error in the total number of performance rights outstanding as at the date of the report.

The performance rights granted to the five most highly remunerated Officers as part of their remuneration, between 30 September 2023 and the date of this report, are shown below.

Name of Officer	Number of Rights Granted between 30 September 2023 and 18 November 2024
Mark Allison	283,990
Thomas Russo	57,250
Viv Da Ros	51,190
Paul Rossiter	48,280
Anna Bennett	43,320

### Directors' Interests

The relevant interests of the Directors in shares and other equity securities of Elders, as at the date of this report, are detailed on page 64 of the Remuneration Report.

### Dividends and Other Equity Distributions

On 15 November 2024, the Directors determined to pay a final dividend of \$0.18 per ordinary share, franked at 70%, bringing dividends for FY24 to \$0.36 per share. In accordance with a determination made by the Directors, Elders' Dividend Reinvestment Plan (DRP) remains in operation. To encourage participation in the DRP, a discount of 1.5% has been offered on the volume weighted average price used to calculate the DRP price for the FY24 final dividend.

Dividends paid during the year were

	FY23 Final Dividend	HY24 Interim Dividend
<b>Date Determined</b>	10 November 2023	17 May 2024
<b>Date Paid</b>	20 December 2023	26 June 2024
<b>Dividend Per Share</b>	\$0.23	\$0.18
<b>Franking Rate</b>	30%	50%
<b>Total Dividend</b>	\$35.990m	\$28.327m

### Restricted Securities and Voluntary Escrow

As at the date of this report, Elders has no restricted securities on offer.

### Environmental Performance Regulation

A number of Elders' operations are subject to environmental legislation. Such legislation is diverse and varies between states, territories, local authorities and various regulators. Compliance with relevant legislation is managed by our branches and overseen and guided by our internal

Safety, Risk and Environment Business Partners, Legal Team and Compliance Team. Environmental risks and hazards are managed in accordance with our Resilience and Risk Framework. Our performance in relation to environmental management and the various applicable environmental regulations across our businesses over the reporting period is as follows.

#### Killara Feedlot

Elders operates Killara Feedlot, a beef cattle feedlot in Quirindi, New South Wales. Killara is subject to both state and local government environmental legislation, and its operation is conditional on it maintaining its environment protection and water licences.

In accordance with its environment protection licence (EP Licence), Killara is required to undertake a significant number of environmental management activities to ensure that it is managing its waste, dust and odour emissions to minimise pollution of the surrounding community and to avoid groundwater and soil contamination. Failure to manage these emissions can affect the amenity of the local community and contaminate private and public property. Killara has a publicly available [Odour, Dust and Noise Management Plan](#) and to further ensure that its activities are not negatively impacting the local community, Killara proactively engages with all neighbours and local council through both feedlot tours and regular contact.

Emissions are monitored internally by Killara, and externally by the New South Wales Environment Protection Authority (NSW EPA) and the National Pollutant Inventory (NPI). Killara submits reports to the NPI detailing emissions of NPI substances (including ammonia, carbon monoxide and oxides of nitrogen) and activities Killara has participated in to reduce these emissions. Killara also submits annual reports to the New South Wales EPA describing (amongst other things) management systems in place to manage soil health and nutrient levels, odour and dust, waste, protection of local waterways and any pollution complaints received in the reporting year. These reports are prepared by an external consultant. During FY24, Killara has observed through soil testing a notable improvement in the health of the soil in its cropping operations. Nutrient levels are in line with EPA recommendations in respect of nitrate, phosphate and potassium.

No confirmed breaches of environmental regulations or pollution complaints relating to Killara were reported during the year ended 30 September 2024. Killara's performance on water management and consumption and waste management is detailed on pages 34 and 32 of Elders' 2024 Sustainability Report.

### Saleyards

Saleyards are subject to various state, territory and local government environmental requirements, particularly relating to effluent management, dust and noise. These obligations vary from place to place and generally only apply to saleyards above a prescribed size. Elders expects its saleyard operations, irrespective of their size, to abide by the applicable laws and regulations.

No breaches of environmental regulations affecting Elders' saleyards were reported during the year ended 30 September 2024.

### Retail and Wholesale Operations

Elders' retail and wholesale operations are subject to state environmental regulations relating to the storage, handling, transport and sale of dangerous goods, which include some of the agricultural chemicals, fertilisers and poisons we supply. Although these regulations are based on nationally recognised standards, the regulatory environment for the transporting, handling, storage, sale and use of such dangerous goods, chemicals and scheduled poisons is complex and subject to regulations imposed by each state and territory. Elders' Safety, Risk and Environment Business Partners monitor compliance with these regulations. In addition, many of Elders' branches and personnel participate in an accreditation, training and audit program operated by AgSafe. These assurance activities are being progressively rolled out to our wholesale operations.

Elders is not aware of any breaches of environmental regulations affecting Elders' retail or wholesale operations that were reported during the year ended 30 September 2024.

### Rounding of Amounts

The parent entity is a Group of the kind specified in ASIC Corporations (Rounding in Financial/Directors Report) Instrument 2016/191 issued by the Australian Securities and Investments Commission. In accordance with that class order, amounts in the Financial Report and Directors' Report have been rounded to the nearest thousand dollars unless otherwise stated.

This report, including the Remuneration Report commencing on page 45, is made in accordance with a resolution of Directors.



**Ian Wilton**  
Chair  
18 November 2024

**Mark Allison**  
Managing Director

# *Remuneration Report*

2024



# Remuneration Report

**Following is the Remuneration Report for the consolidated entity for the year ended 30 September 2024. The Remuneration Report provides shareholders with an understanding of Elders' remuneration policies and the link between our remuneration approach and our performance, in particular with regard to Elders' Key Management Personnel (KMP).**

The remuneration outcomes presented in this report reflect the results of Financial Year 2024, and demonstrates the strong alignment of remuneration arrangements at Elders with the shareholder experience.

*The information provided in this report forms part of the Directors' Report, and where required has been audited to ensure compliance with the Corporations Act 2001 (Cth).*

## Remuneration at a Glance

### Our Year

Despite improved second half trading conditions, Elders was unable to fully offset the earnings impact from Q1 resulting from low livestock prices, lower crop protection margins and subdued client sentiment.

Our product, channel and geographical diversification allowed Elders to partially overcome market headwinds (particularly impacting Q1), while investment continues in our transformational projects to support underlying EBIT growth and operational efficiency.

Our FY24 underlying EBIT of \$128.0 million represents a decrease of 25% on FY23.

As a result of the underlying EBIT performance in FY24 the threshold EBIT target was not met and no short term incentives were awarded to Executive KMP and non-KMP Senior Executive (details of the FY24 STI outcomes 3.1).

The FY22 Long-Term Incentive (LTI) grant, which has a three year performance period concluding on 30 September 2024, resulted in none of the grant vesting as tested against EPS compound annual growth rate (CAGR) over the period and the Total Shareholder return (TSR) performance relative to the ASX 200 peer group (details of the performance testing of the FY22 LTI offer are outlined in Section 3.2).

### Key Management Personnel

The Board reviewed the KMP for FY24 and determined the following persons are KMP:

- Non-Executive Directors (NED)
- Managing Director and Chief Executive Officer (MD and CEO) and
- Chief Financial Officer (CFO).

The following changes to Non-Executive Directors were announced during FY24:

- John Lloyd joined as a Non-Executive Director effective 1 December 2023
- Damien Frawley joined as a Non-Executive Director effective 1 August 2024
- Glenn Davis joined as a Non-Executive Director effective 2 September 2024.

There were no changes to the Executive KMP in FY24.

## First Strike Against Remuneration Report

At the 2023 AGM, shareholders voted against the adoption of the 2023 Remuneration Report, and the granting of Service Rights to the MD and CEO, Mr Allison.

The Board has sought to understand the concerns of shareholders and proxy advisors, and to address these as necessary. The Board notes that these concerns largely relate to the specific decisions taken in negotiating to retain the services of Mr Allison rather than the broader structure and reporting of KMP and executive remuneration at Elders.

Feedback from proxy advisors and major shareholders indicated that the vote against the 2023 Remuneration Report reflected concerns with the size of the increase in fixed remuneration for the MD and CEO and with the one-off retention arrangements put in place to retain Mr Allison's services; the lack of performance conditions in the retention arrangements; and transparency around the benchmarking used to arrive at these decisions. Concerns were also expressed regarding the process of addressing CEO succession, given the notice provided by Mr Allison in November 2022 of his intent to retire from Elders.

A detailed response to these concerns is set out in Section 1 of this report.

### Honouring the MD and CEO Retention Arrangements and Service Rights

As part of the arrangements put in place to retain Mr Allison's services, shareholders were asked to approve the issue of Service Rights, as outlined in the 2023 Annual Report and Notice of Meeting.

In putting the proposal to issue Service Rights for approval by shareholders, the Board had reserved its right to satisfy this commitment by way of alternative arrangements, should approval not be provided.

Whilst shareholders rejected the issue of Service Rights, the Board formed the view that it was in the best interests of the Company and shareholders to honour in full the commitments agreed in order to retain Mr Allison's services. As advised to shareholders in May 2024 the Board has satisfied the value of the Service Rights commitment by way of a cash payment.

This cash payment is determined by the value of the proposed Service Rights (90,000 in each of two tranches) multiplied by the volume weighted average price of Elders shares traded on ASX over the five trading days prior to Mr Allison's retention service dates, being 1 June 2024 and 1 June 2025.

The Board acknowledges the concerns expressed by shareholders and proxy

advisors regarding what were one-off decisions taken to deal with the circumstances related to CEO succession. These arrangements were intended to mitigate the risks considered by the Board at the time and are addressed in more detail in Section 1 of this Report.

With a secure leadership team in place, and refreshed CEO succession plans being overseen by a board that has continued its own renewal process, the Board looks forward to an orderly process that will ensure the continuation of recent business success and improved shareholder outcomes.

## Remuneration Changes Implemented in FY24

The Board believes that the current framework for remuneration and performance-based reward at Elders is aligned to the principles outlined in Section 2.1 of this Report.

The Elders' Reward Framework was reviewed in FY24 and remains relevant to Elders, with the following changes made for FY24:

- from the FY24 Short Term Incentive onwards, equity deferral for non-KMP Senior Executive was revised to 20% of any STI earned being awarded via restricted Elders shares, to be held for one year before being released. This was revised from a deferral of 40% of any STI into restricted shares, in two equal tranches, one released after 12 months and the other after 24 months. These changes were considered appropriate for non-KMP Senior Executive, balancing out the issues of market practice, appropriate reward for performance, requirements for executive equity holding and the governance processes to address any inappropriate reward outcomes
- Executive KMP retain the requirement to defer 40% of any STI paid into restricted shares in two equal tranches as outlined in Section 4.2
- all other requirements for deferral and restrictions remained unchanged.

## Overview of FY24 Remuneration Outcomes Non Executive Directors

### Non-Executive Director Fee Pool

The fee pool of \$1,500,000 was last increased with shareholder approval at the 2022 AGM.

During FY24 Messrs Lloyd, Frawley and Davis joined the Board increasing the current number of non-executive directors to six, complementing ongoing Board renewal. As noted elsewhere in the Annual Report, each brings a wide range of industry and commercial experience to the Board.

### Non-Executive Director Fees

The Board reviewed Non-Executive Director (NED) fees against market data and applied an increase of 4.0% to the Chair fee and Board member fees effective 1 January 2024. This increase was in line with the Company's overall annual remuneration review budget for FY24.

No fee increase is planned for the 2025 financial year.

## Executive KMP

### Total Fixed Remuneration (TFR)

TFR for the MD and CEO was unchanged during FY24. No increase in remuneration is planned for the 2025 financial year.

TFR for the CFO, Paul Rossiter, was increased to \$500,000 on 1 October 2023, after having been appointed permanently to the CFO role, and then to \$510,000 effective 1 January 2024, as part of the annual remuneration review process.

The review of TFR for the Executive KMP considers market movements, individual performance and benchmarking to relevant peers. Further details of fixed remuneration setting are outlined in Section 4.1 of this Report.

## Variable Remuneration

### Short-Term Incentives

Elders' Short-Term Incentive pool for executive participants is aligned with company performance and shareholders' interests. As a result of the FY24 threshold EBIT target not being met, no short term incentives were awarded to Executive KMP and non-KMP Senior Executive.

Further details are in section 3.1 of this Remuneration Report.

### Long-Term Incentives vesting

The FY22 LTI grant three-year performance period ended 30 September 2024 with none of this grant vesting. This outcome was the result of:

- an absolute TSR outcome of -16.3% which resulted in a ranking at less than the 50th percentile of the comparator group. As this was below the minimum performance hurdle none of tranche 1 vested
- an EPS CAGR outcome of -18.0% which resulted in none of tranche 2 vesting.

Further details of this outcome are in section 3.2 of this Remuneration Report.

## Remuneration Changes for FY25

### FY25 Short-Term Incentive

The Board has approved changes to the short-term incentive (STI) plan arrangements for FY25, with a view to creating greater alignment around delivering on overall Elders' group performance.

These changes include:

- the creation of a single group STI pool covering the Executive (KMP and non-KMP), employees in corporate functions and product groups, and incorporating State Network teams and subsidiary entities. All participating employees are aligned under common financial performance hurdles and STI payout opportunities
- funding for this group STI pool is subject to achieving a minimum hurdle of 90% of target EBIT for the financial year. Previously, the minimum financial performance was a mix of 80% of business entity performance and 95% of Elders group financial target hurdles
- the STI pool at the minimum performance will accrue at 30% of participant maximum STI opportunity
- at 100% of the EBIT target the STI pool will be funded at 60% of the participant maximum STI opportunity
- for the MD and CEO, 95% of target EBIT must be achieved for consideration of a payment from the STI pool
- this STI pool continues to be subject to safety and environmental gateways
- payouts from the pool are then subject to work team and individual performance, taking account of outcomes against planned KPIs and the Elders Code of Conduct
- Board discretion continues, with potential to adjust based on overall financial, safety or environmental performance. Discretion also exists for claw back where inappropriate outcomes are determined
- these changes are considered appropriate in providing an overall incentive pool for the business, taking account of the inherent volatility in the environment in which the business operates and financial target setting, and in providing a remuneration framework that is market competitive.

## Contents

Key Management Personnel	49
1 Response to First Strike Against Remuneration Report	49
2 Overview of FY24 Executive Remuneration	51
3 Link Between Elders' Financial Performance and FY24 Remuneration Outcomes	52
4 Details of the Executive Remuneration Framework	58
5 Remuneration Governance	61
6 Non-Executive Director Remuneration and Statutory Remuneration	62
7 Key Terms of Executive KMP Employment Contracts and Statutory Remuneration	63
8 Additional Required Disclosures	64

## Key Management Personnel

In this report, KMP are determined in accordance with the definition under the Accounting Standard AASB124 Related Party Disclosures as those persons with authority and responsibility for planning, directing, and controlling the activities of Elders during the financial year.

The MD and CEO and Senior Executives considered KMP are referred to collectively as “Executive KMP” in this report.

### FY24 Key Management Personnel

Name	Position	Status	Date as KMP (if not a full year)
<b>Non-Executive Directors</b>			
I Wilton	<i>Chair</i>	Full year	
R Clubb	<i>Director</i>	Full year	
R Murphy	<i>Director</i>	Full year	
J Lloyd	<i>Director</i>	Part year	Commenced 1 December 2023
D Frawley	<i>Director</i>	Part year	Commenced 1 August 2024
G Davis	<i>Director</i>	Part year	Commenced 2 September 2024
<b>Executive KMP</b>			
M Allison	<i>Managing Director and CEO</i>	Full year	
P Rossiter	<i>Chief Financial Officer</i>	Full year	

## Section 1 – Response to First Strike Against Remuneration Report

As noted earlier, the feedback from proxy advisors and major shareholders indicated that the vote against the 2023 Remuneration Report reflected concerns with the arrangements put in place to retain the services of Mr Allison, and the failure of the Board to ensure an orderly process of CEO succession.

Outlined below are the key issues raised by shareholders and proxy advisors and the Board’s response to these concerns.

**Concern:** *The lack of succession candidates reflecting a poor performance of what should be a key Board function*

**Response:** Prior to the announcement in November 2022 of Mr Allison’s intention to retire from Elders, the Board had a continuing focus on CEO succession. In 2021 it commenced a detailed succession process aided by external providers. With Mr Allison’s retirement announcement the Board accelerated this process, extended it to a global search and undertook an updated review of internal candidates at the time.

Through this process it became apparent that none of the potential internal candidates were considered ready to make the immediate transition to the role of MD and CEO, so the succession process focused on identifying suitable external candidates, with the combination of industry knowledge, experience, and leadership skills necessary to continue the evolution of Elders as experienced under Mr Allison’s leadership.

Whilst this process had identified suitable candidates, and discussions had been undertaken, the Board had been unable to secure a suitable appointment to accommodate the timeframes originally agreed with Mr Allison, and was required to take into consideration business conditions at the time.

Having retained Mr Allison’s services, the Board then reviewed and refined its approach to ensuring that a suitable successor is in place when Mr Allison does retire from Elders. This has included the engagement of external advisors, Derwent Search, to assist with increased activity associated with the identification and development of internal candidates.

**Concern:** *The size of retention arrangements provided to the MD and CEO and the lack of performance conditions applied to the Service Rights*

**Response:** The Board felt it was in the best interests of the Company and shareholders that they seek to secure Mr Allison’s services beyond his planned retirement date, and for a sufficient enough period to moderate the risks that a gap in leadership may present given the internal and external circumstances at the time. These included the delivery of the Elders systems modernisation and supply chain streamline projects, and the impact of climatic and broader macro-economic conditions on the business conditions for the Company.

The retention arrangements were constructed as part of a package of one-off arrangements designed to retain Mr Allison’s services through the immediate period, while refreshed succession arrangements were put in place.

The intent of the Service Rights component was to balance the priorities of retention and value generated for shareholders under Mr Allison’s continued leadership.

Mr Allison has indicated his willingness to remain in the role of MD and CEO for the duration of the current Eight Point Plan which ends in September 2026. No further retention payments will be made beyond those anticipated in June 2025.

**Concern:** *The size of fixed pay increase awarded to the MD and CEO, and transparency around benchmarking*

**Response:** During the course of the search process to identify and secure the services of a suitable successor it became apparent that the remuneration package needed to secure a suitable candidate would be at a level greater than being provided to the role at that time.

In negotiating the arrangements to continue Mr Allison's tenure, the Board felt that the package arrived at was appropriate in the circumstances, in line with benchmarking conducted previously and in the best interests of the Company and its shareholders.

As part of the 2024 annual review process, and per the process outlined in Section 4.1 of this report, the Board commissioned independent benchmarking of Mr Allison's remuneration by consulting firm Guerdon Associates, an update on similar work previously undertaken.

A benchmarking peer group was determined with regard for company size and financials, taking account of criteria such as market capitalisation, total assets, net assets, revenue, EBITDA, and capital intensity ratio. Operational scope took account of commodity exposure, retail aspect, and manufacturing operations.

The analysis, excluding one-off retention arrangements, showed that Mr Allison's total fixed remuneration is positioned at the 64<sup>th</sup> percentile and his total remuneration package, at maximum value of the STI and LTI opportunity, is at the 57<sup>th</sup> percentile of the peer group.

The Board believes that the remuneration package and market positioning arrived at for Mr Allison is reasonable and appropriate for the circumstances of the Company and Mr Allison's performance in the role.

**Concern:** *The impact of these decisions on shareholder wealth*

**Response:** The decision to put in place the remuneration arrangements to retain Mr Allison's services beyond his planned retirement date from Elders was considered as appropriate in the circumstances confronted by the Board at that time and deemed to be in the best interest of the Company and the shareholders.

It should be noted that the market capitalisation of the Company has increased by over 30% since the announcement of Mr Allison continuing as MD and CEO.

The Board believes that the structure of the Company's overall remuneration arrangements aligns performance based reward with overall business outcomes and the impact on shareholder wealth.

**Concern:** *The weighting of non-financial measures in the STI*

**Response:** Concerns were expressed regarding the overall 40% weighting of non-financial measures. Whilst the overall balanced scorecard of measures used to assess individual performance comprises a mix of financial and non-financial measures, the underlying STI plan requires the achievement of an overall company financial gateway that is considered appropriate to warrant any STI payment.

Non-financial objectives are intended to ensure that critical components relating to People and Safety, Sustainability, the delivery of critical strategic priorities and other key non-financial objectives form part of the overall assessment of individual performance; that these are front of mind in setting, reviewing and rewarding the achievement of annual performance objectives.

The Board believes that the current STI structure provides an appropriate mix of performance objectives for the executive team, in a manner that focuses on delivering outcomes aligned to the Company's overall strategy.

**Concern:** *The outcomes of the vesting decision for the FY21 LTI grant*

**Response:** The FY21 LTI grant vested at 28% of the maximum number of performance rights issued, based on the EPS Growth tranche achieving a compound annual growth rate (CAGR) of 7.8%, and the TSR tranche failing to achieve the minimum performance hurdle of 50<sup>th</sup> percentile of TSR ranked with the ASX 200 comparison companies.

Elders adopted the accounting standard AASB 16 *Leases* from 1 October 2019. Underlying EPS was 69.9¢ in FY20 including the impact of this standard. This standard has been applied consistently across the performance period of the FY21 LTI grant.

The Elders 2020 Notice of Meeting stated the opening EPS for the FY21 LTI grant, in the case of the MD and CEO's offer as 70.7¢ but did not clarify that this was the adjusted figure. This disclosure has since been rectified in future notices to avoid confusion and doubt, and the Board considered that using the adjusted value of 69.9¢ (includes the impact of AASB 16 *Leases*) as the FY20 starting point for the calculation of the EPS CAGR was appropriate in the circumstances.

The Board believes that the use of the underlying EPS value from the FY20 results, and the vesting outcome of the FY21 LTI grant were appropriate in the circumstances.

In reviewing shareholder and proxy adviser feedback, the Board has considered the structure of executive remuneration arrangements and feels that these meet the needs of being able to attract and retain key executive talent, as well as providing appropriate outcomes for all stakeholders.

As already noted, the Board readily acknowledges the concerns expressed by shareholders and proxy advisors, as a result of the decision taken to retain Mr Allison's services after having been unable to secure a suitable successor within the original succession timeframes.

Having addressed that issue, with a secure leadership team in place, refreshed CEO succession planning and a Board that has continued its own renewal process, the Board is confident of an orderly succession process that will continue to deliver outcomes in the best interests of the Company and shareholders.

## Section 2 – Overview of FY24 Executive Remuneration

Elders’ remuneration framework is designed to attract, retain and motivate whilst driving Elders’ culture and delivering our business strategy, long-term company performance and creation of shareholder value.

### 2.1 Remuneration Principles

 <p><b>To drive and support delivery of Elders’ strategy and create long-term shareholder value</b></p>	 <p><b>Drive outcomes and provide a balance between motivation, risk and reward</b></p>	 <p><b>Market competitive to attract and retain key talent</b></p>	 <p><b>Reward is commensurate with performance. Decisions are objective and consistent</b></p>	 <p><b>Simple and flexible – allowing for business growth</b></p>	 <p><b>Reinforces Elders’ culture, vision and values</b></p>
--	--	---	--	--	---

### 2.2 Remuneration Structure and Mix

Remuneration is structured so a portion of reward for the Executive KMP and non-KMP Senior Executive depends on meeting individual, business unit and Elders’ targets and objectives, including maximising returns for shareholders.

Further details of the remuneration framework are provided in Section 4 of this Report.

#### Executive KMP and other Senior Executive remuneration elements, structure and delivery<sup>1</sup>

<b>Fixed Remuneration</b> Attracts and retains executives with the capability and experience to deliver our strategy.	100% paid in cash	Base salary, superannuation and other benefits				
<b>Short-Term Incentive</b> Motivates and rewards for achievement of annual performance against Elders’ overall results and individual key performance indicators. Subject to performance targets across the performance year	<b>Executive KMP</b> 60% paid in cash and 40% deferred to equity	STI Cash	Deferred STI vests in two equal tranches over two years			
	<b>Senior Executive (non-KMP)<sup>1</sup></b> 80% paid in cash and 20% deferred to equity	STI Cash	Deferred STI over one year			
<b>Long-Term Incentive</b> Supports alignment to long-term overall company performance rewarding for delivery of longer term strategy and creating shareholder value.	100% delivered in performance rights	50% subject to relative TSR (and additional requirement of absolute TSR is greater than or equal to zero)			50% subject to EPS growth	
		Three year performance period			One year holding lock	
		Year 1	Year 2	Year 3	Year 4	

#### Executive KMP and other Senior Executive FY24 remuneration mix at maximum<sup>1</sup>

<b>MD and CEO</b>	Performance-based	
<b>Total Fixed Remuneration 32%</b>	<b>Maximum STI 32%</b>	<b>Maximum LTI 36%</b>
<b>Executive KMP (other than MD and CEO)</b>	Performance-based	
<b>Total Fixed Remuneration 48%</b>	<b>Maximum STI 26%</b>	<b>Maximum LTI 26%</b>
<b>Senior Executive (non-KMP)<sup>1</sup></b>	Performance-based	
<b>Total Fixed Remuneration 49%</b>	<b>Maximum STI 24%</b>	<b>Maximum LTI 27%</b>

<sup>1</sup> Information for Senior Executive non-KMP is unaudited.

## Section 3 – Link Between Elders' Financial Performance and FY24 Remuneration Outcomes

### 3.1 Overview of STI Outcomes for FY24

#### Executive KMP (other than MD and CEO) FY24 STI performance measures

Elders' Short-Term Incentive pool for executive participants is aligned with company performance and shareholders' interests. Company financial performance determines the pool of funds available and STI outcomes are awarded based on achievement of individual KPIs which contain a balance of challenging financial and operational targets, aligned to business strategy.

The FY24 threshold EBIT performance was not met and as a result no STI was awarded to Executive KMP.

For the purpose of completeness in reporting, the structure of the Executive FY24 KPIs, as applied to the CFO and the typical structure for non-KMP Senior Executive is tabled below.

Category	Performance measure	Weighting	Why was it chosen?	How is it measured?
Gateway	 Achievement of threshold performance for underlying EBIT, greater than prior year EBIT outcome, zero fatalities, adherence to Elders Code of Conduct and no significant environmental event	-	Ensures Executive KMP will only be awarded where threshold financial, Code of Conduct, safety and environmental performance has been achieved.	Threshold is based on achievement of: <ul style="list-style-type: none"> <li>95% of the Board approved underlying EBIT budget</li> <li>adherence to Elders Code of Conduct</li> <li>zero fatalities</li> <li>no significant environmental event.</li> </ul> <p>Below the EBIT threshold no STI is payable to Executive KMP.</p>
Financial measures	 Financial and operational performance	60%	Key indicators of Elders' financial performance and aligned to Elders' Eight Point Plan objectives.	Achievement of Board approved budget financial outcomes, including underlying EBIT, Operating Cash Flow, ROC and SG&A reduction targets.
Strategic measures	 Strategic Priorities	CFO-40% Other Executive-15%	The Board believes the strategic priorities of Elders' Eight Point Plan are fundamental key drivers of long-term value creation.	For the CFO and non-KMP Senior Executive this is measured on achievement of their Business Unit's key milestones in the Eight Point Plan.
	 People, Safety, and Sustainability	CFO - 0% Other Executive-15%	Focusing on our people through diversity and employee engagement is critical to continue to attract and retain the talent needed to deliver our strategy.  Safety is about driving significant progress in achieving a "zero harm" workplace.  Sustainability is about focusing on delivering sustainability priorities as identified.	People is measured through positive movement in the representation of women in management and employee engagement and enablement.  Safety is measured through reduction in total recordable injury frequency rate and completion of risk radar actions.  Sustainability is measured through key objectives in the Sustainability Action Plan, including: <ul style="list-style-type: none"> <li>Climate Change - Scenario Analysis Phase 2</li> <li>Climate Change - TCFD disclosure alignment</li> <li>Energy-emissions reduction/sustainable facilities strategy implementation</li> <li>Waste reduction - strategy implementation</li> </ul>
	 Customer	CFO- 0% Other Executive-10%	Focusing on building and maintaining effective customer relationships is key to a long-term sustainable business.	Measured through the Roy Morgan Trust Survey and customer Net Promoter Score.

## MD and CEO FY24 STI outcomes

The FY24 threshold EBIT performance was not met and as a result no STI was awarded to Executive KMP. For the purpose of completeness in reporting, the MD and CEO FY24 KPIs and results are tabled below.

Key Priority	Measures	Target	Outcome	FY24 Performance Commentary
<b>Financial Measures (60%)</b>	Underlying EBIT	\$151.8m	\$128.0m ●	FY24 EBIT gateway not achieved
	Operating Cash Flow (over 12-month period) 90% - 100% of net profit after tax (NPAT)	>100%	+129% ●	Operating cash flow exceeded stretch target
	Return on Capital	15.0%	11.3% ●	FY24 target not achieved
<b>Strategic Priorities (15%)</b>	Deliver System Modernisation project milestone as per Business Case	Key Milestones Delivered	On Track ●	FY24 milestones met
<b>People, Safety and Sustainability (15%)</b>	<b>Total recordable injury frequency rate (TRIFR)</b>	10.0	9.0 ●	Target exceeded
	<b>Lost Time Injuries</b>	2.0	2.0 ●	Target achieved
	<b>Achievement of five diversity objectives by 2025:</b>			
	Maintain representation of women in Senior Executive positions > 40%	38%	20% ●	Threshold not met
	Increase representation of women in senior positions > 25% <sup>1</sup>	21%	21% ●	Threshold met
	Increase overall diversity of workforce <sup>2</sup>	34%	38% ●	Exceeded Target
	Maintain the feeling of belonging <sup>2</sup>	85%	90% ●	Exceeded Target
	Overall employee engagement <sup>2</sup>	77%	77% ●	Target achieved
	<b>Achievement of FY24 Sustainability Action Plan</b>			
	<ul style="list-style-type: none"> <li>implementation of the Environmental Management Plan</li> <li>all major suppliers assessed for ethical sourcing risks</li> <li>progression of branch solar panel installations, against a baseline of FY22</li> </ul>	Key milestones achieved as per FY24 Sustainability Action Plan	Incomplete ● On Track ● On Track ●	Not all actions completed. On Track On Track
<b>Customer (10%)</b>	Roy Morgan Trusted Agribusiness Brand Award	No. 1	No. 1 ●	Achieved Target
	Customer Net Promoter feedback response	80%	46% ●	Threshold not met

<sup>1</sup> Working towards the 2025 objective, FY24: 23-24%; FY25: 25%

<sup>2</sup> Measured as part of annual 'Employee Effectiveness' survey

● Target met or exceeded    ● Threshold/Minimum performance achieved    ● Threshold/Minimum performance not met

## Executive KMP FY24 STI outcomes and performance against targets

KMP	Financial Measures (60%)	Sustainability (10%)	Strategic Priorities (20%)		People and Safety (10%)	Customer (10%)	Maximum STI Opportunity	Awarded STI as % of Maximum	Forfeited STI as % of Maximum
	Company	Company	Company	Business Unit	Company	Company	\$	%	%
M Allison, MD and CEO	Gateway not met	Met Target	Met Target		Most Targets Met or Exceeded	Targets Met or Exceeded	1,500,000	0%	100%
P Rossiter, CFO	Gateway not met	Met Target		Met Target		N/A	280,500	0%	100%

### 3.2 Overview of LTI Outcomes for FY24

The FY22 LTI grant, with a performance period of three years, concluded 30 September 2024. The testing resulted in 0% of the performance rights vesting.

#### Finalised LTI – FY22 grant

3.2 Overview of FY24 LTI Outcomes % of Total Grant Performance Measures		Outcome of Testing																																							
<b>Tranche 1 – Total Shareholder Return (TSR)</b>																																									
50%	Based on Elders' TSR performance relative to the TSR performance of comparator companies over the three year performance period 1 October 2021 ending on 30 September 2024. The percentage of TSR rights that vest were determined as follows:	Elders' absolute TSR over the performance period was -16.3%, which ranked below the 50th percentile, resulting in 0% of this tranche vesting.																																							
<table border="1"> <thead> <tr> <th>Absolute TSR over the performance period</th> <th>% of Rights that vest</th> </tr> </thead> <tbody> <tr> <td>Less than 50th percentile</td> <td>Nil</td> </tr> <tr> <td>At 50th percentile</td> <td>50%</td> </tr> <tr> <td>Between 50th and 75th percentile</td> <td>50-100%, on a straight-line sliding scale</td> </tr> <tr> <td>At 75th percentile or greater</td> <td>100%</td> </tr> </tbody> </table>		Absolute TSR over the performance period	% of Rights that vest	Less than 50th percentile	Nil	At 50th percentile	50%	Between 50th and 75th percentile	50-100%, on a straight-line sliding scale	At 75th percentile or greater	100%	<p><i>Notes regarding calculation:</i></p> <p>The starting share price to calculate the Elders TSR was Elders' five trading day VWAP up to and including 30 September 2021 of \$12.062 and the closing share price of Elders' five trading day VWAP as at 30 September 2024 of \$8.65.</p> <p>Dividends paid over the performance period were \$1.42 per share.</p> <p>An external consultant (PFS Consulting) was engaged to calculate the TSR outcome.</p>																													
Absolute TSR over the performance period	% of Rights that vest																																								
Less than 50th percentile	Nil																																								
At 50th percentile	50%																																								
Between 50th and 75th percentile	50-100%, on a straight-line sliding scale																																								
At 75th percentile or greater	100%																																								
<p>Absolute TSR was measured using opening and closing share prices determined as follows:</p> <ul style="list-style-type: none"> <li>the opening share price value of \$12.062</li> <li>the closing share price value based on the five trading day Volume Weighted Average Price (VWAP) up to and including the last day of the performance period</li> <li>dividends paid in the performance period</li> </ul>																																									
<b>Tranche 2 – Earnings per Share Growth</b>																																									
50%	EPS rights vest subject to achievement of target or above EPS Compound Annual Growth Rate (CAGR) over the performance period as follows:	Elders' EPS CAGR over the performance period was -18.0%, resulting in 0% of this tranche vesting.																																							
<table border="1"> <thead> <tr> <th>EPS CAGR over the performance period</th> <th>% of Rights that vest</th> <th></th> <th>FY21</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> </tr> </thead> <tbody> <tr> <td>Less than 7.5%</td> <td>Nil</td> <td>Weighted avg. no. of shares<sup>1</sup> (000)</td> <td>156,305</td> <td>156,477</td> <td>156,477</td> <td>157,353</td> </tr> <tr> <td>Equals 7.5%</td> <td>50%</td> <td>Underlying NPAT (\$ million)</td> <td>151.1</td> <td>152.2</td> <td>137.0<sup>2</sup></td> <td>83.8<sup>2</sup></td> </tr> <tr> <td>Greater than 7.5% but less than 10%</td> <td>50-100%, on a straight-line sliding scale</td> <td>EPS (cents)</td> <td>96.7</td> <td>97.3</td> <td>87.6<sup>2</sup></td> <td>53.4<sup>2</sup></td> </tr> <tr> <td>Equal to or greater than 10%</td> <td>100%</td> <td><b>CAGR</b></td> <td></td> <td></td> <td></td> <td><b>-18.0%</b></td> </tr> </tbody> </table>		EPS CAGR over the performance period	% of Rights that vest		FY21	FY22	FY23	FY24	Less than 7.5%	Nil	Weighted avg. no. of shares <sup>1</sup> (000)	156,305	156,477	156,477	157,353	Equals 7.5%	50%	Underlying NPAT (\$ million)	151.1	152.2	137.0 <sup>2</sup>	83.8 <sup>2</sup>	Greater than 7.5% but less than 10%	50-100%, on a straight-line sliding scale	EPS (cents)	96.7	97.3	87.6 <sup>2</sup>	53.4 <sup>2</sup>	Equal to or greater than 10%	100%	<b>CAGR</b>				<b>-18.0%</b>	<p>As communicated in FY20, EPS for the purposes of LTI will be calculated using the weighted average shares as the denominator and underlying NPAT<sup>2</sup> as numerator. The EPS outcome for FY24 was determined as follows:</p>				
EPS CAGR over the performance period	% of Rights that vest		FY21	FY22	FY23	FY24																																			
Less than 7.5%	Nil	Weighted avg. no. of shares <sup>1</sup> (000)	156,305	156,477	156,477	157,353																																			
Equals 7.5%	50%	Underlying NPAT (\$ million)	151.1	152.2	137.0 <sup>2</sup>	83.8 <sup>2</sup>																																			
Greater than 7.5% but less than 10%	50-100%, on a straight-line sliding scale	EPS (cents)	96.7	97.3	87.6 <sup>2</sup>	53.4 <sup>2</sup>																																			
Equal to or greater than 10%	100%	<b>CAGR</b>				<b>-18.0%</b>																																			
		<p>For a reconciliation between underlying and statutory NPAT please see the Operating and Financial Review section of the Annual Report.</p> <p>The weighted average shares are displayed in note 4 of the Financial Statements.</p>																																							

<sup>1</sup> Shares do not include performance rights which have not yet vested. For FY24, no rights were deemed to be dilutive. Refer to note 4 of the financial statements.

<sup>2</sup> As approved by the Board, the underlying NPAT component of the EPS calculation was adjusted for certain tax charges recognised during the year. This is to present the underlying NPAT on a comparable basis to align tax treatment across the periods.

One fully paid share in Elders will be allocated for each vested performance right, and shares are subject to 12-month holding lock, as detailed in section 4.2. The total number of vested performance rights under the FY22 grant is zero. Individual vesting outcomes for Executive KMP are outlined in section 8.

## Finalised LTI - FY22 grant (continued)

## Reconciliation of statutory profit to underlying profit used to calculate EPS for the FY22 LTI grant vesting FY24

<b>Statutory Profit (\$ million)</b>	<b>45.1</b>
<i>Basic EPS (cents) – Statutory Profit</i>	<i>28.6</i>
Adjustment for non-underlying items (\$ million)	<b>18.9</b>
<b>Underlying NPAT (\$ million)</b>	<b>64.0</b>
<i>Basic EPS (cents) - Underlying NPAT</i>	<i>40.7</i>
Adjustment for tax expense	20.1
<b>Adjusted NPAT (\$ million)</b>	<b>84.1</b>
<i>Basic EPS (cents) - Adjusted NPAT</i>	<i>53.4</i>
<b>Weighted average shares (millions of shares)</b>	<b>157.4</b>

## Reconciliation of tax expense adjustment

<b>Statutory tax expense</b>	18.0
Add back of tax expense relating to entity outside the tax consolidated group	(4.6)
Add back of non-underlying tax expense	6.7
<b>Adjustment for tax expense</b>	<b>20.1</b>

For a reconciliation between underlying and statutory NPAT please see the Operating and Financial Review section of the Annual Report.

The weighted average shares are displayed in note 4 of the Financial Statements.

## 3.3 Summary of FY24 Executive KMP Outcomes

This table presents actual remuneration paid or payable, or vested for the Executive KMP in respect of FY24. The information is voluntary, unaudited, different from and additional to that required by Australian accounting standards and statutory requirements, which is provided in section 7.2.

## Executive KMP Remuneration outcomes for FY24 (unaudited and non-IFRS)

		Base salary	Total STI <sup>1</sup>	Values of Shares Vested <sup>2</sup>	Super-annuation	Other	Termination benefits	Total
		\$	\$	\$	\$	\$	\$	\$
M Allison	<i>MD and CEO</i>	1,471,968	-	164,307	28,032	1,245,200 <sup>3</sup>	-	2,909,507
P Rossiter	<i>CFO</i>	476,247	-	-	29,714	75,000 <sup>4</sup>	-	580,961
<b>Total</b>		<b>1,948,215</b>	<b>-</b>	<b>164,307</b>	<b>57,746</b>	<b>1,320,200</b>	<b>-</b>	<b>3,490,468</b>

<sup>1</sup> STI cash and deferral component not awarded in FY23 as threshold EBIT performance not met.

<sup>2</sup> Value of the FY21 LTI grant that vested in the FY24 year. Value based on total number of shares issued as a result of FY21 LTI vesting and five day VWAP of price prior to vesting date (30/9/23).

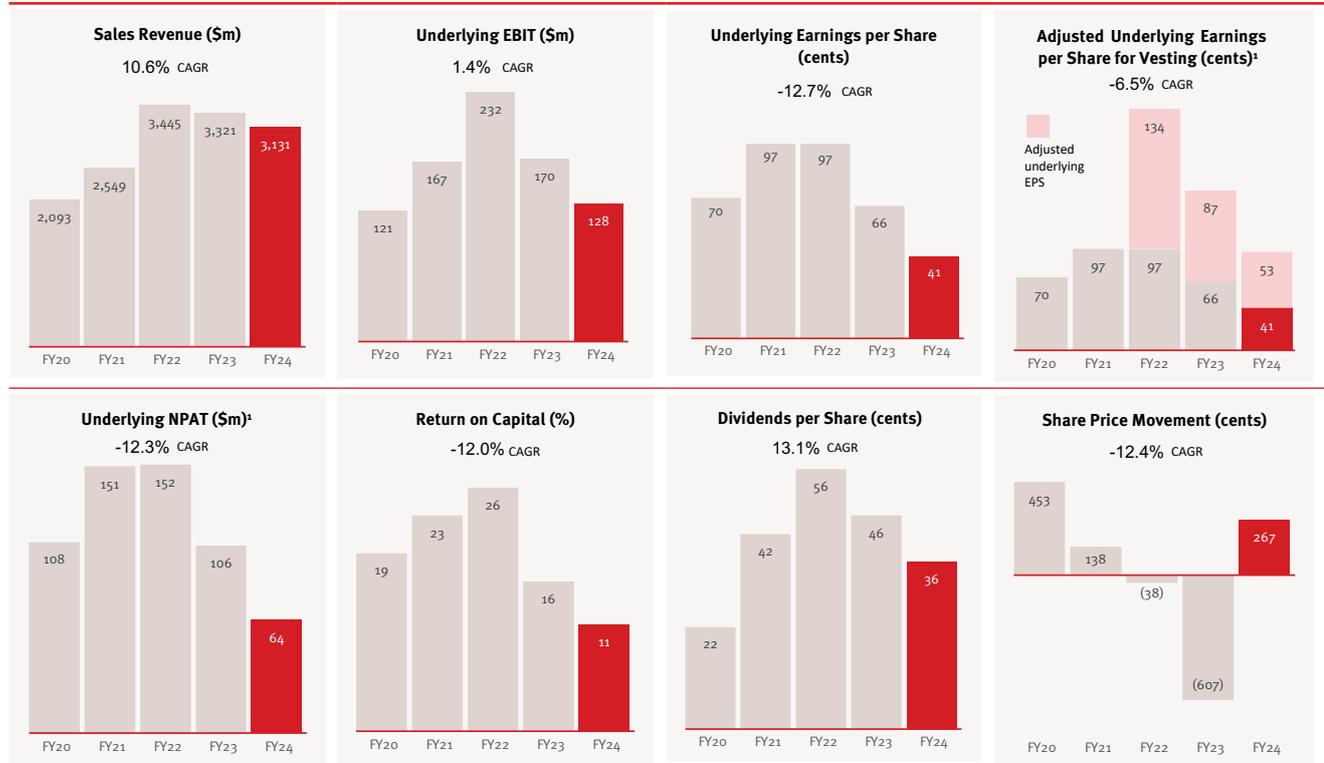
<sup>3</sup> Cash retention payment (\$500,000) and cash payment in lieu of Service Rights (\$745,200).

<sup>4</sup> Cash payment awarded for period as Acting CFO, in lieu of salary adjustment.

### 3.4 Historical Five Year Performance

Highlights Elders’ key financial performance over the past five years and that link to the Senior Executive KMPs’ STI and LTI remuneration outcomes.

#### Elders' CAGR Performance FY20 to FY24<sup>1</sup>



<sup>1</sup> As approved by the Board, the underlying NPAT component of the EPS calculation was adjusted for certain tax charges recognised during the year. This is to present the underlying NPAT on a comparable basis to align tax treatment across the periods. The Board utilised its discretion on the treatment of tax.

### Elders’ Remuneration Outcomes

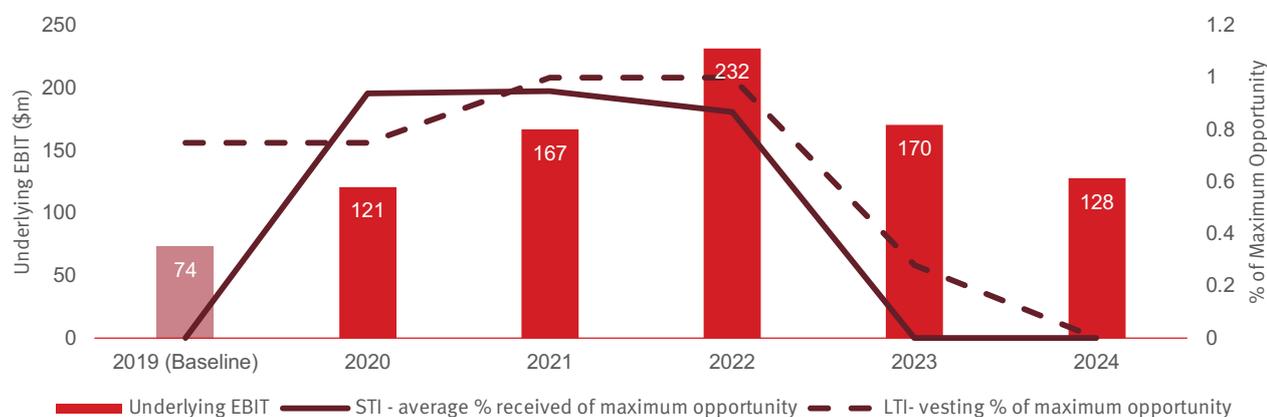
The table and chart below present the performance based remuneration outcomes for Executive KMP (STI and LTI) over the last five years, as a percentage of the maximum incentive opportunity.

Remuneration outcomes	2020	2021	2022	2023	2024
STI – average % received of maximum opportunity	94%	95%	87%	0%	0% <sup>1</sup>
LTI – vesting % of maximum opportunity	75%	100%	100%	28%	0% <sup>2</sup>

<sup>1</sup> FY24 minimum EBIT not achieved as reported elsewhere in this report

<sup>2</sup> FY22 LTIP minimum performance requirements not achieved as reported elsewhere in this report

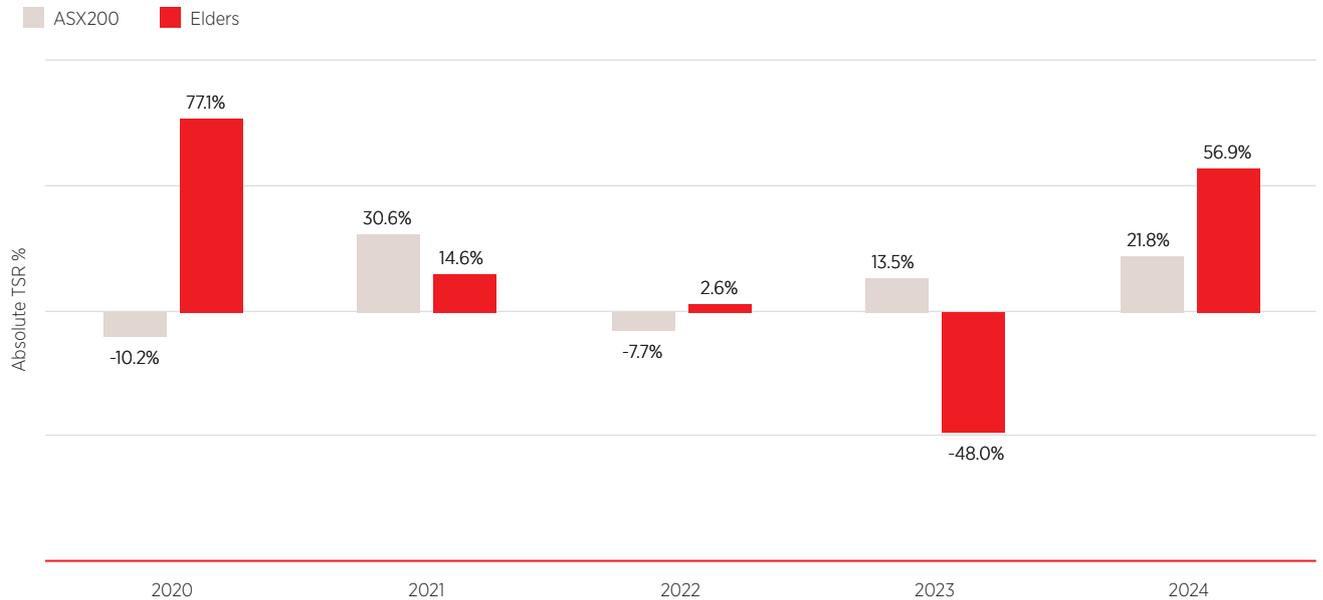
#### Executive KMP Remuneration Outcomes vs. Underlying EBIT



### 3.4 Historical Five Year Performance (cont.)

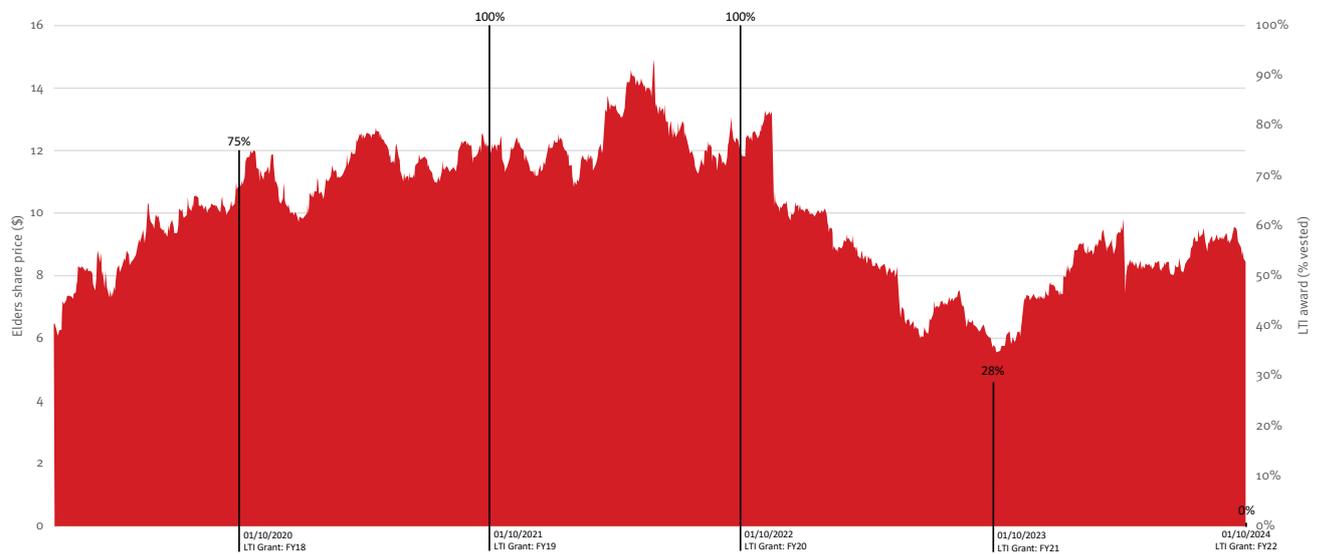
This chart shows Elders' annual TSR performance over the last five years against the S&P/ASX 200 Accumulation Index. Elders' LTI Plans for FY19, FY20 and FY21 include an absolute TSR performance condition. Full vesting of the TSR tranche (50% of total grant for FY18 and FY19, and 33.3% of FY20) was achieved for grants under the FY18, FY19 and FY20 LTI Offers.

#### Absolute TSR %



This chart compares Elders' total LTI vesting results for grants made in FY18 to FY22, and vesting in FY20 to FY24, to Elders' share price during the same period.

#### LTI Plan performance outcomes relative to Elders' share price





## 4.2 Current Short-Term and Long-Term Incentive Plan Structures (continued)

### Current LTI Plan Structure

	FY23		FY24	
<b>Maximum LTI Opportunity % of TFR</b>	MD and CEO – 110%, Executive KMP (other than the MD and CEO)– 55%			
<b>Performance Period (3 years)</b>	1 October 2022 to 30 September 2025		1 October 2023 to 30 September 2026	
<b>Grant Date</b>	15-Dec-22	MD and CEO (M Allison)	19-Dec-23	MD and CEO (M Allison)
	23-Dec-22	Other participants	19-Dec-23	Other participants
<b>As at 30 September 2024</b>	MD and CEO (M Allison)	107,000 Rights	MD and CEO (M Allison)	283,990 Rights
Executive KMP and Other Participants	CFO (P Rossiter)	0 Rights	CFO (P Rossiter)	48,280 Rights
No. of Rights Outstanding	21 other participants	252,045 Rights	19 other participants	569,000 Rights
<b>Grant Methodology</b>	Performance rights allocated under this plan are determined using “face value methodology” being the 5 trading day VWAP at the day prior to the start of the Performance Period (i.e. 30 September).			
<b>Performance Conditions</b>	The performance rights are split into two tranches.			
	Tranche 1	Relative TSR	50% weighting	
	Tranche 2	EPS Growth	50% weighting	
<b>Performance Measures and Vesting</b>	<b>Tranche 1 – Relative TSR Against Comparator Companies Performance Rights</b>			
	50% of rights vest subject to Elders' TSR performance relative to the TSR performance of the Comparator Companies over the Performance Period (subject to Elders' absolute TSR over the Performance Period being greater than or equal to zero).			
	<b>Elders' TSR Percentile Rank</b>	<b>% of Tranche that Vest</b>		
	Target: 50th Percentile	50%		
	Stretch: 75th Percentile or above	100%		
	<ul style="list-style-type: none"> <li>less than Target no rights vest</li> <li>if greater than Target but less than Stretch is achieved, 50-100% of rights vest on a straight line sliding scale.</li> </ul>			
	The Comparator Companies for this tranche comprises the companies in the S&P/ASX 200 index as at the start of the Performance Period. Any companies that are delisted from the ASX during the Performance Period or suspended from trading at the end of the Performance Period will be removed from the vesting assessment.			
	<b>Tranche 2 – EPS Growth Performance Rights</b>			
	50% of rights vest in full if EPS CAGR is greater than or equal to Target for the performance period. The starting EPS value is EPS as at 30 September prior to the commencement of the performance period.			
		<b>EPS CAGR</b>	<b>% of Tranche that Vest</b>	
	Target	7.5%	50%	
	Stretch	10%	100%	
	<ul style="list-style-type: none"> <li>less than Target no rights vest</li> <li>if greater than Target but less than Stretch is achieved, 50-100% of rights vest on a straight line sliding scale.</li> </ul>			

## 4.2 Current Short-Term and Long-Term Incentive Plan Structures (continued)

### Current LTI Plans Structure

Holding Lock	A 12-month holding lock on shares awarded under the LTI plan. A participant is entitled to receive dividends and other distributions and exercise full voting rights.
Performance Testing	Testing of the performance conditions will occur once the results for the relevant performance period have been audited and approved by the Board. There will be no re-testing of performance.
Clawback	The Board may determine that any unvested rights will lapse or be forfeited, and/or the participant must pay or repay as a debt, proceeds from shares allocated in certain circumstances such as, but not limited to, fraud, gross misconduct, breach of duties or obligations.
Dividends	No entitlement to dividends during the performance period.
Treatment of Unvested Rights on Cessation of Employment	The Board has overriding discretion over the treatment of unvested performance rights when a participant ceases employment. On cessation of employment the Board may, amongst other options, allow the participant to retain a pro-rated number of rights based on the portion of the performance period the participant has worked or to lapse all rights.
Dealing in Securities	Participants are prohibited from taking out derivatives over performance rights. In addition, after vesting of performance rights, all dealings in shares issued to a participant are regulated by Elders' Securities Dealing Policy which requires, amongst other things, that dealings only take place during open periods specified by Elders.
Change of Control	In the event of a transaction, event or state of affairs that, in the Board's opinion, is likely to result in a change of control of the Company, the Board may, in its absolute discretion, determine that all or a specified number of a participant's unvested performance rights and/or options vest or cease to be subject to restrictions. If the Board does not make a determination, participants will retain all of their incentive securities and the incentive securities will continue to be subject to the original terms of the grant.
Corporate Actions/Reconstructions	Prior to allocation of shares to a participant upon vesting of performance rights or exercise of options (as the case may be), the Board may make any adjustments it considers appropriate to the terms of a performance right and/or option granted to a participant in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action or capital reconstruction.
Board Discretion	<p>The Board may exercise its discretion to make adjustments it considers appropriate in light of the purpose and intent of the Plan and the performance conditions. This may include making adjustments to ensure that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant. The Board uses a number of principles to assess whether to make an adjustment, including:</p> <ul style="list-style-type: none"> <li>• maintaining the desired level of stretch for targets</li> <li>• maintaining the integrity and intention of the reward</li> <li>• aligning outcomes with general market and shareholder expectations</li> <li>• consistent treatment across remuneration elements and performance period</li> <li>• preserving the success and intent of transactions or other actions that have materially benefited the Company.</li> </ul> <p>If discretion is to be exercised, it may be a result of events such as:</p> <ul style="list-style-type: none"> <li>• acquisitions and acquisition costs</li> <li>• divestments</li> <li>• changes to tax treatments</li> <li>• legislative or accounting standard changes</li> <li>• capital reconstructions or corporate actions</li> <li>• internal reorganisation of the business and/or group assets</li> <li>• events affecting comparator companies including, but not limited to, takeovers, mergers or de-mergers that might occur during the Performance Period</li> <li>• events, circumstances or significant items outside of the control of management or which are not reflective of management performance.</li> </ul>
Future Considerations	From FY22 onwards, Elders has resolved to include items of tax expense and/or benefit in underlying NPAT. As Elders has recognised all tax losses on balance sheet in FY21, the underlying tax expense will no longer be offset by an income tax benefit as a result of tax losses recognition. The Board will seek to exercise its discretion on the EPS outcomes of future LTI vesting by adjusting the tax expense across the Performance Period to ensure comparability across the performance period. The performance measures will be as intended as the Board originally set. Shareholders will be provided with a reconciliation.

## 4.3 Current Retention Arrangements

In addition to these incentive arrangements the Board has put in place specific retention arrangements to secure the continued services of Mr Allison as Managing Director and Chief Executive Officer.

During FY24 Mr Allison received payment for the first part of the retention arrangements as he was still employed on 1 June 2024 as required by the terms of those arrangements. The payments made were (i) the cash retention payment of \$500,000 and (ii) a payment of \$745,200, as advised to shareholders in May 2024, to reflect the value of 90,000 Elders shares, based on the volume weighted average price of Elders shares traded on ASX over the period of 27 May to 31 May 2024.

The remaining components of these arrangements comprise the following, provided Mr Allison remains employed by Elders on 1 June 2025:

1. \$500,000 cash (gross).
2. A cash payment to reflect the value of 90,000 Elders shares, based on the volume weighted average price of Elders shares traded on the ASX over the period of 26 May to 30 May 2025 (inclusive).

Mr Allison has indicated his willingness to remain in the role of MD and CEO for the duration of the current Eight Point Plan which ends in September 2026 and no further retention payments will be made beyond those anticipated in June 2025.

## Section 5 – Remuneration Governance

The Board Remuneration, People and Culture Committee operates in accordance with the guidance set out in the 4th Edition of the ASX Corporate Governance Council Principles and Recommendations.

Further information on the role and responsibilities of the Committee is set out in the Corporate Governance Statement, which along with the Committee’s Charter, is published on the Elders Investor Hub<sup>2</sup>.

The Committee is comprised entirely of independent Non-Executive Directors.



### 5.1 Independent Remuneration Advice

The Committee is briefed by management, however, the Committee makes all decisions free of the influence of management.

Further to the management briefings, to assist in its decision-making, the Committee may, from time to time, seek independent advice from remuneration advisors, and in so doing will directly engage with the advisors without management involvement.

In the year ended 30 September 2024, the Committee has not sought independent advice from remuneration consultants, therefore no remuneration recommendations, as defined by the *Corporations Act 2001* (Cth), were made by remuneration consultants.

<sup>2</sup> Elders’ 2024 Corporate Governance Statement can be found online at <https://elders.com.au/for-investors/performance/periodic-reports/>

## Section 6 – Non-Executive Director Remuneration and Statutory Remuneration

### 6.1 Remuneration Framework and Policy

Non-Executive Directors are remunerated by way of fees in the form of cash and superannuation. Non-Executive Directors do not participate in Elders' cash or equity incentive plans and do not receive retirement benefits other than superannuation contributions disclosed in this report.

Non-Executive Director fees are reviewed by the Board on an annual basis, taking into consideration the accountability and time commitment of each director, supported, where appropriate and necessary, by information from external remuneration advisors.

The Board believes Elders' Non-Executive Directors should own securities in Elders to further align their interests with the interests of other shareholders. Elders' Minimum Shareholding Policy now requires Non-Executive Directors to hold at least 100% of non-executive director Base fees (including superannuation) within three years of appointment. Details of Non-Executive Directors' shareholdings in Elders can be found in section 8.

### 6.2 Non-Executive Director Fees in FY24

Total fees for the financial year ended 30 September 2024 remain within the aggregate fee limit of \$1,500,000 per annum, (including superannuation guarantee), as approved by shareholders at the 2022 AGM.

The Board reviewed the Non-Executive Director fees during FY24 and applied a 4.0% increase to the Board Chair and Member fees from 1 January 2024 per the schedule below.

#### Non-Executive Director fees

	FY24 fee including superannuation <sup>1</sup>	
	Chair	Member
	\$	\$
Board	320,200 <sup>2</sup>	140,600
Audit, Risk and Compliance Committee	26,000	13,000
Remuneration, People and Culture Committee	26,000	13,000
Safety and Sustainability Committee	26,000	13,000
Nomination and Prudential Committee	Nil	Nil

<sup>1</sup> Showing fees effective 1 January 2024.

<sup>2</sup> The Chair of the Board does not receive additional Committee fees.

#### Non-Executive Director remuneration

		Short-term payments		Post-employment	Total
		Base Board fee	Board Committee fees	Superannuation	
		\$	\$	\$	
I Wilton	2024	289,093	-	28,032	317,125
	2023	279,848	-	25,819	305,667
R Clubb	2024	148,480	23,172	19,098	190,750
	2023	121,327	44,040	17,572	182,939
J Lloyd <sup>1</sup>	2024	124,426	9,709	14,956	149,091
	2023	-	-	-	-
R Murphy	2024	157,251	11,586	18,788	187,625
	2023	121,327	32,014	16,295	169,636
D Frawley <sup>2</sup>	2024	24,903	1,943	3,087	29,933
	2023	-	-	-	-
G Davis <sup>3</sup>	2024	14,967	-	-	14,967
	2023	-	-	-	-
<b>Former Non-Executive Directors</b>					
D Eilert <sup>4</sup>	2024	-	-	-	-
	2023	121,327	43,024	17,465	181,816
M Quinn <sup>5</sup>	2024	-	-	-	-
	2023	81,067	25,796	11,277	118,140
<b>Total</b>	2024	759,120	46,410	83,961	889,491
	2023	724,896	144,874	88,428	958,198

<sup>1</sup> Joined on 1 December 2023.

<sup>2</sup> Joined 1 August 2024.

<sup>3</sup> Joined 2 September 2024. No superannuation contributions were made on behalf of Mr Davis. Director's fees for Mr Davis are paid to a related entity.

<sup>4</sup> Resigned 30 September 2023.

<sup>5</sup> Resigned 4 June 2023.

## Section 7 – Key Terms of Executive KMP Employment Contracts and Statutory Remuneration

### 7.1 Contractual Arrangements of Executive KMP

#### Contractual arrangements

Component	MD and CEO	Other Executive KMP
Contract Duration	Ongoing until terminated by either party	
<b>Notice (without cause) initiated by:</b>		
	Elders: 12 months	6 months
	Individual: 6 months	3 months
	Payment in lieu of notice may be made equivalent to the remuneration the Executive KMP would have received over the notice period.	
	Payment may be awarded under a Short-Term or Long-Term Incentive Plan in accordance with plan rules.	
Notice for Serious Misconduct	Elders may terminate immediately. No payment in lieu of notice or other termination payments are payable under the employment agreement.	
Redundancy	Not applicable	Due to genuine redundancy, as defined by the <i>Fair Work Act 2010 (Cth)</i> , the Executive KMP is entitled to a retrenchment payment in accordance with Elders' policy. This payment is also subject to the rules and limitations specified in the <i>Corporations Act 2001 (Cth)</i> and <i>Corporations Regulations</i> .
Change of Control	Not specifically referenced in contract.	In the event of a Change of Control or Disposal of Business resulting in a material diminution in the roles and responsibility of the Executive KMP, the Executive KMP may terminate their contract on three months' notice.

#### Non-KMP Senior Executive (unaudited)

Contractual arrangements for non-KMP Senior Executive are consistent with those applied to the Executive KMP.

### 7.2 Executive KMP Statutory Remuneration

#### Executive KMP remuneration

		Short-term payments				Post-employment	Share-based payments			Long-term payments		Total performance related <sup>1</sup>	% related <sup>1</sup>
		Base salary	Cash STI	Annual Leave <sup>2</sup>	Other	Super-annuation	Deferred STI shares	LTI Rights - cash <sup>3</sup>	LTI Rights - equity	Long service leave	Other		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
M Allison	2024	1,471,968	-	(225,610)	-	28,032	47,503	1,240,635	262,372 <sup>4</sup>	201,336	588,839 <sup>5</sup>	<b>3,615,075</b>	9%
	2023	1,237,064	-	36,827	-	25,819	166,294	-	370,404	231,599	243,578 <sup>6</sup>	2,311,585	23%
P Rossiter	2024	476,247	-	(6,819)	75,000 <sup>7</sup>	29,714	-	-	68,422	62,002	-	<b>704,566</b>	10%
	2023 <sup>8</sup>	399,222	-	3,562	100,000 <sup>9</sup>	25,819	-	-	-	11,444	-	540,047	0%
<b>Total</b>	2024	1,948,215	-	(232,429)	75,000	57,746	47,503	1,240,635	330,794	263,338	588,839	<b>4,319,641</b>	
	2023 <sup>8</sup>	1,636,286	-	40,389	100,000	51,638	166,294	-	370,404	243,043	243,578	2,851,632	

<sup>1</sup> Performance related remuneration consists of cash STI and share based payments (including deferred STI) as a percentage of total remuneration.

<sup>2</sup> This includes the movement in annual leave accrual over the reporting period.

<sup>3</sup> The value of cash payment to honour Service Rights announced on 5 June 2023 as part of retention arrangements for the MD & CEO.

<sup>4</sup> The FY24 value of LTI performance rights and reversal of service rights in relation to retention arrangements.

<sup>5</sup> FY24 value of cash retention arrangements announced on 5 June 2023 as reported in Section 4.3 of this report.

<sup>6</sup> FY23 value of cash retention arrangements announced on 5 June 2023 as reported in Section 4.3 of this report.

<sup>7</sup> Final cash payment awarded for period as Acting CFO, in lieu of salary adjustment; reported in the interests of transparency.

<sup>8</sup> (i) In the interests of transparency, the amounts reported are for the full period of FY23 (12 months).

(ii) The portion of the amounts relating to the period as KMP can be calculated by dividing the amount in the table by 365 days and multiply by 85 days (being the period from 7 Jul 23 to 30 Sep 23).

<sup>9</sup> Cash payment awarded for initial period as Acting CFO, in lieu of salary adjustment.

## Section 8 – Additional Required Disclosures

### 8.1 KMP equity

#### Details of Executive KMP current LTI grants and STI restricted shares

	Type	Grant date <sup>1</sup>	Balance at start of period		Vesting date <sup>2</sup>	Vested <sup>3</sup>		Lapsed		Balance <sup>4</sup>	Expensed at end of period	Fair Value at grant date <sup>5</sup>	Rights maximum value yet to vest <sup>6</sup>
			No.	No.		No.	%	No.	%				
M Allison	LTI	17-Dec-20	101,000 <sup>7</sup>	-	Nov-23	28,280	28%	72,720	72%	-	114,762	478,174	19,127
	LTI	16-Dec-21	102,400	-	Nov-24	-	-	-	-	102,400	63,037	797,184	73,544
	LTI	15-Dec-22	107,000	-	Nov-25	-	-	-	-	107,000	(65,356)	694,965	109,889
	LTI	19-Dec-23	-	283,990	Nov-26	-	-	-	-	283,990	402,470	1,676,961	1,274,490
	<b>LTI Total</b>		<b>310,400</b>	<b>283,990</b>		<b>28,280</b>	<b>28%</b>	<b>72,720</b>	<b>72%</b>	<b>493,390</b>	<b>514,913</b>	<b>3,647,284</b>	<b>1,477,050</b>
	STI	22-Dec-21	16,726	-	Sep-23	-	-	-	-	16,726	-	204,726	-
	STI	23-Dec-22	-	14,082	Sep-23	-	-	-	-	14,082	-	142,510	-
	STI	23-Dec-22	-	14,082	Sep-24	-	-	-	-	14,082	47,503	142,510	-
	<b>STI Total</b>		<b>16,726</b>	<b>28,164</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,890</b>	<b>47,503</b>	<b>489,746</b>	<b>-</b>
P Rossiter	LTI	19-Dec-23	-	48,280	Nov-24	-	0%	-	0%	48,280	68,422	285,093	216,671
	<b>LTI Total</b>		<b>-</b>	<b>48,280</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,280</b>	<b>68,422</b>	<b>285,093</b>	<b>216,671</b>

<sup>1</sup> The grant dates are aligned to the requirements under the Accounting Standards.

<sup>2</sup> The vesting date for LTI performance rights does not include the 12 month holding lock period which is a vesting requirement in relation to the service requirement.

<sup>3</sup> The exercise price for the rights was nil.

<sup>4</sup> The balance represents unvested rights as of 30 September 2024.

<sup>5</sup> Fair value is used to calculate the value of performance rights when granted. The fair value at Grant Date is independently determined using Monte Carlo simulation techniques which take into account the exercise price, the term of the rights, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option for TSR tranche. A discounted cash flow model was used for the fair value of the EPS tranche.

Fair value utilised for FY24 LTI Grant- Tranche 1- \$5.12 and Tranche 2- \$6.69 (for more information see note 27 financial statements).

Fair value is used to calculate the value of restricted shares for the STI Plan. Fair value for FY22 STI restricted shares is \$10.12 per share, based on market share price at grant date.

<sup>6</sup> The maximum value of yet to vest of performance rights and restricted shares represents the fair value amount at grant date that is yet to be expensed. The minimum value of performance rights and deferred shares yet to vest is nil, as the rights/shares will be forfeited if the vesting conditions are not met.

<sup>7</sup> This offer vested in November 2023, with 28,280 rights vested and 72,720 rights forfeited.

#### Executive KMP shareholding

	Shares held at start of year 1 October 2023	Shares acquired during the year as part of remuneration	Shares acquired during the year through the vesting of LTI	Other shares acquired (disposed of) during the year	Balance of shares held at end of financial period
M Allison	1,197,014	-	28,280	-	1,225,294
P Rossiter	-	-	-	-	-
<b>Total</b>	<b>1,197,014</b>	<b>-</b>	<b>28,280</b>	<b>-</b>	<b>1,225,294</b>

#### Non-Executive Directors shareholding

	Shares held at start of year 1 October 2023	Shares acquired during the year as part of remuneration	Other shares acquired (disposed of) during the year	Balance of shares held at end of financial period
I Wilton	146,845	-	643	147,488
R Clubb	15,000	-	-	15,000
J Lloyd <sup>1</sup>	-	-	-	-
D Frawley <sup>2</sup>	-	-	-	-
G Davis <sup>3</sup>	-	-	-	-
R Murphy	9,000	-	643	9,643
<b>Total</b>	<b>170,845</b>	<b>-</b>	<b>1,286</b>	<b>172,131</b>

<sup>1</sup> Joined 1 December 2023

<sup>2</sup> Joined 1 August 2024

<sup>3</sup> Joined 2 September 2024

Elders takes its obligations to prevent insider trading very seriously. In conformity with that approach, Directors take a conservative view of when they can deal in Elders shares, in accordance with the Securities Dealing Policy, seeking to avoid both real and perceived trading on inside information. This approach limits the opportunities for Non-Executive Directors to acquire Elders' shares.

## **8.2 Other equity schemes in which one or more KMP participate**

### **Deferred Employee Share Plan (DESP)**

This plan enables participants to salary sacrifice remuneration up to \$5,000 to acquire restricted shares. Tax can be deferred up to 15 years. Elders makes no contribution to this plan other than funding the costs of administration. There are no further performance or service conditions once shares are purchased.

For NED participants, amounts are sacrificed from monthly Board fees and shares are purchased on market during share trading windows after announcement of full year and half year results.

## **8.3 Other transactions and loans with KMP**

There are no loans to KMP outstanding in the current or prior year.

From time to time, sales and purchases occur during the year between subsidiaries in the Group and entities that certain directors of Elders have direct, or indirect control over. These transactions are conducted on the same terms and conditions as those entered into by other Elders' customers on an arm's length basis and are trivial or domestic in nature.

## Executive Management



### Mark Allison

**Managing Director and Chief Executive Officer** *BAgrSc, BEcon, GDM, AMP (HBS), DUniv (hc) (Adel), FAICD*

Mr Allison joined Elders Limited as a non-executive director in November 2009, served as Chairman and Executive Chairman, before being appointed Managing Director and Chief Executive Officer in May 2014.

Mr Allison's 43-year agribusiness career spans technical, manufacturing, supply and distribution roles and businesses. Previous roles include Managing Director/CEO of GrainGrowers Limited, Jeminex Limited, Farmoz Pty Ltd, Wesfarmers Landmark Limited, Wesfarmers CSBP Limited, CropCare Australasia Pty Ltd and General Manager of Incitec Fertilisers.

Mr Allison is currently Chair of the Agriculture and Natural Resources End-User Advisory Board of the SmartSat CRC, the Agrifood and Wine Advisory Board of the University of Adelaide, and a member of the Rabobank Food and Agriculture Advisory Board.

He was the previous Chair of Agribusiness Australia, AuctionsPlus, CropLife, Agsafe, the APVMA, as well as a number of other agricultural and industrial and safety businesses.

Mr Allison oversaw the development and implementation of the four Elders Eight Point Plans from 2014. This strategic plan returned the company to a pure-play agribusiness and resulted in the first shareholder distribution in nearly a decade in 2017. Since 2014 Elders has grown from a market capitalisation of \$50 million to a peak of \$2.3 billion.

On 19 September 2023 he was awarded an Honorary Doctorate from the University of Adelaide for his experience and lifelong contribution to agriculture and agribusiness.

Mr Allison is from far north Queensland, and is a passionate advocate of agriculture, and regional and rural Australia.



### Paul Rossiter

**Chief Financial Officer** *BAcc, CPA, FINSIA*

Mr Rossiter was appointed to the role of Chief Financial Officer in July 2023, after serving the business since 2004. Mr Rossiter has been Group Treasurer since 2012. Prior to joining Elders, Mr Rossiter worked for employers in the finance sector including Credit Suisse in Sydney and Morgan Stanley in London.

Mr Rossiter is a Certified Practising Accountant, with a Bachelor of Accountancy from the University of South Australia, and a Fellow of the Financial Services Institute of Australasia (FINSIA). He is an experienced finance, accounting and risk management professional in the fields of banking, financial markets and agriculture.



### Patrick White

**General Counsel** *LLB (Hons) BCom GDLP*

Mr White was appointed Elders' General Counsel in 2024. He has responsibility for the Company's legal, compliance, risk and insurance functions. Prior to his appointment, Mr White served as Elders' Head of Legal Affairs for nearly 10 years, a role in which he helped to protect and grow shareholder value through the provision of legal advice and services across the entire group. Before joining Elders, Mr White worked in private practice at a national commercial law firm, and at a leading grain marketer.



**Tom Russo**  
*Executive General Manager Network LLB (Hons), BA, Grad Dip LP, Dip Prop Serv (Agency Mgt)*

Mr Russo was appointed Executive General Manager Network in 2022, prior to which he held several other roles within the Elders group. Most recently, Mr Russo was Executive General Manager Real Estate, Brand & Communications. During his tenure in that role the gross margin contribution of the real estate product more than doubled and Mr Russo established himself as a leading transaction advisor in the broadacre investment space. He is a trusted advisor to many of Elders' largest clients.

Mr Russo previously played a pivotal role in devising and implementing the turnaround strategy for Elders, including executing a number of large and complex divestment initiatives.

Prior to Elders, Mr Russo was the Chief Executive of a specialist international law firm and practiced as a corporate lawyer with a focus on mergers and acquisitions, corporate finance, complex contractual projects, corporate governance and intellectual property.



**Viv Da Ros**  
*Chief Information Officer MBA (Manchester), MPM, GAICD*

Mr Da Ros was appointed to the position of Chief Information Officer (CIO) in 2021 and is responsible for leading the technology/business transformation program at Elders – a strategic multiyear change program that introduces enabling technologies to simplify and enhance interactions with customers through traditional and digital channels.

The transformation is well underway and has already successfully delivered new capabilities for people management, finance and operations, reporting and analytics, public websites and our intranet. The next wave of change will see exciting transformations in retail, supply chain and livestock operations.

Mr Da Ros' 30+ years of experience includes senior leadership positions in Australia, Asia and Europe, predominantly in the retail sector with the AS Watson Group, Tesco, KPMG and Dairy Farm International. More recently, Mr Da Ros spent four years running the technology and digital functions for Caltex Australia, based in Sydney.



**Kiim Lim**  
*Executive General Manager Business Development BCom, CPA, GAICD*

Ms Lim was appointed Executive General Manager Business Development in 2018.

She has successfully led the completion and integration of many acquisitions underpinning the growth of Elders, including Australian Independent Rural Retailers (AIRR), Titan AG and over 80 retail, agency and real estate bolt-ons. Her focus is to ensure long term sustainable growth through the acquisition of high-quality businesses in strategic areas throughout the network and supply chain. Her team has also embedded a systemised business development process at Elders which will allow Elders to continue this business discipline into the future.

Ms Lim commenced with Elders in March 2006, and has held various roles within the finance team. Prior to Elders, Ms Lim worked with PwC in Malaysia and Adelaide.



### **Anna Bennett**

**Executive General Manager Strategy, Sustainability and Innovation** MBA, M.Eng, B.Eng (Hons), GAICD

Anna was appointed Executive General Manager Strategy, Sustainability and Innovation in January 2023. She has responsibility for overall group strategy as well as leading Elders' sustainability and innovation agendas. This includes the establishment of Thomas Elder Sustainable Agriculture, an external innovation venture with a focus on sustainable farming solutions, in collaboration with leading research and industry partners.

Anna has over 20 years' experience leading strategy and transformation and prior to joining Elders was General Manager Corporate Strategy at Australia Post, where she led the development of transformation strategies during a period of significant growth and disruption to the core business. Anna was previously a management consultant with Bain & Company specialising in customer experience and performance improvement.



### **Nick Fazekas**

**Executive General Manager Rural Products** BAgrSc, GAICD

Mr Fazekas was appointed to the position of Executive General Manager Rural Products in October 2023.

Since joining Elders in early 2009, Mr Fazekas has held numerous key roles including General Manager Key Accounts and General Manager Retail. Prior to his current role, he served as State General Manager Western Australia from October 2019 to September 2023, during which period he led the team to more than double WA's EBIT and expand WA's operations by adding eight new businesses.

With 32 years of experience in agricultural services, Mr Fazekas will continue to focus on optimising supply chain efficiencies and improving sales and operational planning, ultimately enhancing working capital usage and profitability.



### **Peter Lourey**

**Executive General Manager Wholesale**

Mr Lourey was appointed to the role of Executive General Manager Wholesale in September 2023, with 37 years of experience within the agriculture, retail and manufacturing industries. Prior to his current position, he was AIRR General Manager where he demonstrated his ability to drive sales, build a strategic procurement team and foster strong client relationships that saw the business double in the five years since being acquired by Elders.

Mr Lourey's journey also includes a successful 19 years as the Business Unit Manager Ruminant division at MSD Animal Health.

# Extending community outreach and impact

**For 185 years, Elders has been intrinsically linked to regional, rural and remote communities.**

**Through a suite of donations, community sponsorships and corporate partnerships, Elders is proud to enable the advancement of the agriculture sector and supporting regions.**

This year, Elders’ community impact was extended through the inaugural round of the Community Giving Project. The Project offers grants of up to \$20,000 for grassroots initiatives promoting sustainable, focused and long-term impact in regional, rural or remote communities.

Focused on building capacity, liveability and connection in the regions in which we operate, the Project seeks applications from not-for-profit organisations for projects which align with one of six pillars: people and regions, environmental awareness, innovation into the future, healthy bodies and minds, encouraging diversity and safety first. There is also a people’s choice category, enabling Elders employees to vote for a project of their choice.

One grant recipient was the Trundle War Memorial Hall, for their initiative establishing a 24/7 community gym. Representative Andrew Rawsthorne said he hopes the facility will uplift both mental and physical health in his local community.

“The nearest gym is 60 kilometres away, and the Trundle community has long needed an accessible local facility. Converting the large, unused room at the rear of the hall into a gym was the natural solution,” said Mr Rawsthorne.

“Several community groups have already shown interest in using the facility. We plan to have a regular yoga instructor, self-defence classes for girls hosted by Trundle Central School, Active Farmers sessions and karate lessons, among other activities.

“We applaud the real leadership Elders is showing in delivering support to regional communities across Australia. Without their support, the creation of this community gym and its rapid development would not have been possible.”

The Belinda McGowan Foundation Ltd also received a grant, which will be used to provide a double-sized cuddle bed to Barcardine Multi-Purpose Health Service, enhancing the level of palliative and end-of-life care in the local community.

Tracy Dobie, Executive Director at the Belinda McGowan Foundation, said the bed will allow the hospital to provide enhanced palliative and end of life care in Barcardine, where patients can remain close to home and be held by their loved ones.

“This is especially crucial for rural and remote areas of Queensland, enabling individuals who are receiving palliative care to stay near their homes and families” Ms Dobie said.

“These beds add a new dimension to how hospital care staff can support the wellbeing of both patients and their families.”

The community gym and palliative care cuddle bed are two of 14 successful initiatives, with others including the delivery of leadership workshops, a community transport vehicle, and farmer first aid courses, among others.

Elders Managing Director and Chief Executive Officer Mark Allison said he is proud to see Elders support such wide-ranging and noteworthy initiatives, which seek to make long-term impact.

“A strong agricultural sector is dependent on strong supporting regions and communities. Investing in regional economies will encourage both sustainable growth in the agricultural sector and the long-term resilience and viability of regional communities,” said Mr Allison.

“The Elders culture is true to the value of community spirit; it’s something our people embody, and the Community Giving Project helps both strengthen and highlight this.

“This initiative is our way to give back and invest in initiatives that will support in building further connections and capability in our towns. There is so much creativity and ingenuity in our regions, and I am so pleased that we can play our part to bring these to life, alongside our village of people and partners.”

The Elders Community Giving Project will re-open for applications in March 2025.



(L-R) Mr Matt Mulholland (Teacher Science and Agriculture), three Moura State High School students, Brendan Crouch, Elders Moura Branch Manager and Brooke Leo P&C member

# *Financial Report*

2024



# Elders Limited Annual Financial Report

30 September 2024

<b>Consolidated Statement of Comprehensive Income</b>	<b>72</b>
<b>Consolidated Statement of Financial Position</b>	<b>73</b>
<b>Consolidated Statement of Cash Flows</b>	<b>74</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>75</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>76</b>
<b>About this report</b>	<b>76</b>
Group Performance	
1 Segment Information	79
2 Revenue and Expenses	81
3 Income Tax	82
4 Earnings Per Share	84
Working Capital	
5 Receivables	85
6 Livestock	86
7 Inventory	87
8 Trade and Other Payables	88
Capital Employed	
9 Property, Plant and Equipment	89
10 Leases	91
11 Intangibles	93
12 Equity Accounted Investments	95
13 Other Financial Assets	96
14 Provisions	97
Net Debt	
15 Cash Flow Statement Reconciliation	99
16 Interest Bearing Loans and Borrowings	100
Risk Management	
17 Financial Instruments	101
Equity	
18 Contributed Equity	106
19 Reserves	107
20 Dividends	108
Group Structure	
21 Investments in Controlled Entities	109
22 Parent Entity	112
23 Business Combinations – Changes in the Composition of the Entity	113
Other Notes	
24 Expenditure Commitments	114
25 Contingent Liabilities	115
26 Related Party Disclosures	115
27 Share Based Payment Plans	116
28 Auditor's Remuneration	117
29 Key Management Personnel	117
30 Other Matters	117
31 Subsequent Events	117
<b>Consolidated Entity Disclosure Statement</b>	<b>118</b>
<b>Directors' Declaration</b>	<b>120</b>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 30 September 2024

		2024	2023
	Note	\$000	\$000
<b>Continuing operations</b>			
Sales revenue	2	3,131,290	3,321,420
Cost of sales		(2,508,066)	(2,716,576)
<b>Gross profit</b>		623,224	604,844
Equity accounted profits	12	14,463	14,116
Distribution expenses		(423,241)	(370,478)
Administrative expenses		(86,405)	(77,682)
Finance costs	2	(34,562)	(23,019)
Other items of income/(expense)	2	(25,645)	(8,913)
<b>Profit before income tax expense</b>		67,834	138,868
Income tax expense	3	(17,986)	(33,028)
<b>Net profit for the period</b>		49,848	105,840
<i>Items that may be reclassified to profit and loss</i>			
Exchange differences on translation of foreign operations		2,198	636
Net gains on cash flow hedges		(950)	(594)
<i>Items that will not be reclassified to profit and loss</i>			
Changes in the fair value of financial assets at fair value through other comprehensive income	13	(16,785)	(6,251)
<b>Other comprehensive profit/(loss) for the period, net of tax</b>		(15,537)	(6,209)
<b>Total comprehensive income for the period</b>		34,311	99,631
<b>Profit for the period is attributable to:</b>			
Non-controlling interest		4,768	5,000
Owners of the parent		45,080	100,840
<b>Net profit for the period</b>		49,848	105,840
<b>Total comprehensive income for the period is attributable to:</b>			
Non-controlling interest		4,768	5,000
Owners of the parent		29,543	94,631
<b>Total comprehensive income for the period</b>		34,311	99,631
<b>Reported operations</b>			
Basic earnings per share (cents per share)	4	28.6¢	64.4¢
Diluted earnings per share (cents per share)	4	28.6¢	64.4¢

The accompanying notes form an integral part of this consolidated statement of comprehensive income.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2024

		2024	2023
	Note	\$000	\$000
<b>Current assets</b>			
Cash and cash equivalents	15	40,210	21,483
Trade and other receivables	5	895,326	738,169
Livestock	6	47,436	49,120
Inventory	7	399,538	491,660
<b>Total current assets</b>		1,382,510	1,300,432
<b>Non current assets</b>			
Other financial assets	13	15,824	32,586
Equity accounted investments	12	50,315	47,383
Property, plant and equipment	9	93,175	70,583
Right-of-use assets	10	246,574	199,216
Intangibles	11	538,066	409,314
Deferred tax assets	3	-	15,049
<b>Total non current assets</b>		943,954	774,131
<b>Total assets</b>		2,326,464	2,074,563
<b>Current liabilities</b>			
Trade and other payables	8	654,158	636,747
Interest bearing loans and borrowings	16	295,000	265,814
Lease liabilities	10	52,718	36,041
Current tax payable	3	1,067	149
Provisions	14	73,748	72,183
<b>Total current liabilities</b>		1,076,691	1,010,934
<b>Non current liabilities</b>			
Other payables	8	12,990	9,469
Interest bearing loans and borrowings	16	182,000	15,356
Lease liabilities	10	200,998	167,583
Deferred tax liabilities	3	2,845	-
Provisions	14	5,751	4,386
<b>Total non current liabilities</b>		404,584	196,794
<b>Total liabilities</b>		1,481,275	1,207,728
<b>Net assets</b>		845,189	866,835
<b>Equity</b>			
Contributed equity	18	1,655,976	1,643,419
Reserves	19	(53,421)	(37,387)
Retained earnings		(761,831)	(743,551)
<b>Total parent entity equity interest</b>		840,724	862,481
Non-controlling interests		4,465	4,354
<b>Total equity</b>		845,189	866,835

The accompanying notes form an integral part of this consolidated statement of financial position.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 30 September 2024

		2024	2023
	Note	\$000	\$000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		11,341,038	12,037,814
Payments to suppliers and employees (inclusive of GST)		(11,237,494)	(11,852,325)
Dividends received	12	14,099	14,330
Interest and other finance costs paid		(31,116)	(22,060)
Income tax (paid)		(3,579)	(8,516)
<b>Net operating cash flows</b>	15	82,948	169,243
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	9	(28,262)	(30,099)
Payments for equity accounted investments	12	(2,568)	-
Payments for intangibles	11	(19,100)	(17,663)
Payments for acquisitions through business combinations, net of cash acquired	23	(103,304)	(47,022)
Proceeds from sale of property, plant and equipment		2,317	1,206
Acquisition of other financial assets	13	(23)	(38,568)
<b>Net investing cash flows</b>		(150,940)	(132,146)
<b>Cash flows from financing activities</b>			
Purchase of shares		(677)	(11,047)
Net (repayment)/proceeds of borrowings		195,830	101,960
Payments of lease liabilities		(51,321)	(44,526)
Dividends paid		(52,456)	(73,337)
Partnership profit distributions/dividends paid	20	(4,657)	(6,504)
<b>Net financing cash flows</b>		86,719	(33,454)
<b>Net increase/(decrease) in cash held</b>		18,727	3,643
Cash at the beginning of the financial period		21,483	17,840
<b>Cash at the end of the financial period</b>	15	40,210	21,483

The accompanying notes form an integral part of this consolidated statement of cash flows.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 30 September 2024

	Issued capital	Reserves	Retained earnings	Non-controlling interest	Total equity
	\$000	\$000	\$000	\$000	\$000
<b>As at 1 October 2023</b>	1,643,419	(37,387)	(743,551)	4,354	866,835
Profit for the period	-	-	45,080	4,768	49,848
<i>Other comprehensive income/(loss):</i>					
Exchange differences on translation of foreign operations	-	2,198	-	-	2,198
Cash flow hedge and fair value of derivatives, net of tax	-	(950)	-	-	(950)
Changes in the fair value of financial assets at fair value through other comprehensive income	-	(16,785)	-	-	(16,785)
<b>Total comprehensive income/(loss) for the period</b>	-	(15,537)	45,080	4,768	34,311
<i>Transactions with owners in their capacity as owners:</i>					
Transfer of unvested employee equity benefits reserve to retained earnings	-	(955)	955	-	-
Dividends paid	-	-	(52,456)	-	(52,456)
Dividend reinvestment plan	11,859	-	(11,859)	-	-
Partnership profit distributions/dividends paid	-	-	-	(4,657)	(4,657)
Cost of share based payments	-	1,833	-	-	1,833
Transfer of vested employee equity benefits reserve to share capital	1,375	(1,375)	-	-	-
Shares purchased	(677)	-	-	-	(677)
<b>As at 30 September 2024</b>	1,655,976	(53,421)	(761,831)	4,465	845,189
<b>As at 1 October 2022</b>	1,646,630	(27,705)	(764,066)	5,858	860,717
Profit for the period	-	-	100,840	5,000	105,840
<i>Other comprehensive income/(loss):</i>					
Exchange differences on translation of foreign operations	-	636	-	-	636
Cash flow hedge and fair value of derivatives, net of tax	-	(594)	-	-	(594)
Changes in the fair value of financial assets at fair value through other comprehensive income	-	(6,251)	-	-	(6,251)
<b>Total comprehensive income/(loss) for the period</b>	-	(6,209)	100,840	5,000	99,631
<i>Transactions with owners in their capacity as owners:</i>					
Dividends paid	-	-	(75,043)	-	(75,043)
Dividend reinvestment plan	4,762	-	(4,762)	-	-
Other movements in retained earnings	-	-	(520)	-	(520)
Partnership profit distributions/dividends paid	-	-	-	(6,504)	(6,504)
Cost of share based payments	-	(399)	-	-	(399)
Transfer of vested employee equity benefits reserve to share capital	3,074	(3,074)	-	-	-
Shares purchased	(11,047)	-	-	-	(11,047)
<b>As at 30 September 2023</b>	1,643,419	(37,387)	(743,551)	4,354	866,835

The accompanying notes form an integral part of this consolidated statement of changes in equity.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### ABOUT THIS REPORT

#### Corporate information

The consolidated financial report of Elders Limited for the year ended 30 September 2024 was authorised for issue on 18 November 2024 by the Directors. Elders Limited (the Parent) is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described in the Directors' Report. References in this consolidated financial report to 'Elders' are to Elders Limited and each of its controlled entities unless the context requires otherwise.

#### Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian accounting standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial report has also been prepared on a historical cost basis, except for derivative financial instruments and fair value of financial assets at fair value through other comprehensive income which have been measured at fair value, and biological assets that are measured at fair value less costs to sell.

The financial report is presented in Australian Dollars and under the *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

Both the functional and presentation currency of Elders and its Australian subsidiaries is Australian Dollars. Subsidiaries incorporated in countries other than Australia, which have a functional currency other than Australian Dollars, are translated to the presentation currency.

Transactions in foreign currencies are initially recorded by subsidiaries at their respective functional currency rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

The financial report has been prepared on a going concern basis.

Comparative information which relates to prior periods is rearranged to be comparable with current year disclosures.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of Elders Limited and its subsidiaries as at 30 September 2024. Control is achieved when Elders is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When Elders has less than a majority of the voting or similar rights of an investee, it considers all relevant facts and circumstances in assessing whether it has power over an investee.

Elders re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date Elders gains control until the date Elders ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of Elders and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with Elders' accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of Elders are eliminated in full on consolidation.

#### Critical accounting judgements, estimates and assumptions

The preparation of Elders' consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on various other factors it believes to be reasonable under the circumstances, the result of which forms the basis of the carrying value of assets and liabilities that are not readily apparent from other sources.

Management has identified the following key accounting policies for which critical judgement, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect the financial result or the financial position reported in future periods. Judgements, estimates and assumptions which are material to the financial report are found in the following notes:

Note 7	Inventory
Note 7	Accounting for rebates
Note 9	Impairment of non-financial assets other than brand names and goodwill
Note 10	Accounting for leases
Note 11	Impairment of brand names and goodwill

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### ABOUT THIS REPORT

#### Impacts of climate change

Elders has considered climate change risk and the necessary measures to meet its emissions reduction targets. While the effects of climate change risk and the implementation of the emissions reduction targets do not materially change the critical accounting, estimates, and assumptions used in the preparation of the consolidated financial statements, it has increased the accounting estimation uncertainty and resulted in application of further judgement within those identified areas. Elders has used accounting estimates based on forecasts developed on market information available at balance date.

Elders has reviewed the following material accounting judgements, estimates and assumptions within the accounting policies that have potential to be impacted by climate change risk and the implementation of Elders' emissions reduction targets:

#### Impairment testing

Cash flow projections used in the impairment testing process are based upon financial budgets approved by the Board, external forecasts of market growth rates and expected operating margins and capital expenditure, including projected expenditure required to meet Elders' emissions reduction targets.

#### Capital expenditure and research and development

Elders' research and development and capital expenditures are aligned to Elders' strategy focusing on new and alternative technologies and products, in line with Elders' emissions reduction targets, impacting either capital expenditure or the Statement of Comprehensive Income.

#### Taxes

Climate-related matters have been considered in the assessment of the future taxable profits on which the recognition of deferred tax assets are based. Business plans used for the recognition of deferred tax assets have been aligned with those used in the impairment testing process taking into account Elders' emissions reduction targets.

#### Provisions and contingent liabilities

Elders' provisions and contingent liabilities for the 2024 financial year have taken into consideration Elders' current climate-related risk assessments.

#### Insurance

The change in climate might result in more regular and intense climate events which can have a significant impact on Elders' operations with business interruption, accident or damages. This may increase Elders' insurance costs due to higher premium rates or Elders' costs with more frequent uninsurable events.

#### Changes to accounting policies

##### (i) New and Revised Accounting Standards and Interpretations

A number of amendments to standards and interpretations became operative for the financial year ended 30 September 2024. None of these have materially impacted Elders and its policies.

##### (ii) Accounting Standards and Interpretations and Amendments issued but not yet effective

Elders has not early adopted any standards, interpretations or amendments that has been issued but are not yet effective. Elders has assessed the upcoming standards and interpretations or amendments and concluded there is no material impact expected from the adoption of these new standards, interpretations or amendments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### ABOUT THIS REPORT

#### The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of Elders. They include the applicable accounting policies applied and critical accounting judgements, estimates and assumptions made. Specific accounting policies are disclosed in their respective notes to the financial statements.

The notes are organised into the following sections:

Group Performance	Provides additional information regarding financial statement lines that are most relevant to explaining Elders' performance during the period.
Working Capital	Provides additional information regarding financial statement lines that are most relevant to explaining the assets used to generate Elders' trading performance during the period and liabilities incurred as a result.
Capital Employed	Provides additional information regarding financial statement lines that are most relevant to explaining the capital investment made that allows Elders to generate its operating result during the period and liabilities incurred as a result.
Net Debt	Provides additional information regarding financial statement lines that are most relevant to explaining Elders' net debt position and borrowings for the period.
Risk Management	Provides information relating to Elders' exposure to various financial risks, its impact on the financial position and performance of Elders and how these risks are managed.
Equity	Provides additional information regarding financial statement lines that are most relevant to explaining the equity position of Elders at the end of the period, including the dividends declared and/or paid during the period.
Group Structure	Summarises how the group structure affects the financial position and performance of Elders as a whole.
Other Notes	Includes other notes that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 1: SEGMENT INFORMATION

#### Identification of reportable segments

Elders has identified its operating segments to be Branch Network, Wholesale Products, Feed and Processing Services and Corporate Services and Other Costs. These operating segments are the basis on which internal reports are reviewed and used by the Managing Director and Chief Executive Officer (the chief operating decision maker) in assessing performance and in determining allocation of resources. Discrete financial information about each of these operating businesses is reported to the Managing Director and Chief Executive Officer on at least a monthly basis. Elders operates only within Australia.

#### Type of product and service

- Branch Network includes the provision of a range of products and services through a common distribution channel, including agricultural retail products, agency and real estate services and financial services.
- Wholesale Products includes the Australian Independent Rural Retailers (AIRR) business based in Shepparton, Victoria, supported by a network of warehouses to supply independent retail stores throughout Australia.
- Feed and Processing Services includes Killara Feedlot, a diversified business incorporating grain-fed beef distribution, grass-fattening operations, cow manure processing and irrigated feed crop production in Quirindi, New South Wales.
- Corporate Services and Other Costs segment includes the general investment activities not associated with the other business segments and the administrative corporate office activities, including centrally held costs not allocated to the other segments.

#### Accounting policies and intersegment transactions

The accounting policies used by Elders in reporting segments internally are the same as those contained in the financial statements. Segment results have been determined on a consolidated basis and represent the earnings before corporate net financing costs and income tax expense.

	Branch Network	Wholesale Products	Feed and Processing Services	Corporate Services and Other Costs	Total
	\$000	\$000	\$000	\$000	\$000
<b>2024</b>					
Sale of goods and biological assets	2,230,708	360,813	138,217	1,150	2,730,888
Debtor interest associated with sales	12,468	-	-	-	12,468
Commission revenue	387,934	-	-	-	387,934
<b>Sales revenue</b>	<b>2,631,110</b>	<b>360,813</b>	<b>138,217</b>	<b>1,150</b>	<b>3,131,290</b>
Equity accounted profits	14,463	-	-	-	14,463
Earnings before interest, tax, depreciation and amortisation	219,683	41,937	11,559	(97,335)	175,844
Depreciation and amortisation	(9,669)	(4,981)	(1,364)	(1,624)	(17,638)
Depreciation on right-of-use assets	(42,842)	(7,382)	(831)	(4,755)	(55,810)
<b>Segment result</b>	<b>167,172</b>	<b>29,574</b>	<b>9,364</b>	<b>(103,714)</b>	<b>102,396</b>
Interest expense					(26,079)
Unwinding discount expense in regards to liabilities					(2,653)
Fair value adjustments of financial instruments					(793)
Interest on lease liabilities					(5,037)
<b>Finance costs</b>					<b>(34,562)</b>
<b>Profit before income tax benefit/(expense)</b>					<b>67,834</b>
Segment assets	1,731,734	329,815	99,859	165,056	2,326,464
Segment liabilities	830,877	116,666	12,945	520,787	1,481,275
<b>Net assets</b>	<b>900,857</b>	<b>213,149</b>	<b>86,914</b>	<b>(355,731)</b>	<b>845,189</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 1: SEGMENT INFORMATION

	Branch Network	Wholesale Products	Feed and Processing Services	Corporate Services and Other Costs	Total
	\$000	\$000	\$000	\$000	\$000
<b>2023</b>					
Sale of goods and biological assets	2,389,665	391,971	181,660	1,271	2,964,567
Debtor interest associated with sales	9,481	-	-	-	9,481
Commission revenue	347,372	-	-	-	347,372
<b>Sales revenue</b>	<b>2,746,518</b>	<b>391,971</b>	<b>181,660</b>	<b>1,271</b>	<b>3,321,420</b>
Equity accounted profits	14,116	-	-	-	14,116
Earnings before interest, tax, depreciation and amortisation	250,758	42,518	7,890	(81,667)	219,499
Depreciation and amortisation	(5,803)	(4,395)	(1,223)	(1,196)	(12,617)
Depreciation on right-of-use assets	(35,696)	(5,974)	(591)	(2,734)	(44,995)
<b>Segment result</b>	<b>209,259</b>	<b>32,149</b>	<b>6,076</b>	<b>(85,597)</b>	<b>161,887</b>
Interest expense					(17,934)
Unwinding discount expense in regards to liabilities					(959)
Fair value adjustments of financial instruments					(758)
Interest on lease liabilities					(3,368)
<b>Finance costs</b>					<b>(23,019)</b>
<b>Profit before income tax benefit/(expense)</b>					<b>138,868</b>
Segment assets	1,471,715	363,803	88,667	150,378	2,074,563
Segment liabilities	698,309	122,120	11,450	375,849	1,207,728
<b>Net assets</b>	<b>773,406</b>	<b>241,683</b>	<b>77,217</b>	<b>(225,471)</b>	<b>866,835</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 2: REVENUE AND EXPENSES

	2024	2023
	\$000	\$000
<b>Sales revenue</b>		
Sale of goods and biological assets	2,730,888	2,964,567
Debtor interest associated with sales	12,468	9,481
Commission revenue	387,934	347,372
<b>Total sales revenue</b>	<b>3,131,290</b>	<b>3,321,420</b>
<b>Other items of income/(expense)</b>		
Acquisition, divestment and other closure costs	(7,199)	1,504
Restructuring initiatives	(6,093)	-
Platform and system modernisation	(5,562)	(5,438)
Business transformation costs	(4,807)	(4,483)
Other costs	(1,984)	(496)
<b>Total other items of income/(expense)</b>	<b>(25,645)</b>	<b>(8,913)</b>
<b>Finance costs</b>		
Interest expense	(26,079)	(17,934)
Unwinding discount expense in regards to liabilities	(2,653)	(959)
Fair value adjustments of financial instruments	(793)	(758)
Interest on lease liabilities	(5,037)	(3,368)
<b>Total finance costs</b>	<b>(34,562)</b>	<b>(23,019)</b>
<b>Specific expenses: depreciation and amortisation</b>		
Depreciation and amortisation	(17,638)	(12,617)
Depreciation on right-of-use assets	(55,810)	(44,995)
<b>Total depreciation and amortisation</b>	<b>(73,448)</b>	<b>(57,612)</b>
<b>Specific expenses: employee benefit expense</b>		
Salaries, wages and incentives	(265,949)	(233,366)
Superannuation and other employee costs	(55,194)	(51,934)
Share based payments	(2,087)	651
<b>Total employee benefit expense</b>	<b>(323,230)</b>	<b>(284,649)</b>
Low value assets lease expenditure	(2,891)	(2,609)

#### Accounting Policy

Elders recognises revenue as or when each performance obligation from contracts with customers are satisfied and considers whether there are separate elements of each transaction to which a portion of the transaction price needs to be allocated. The majority of Elders' revenue is recognised at a point in time and attributable to the sale of retail products, wholesale products, provision of agency services and real estate services, with the exception being certain financial services revenue which is recognised over a period of time. There were no critical judgements in revenue recognition. The following specific recognition criteria must also be met before revenue is recognised:

##### (i) Sale of goods and biological assets

Revenue from the sale of goods predominantly relates to sale of agricultural retail products and wholesale products, and is recognised at the point in time when control has been transferred to the customer, generally through the execution of a sales agreement at point of sale or when the delivery of goods has occurred.

##### (ii) Commission revenue

Commission revenue is derived from the rendering of agency services, real estate services and financial services and is generally recognised at the point in time when the service is provided. In some cases, Elders will enter into contracts with customers that contain multiple performance obligations and revenue will be recognised as each of these is satisfied. The transaction price is allocated to each performance obligation accordingly.

##### (iii) Interest revenue

Interest income predominantly relates to revenue derived from trade receivables related to the sale of agricultural retail products and is recognised as it accrues using the effective interest rate method.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 3: INCOME TAX

#### Critical Accounting Judgements, Estimates and Assumptions

##### Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable the future taxable profit will be available to utilise those temporary differences. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable profits together with future tax planning strategies.

#### (a) Major components of income tax expense are:

	2024	2023
	\$000	\$000
<b>Income statement</b>		
Current income tax expense	(21,279)	(19,310)
Adjustments in respect of current income tax of prior periods	115	(390)
Deferred income tax benefit	3,178	(13,328)
<b>Income tax expense reported in the statement of comprehensive income</b>	<b>(17,986)</b>	<b>(33,028)</b>

#### (b) Reconciliation of income tax expense applicable to accounting profit/(loss) before income tax at the statutory income tax rate to income tax expense at Elders' effective income tax rate is as follows:

	2024	2023
<b>Accounting profit before tax</b>	<b>67,834</b>	<b>138,868</b>
Income tax expense at 30% (2023: 30%)	(20,350)	(41,660)
Adjustments in respect of current income tax of prior periods	115	(390)
Share of equity accounted profits	4,340	4,235
Non assessable profits	423	2,852
Non deductible other expenses	(1,968)	(986)
Reversals of impairment	-	2,954
Other	(546)	(33)
<b>Income tax expense as reported in the statement of comprehensive income</b>	<b>(17,986)</b>	<b>(33,028)</b>
<b>Current tax payable</b>	<b>1,067</b>	<b>149</b>

#### Capital losses not recognised as an asset

Elders held \$107.3 million of capital losses (2023: \$103.5 million) measured at 30% of gross value for which no deferred tax asset was recognised in the consolidated statement of financial position. The capital losses are available indefinitely for offset against future capital profits subject to continuing to meet relevant statutory tests.

#### Tax losses carried forward at the end of the year

Value of tax losses carried forward (net)	16,394	33,518
---	--------	--------

#### Tax Consolidation

Elders and its 100% owned Australian resident subsidiaries are in a tax consolidated group. Elders Limited is the head entity of the tax consolidated group. Members of the Group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

#### Tax Transparency Report

Elders has prepared a voluntary tax transparency report which is available to view online or to download from Elders' website at [elders.com.au](http://elders.com.au). The report sets out relevant tax information for Elders and its controlled entities for the year ended 30 September 2024. The tax transparency report has not been audited and does not form part of the Financial Report.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 3: INCOME TAX

#### (c) Major components of deferred income tax:

	Statement of Financial Position		Movement	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
<i>Deferred income tax assets</i>				
Losses available to offset against future taxable income	16,394	33,518	(17,124)	(16,410)
Lease liabilities	75,850	61,087	14,763	24,125
Provision for employee entitlements	24,656	23,005	1,651	(6,101)
Other provisions	3,242	2,719	523	(2,631)
Capitalised expenses	1,654	499	1,155	(3,318)
Other	212	338	(126)	(500)
<b>Gross deferred income tax assets</b>	<b>122,008</b>	<b>121,166</b>	<b>842</b>	<b>(4,835)</b>
<i>Deferred income tax liabilities</i>				
Right-of-use assets	(73,764)	(59,681)	(14,083)	(23,901)
Intangibles	(40,076)	(36,004)	(4,072)	756
Plant and equipment temporary differences	(6,256)	(6,763)	507	(3,223)
Inventory	(2,621)	(2,302)	(319)	(181)
Other	(2,136)	(1,367)	(769)	1,027
<b>Gross deferred income tax liabilities</b>	<b>(124,853)</b>	<b>(106,117)</b>	<b>(18,736)</b>	<b>(25,522)</b>
<b>Net deferred tax asset/(liability)</b>	<b>(2,845)</b>	<b>15,049</b>		
<b>Movement in net deferred tax asset</b>			<b>(17,894)</b>	<b>(30,357)</b>
Deferred income tax benefit recognised in the statement of comprehensive income			(3,178)	13,328
Utilisation of booked tax losses			16,667	16,904
Deferred income tax assets/(liabilities) recognised for acquisitions of businesses (principally related to acquired intangibles)			4,813	380
Deferred income tax (expense)/benefit recognised in equity			(408)	(255)
			17,894	30,357

#### Accounting Policy

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income.

Deferred income tax is recognised on temporary differences. Deferred income tax assets are recognised for taxable temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current tax assets and liabilities are offset if there is a legally enforceable right to offset and the Group intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and when the deferred tax balances relate to income taxes levied by the same tax authority.

#### Other taxes

Revenues, expenses and assets are recognised net of the amount of GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP PERFORMANCE – NOTE 4: EARNINGS PER SHARE

	2024	2023
Weighted average number of ordinary shares ('000) used in calculating basic EPS	157,353	156,477
Dilutive performance rights ('000)	-	-
<b>Adjusted weighted average number of ordinary shares used in calculating dilutive EPS ('000)</b>	<b>157,353</b>	<b>156,477</b>

For rights that vest under the Long-Term Incentive Plan, Elders will, unless the Elders Board subsequently determine otherwise, purchase the required shares on the market, rather than issuing new shares, hence there is no dilution from the recognition of these performance rights.

**The following reflects the net profit/(loss) and share data used in the calculations of earnings per share (EPS):**

	2024	2023
	\$000	\$000
<b>Reported operations</b>		
<b>Net profit attributable to members (after tax)</b>	<b>45,080</b>	<b>100,840</b>
<b>Reported operations earnings per share:</b>		
Basic earnings per share (cents per share)	28.6¢	64.4¢
Diluted earnings per share (cents per share)	28.6¢	64.4¢

#### **Accounting Policy**

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of rights issued under a Long-Term Incentive Plan into ordinary shares.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### WORKING CAPITAL – NOTE 5: RECEIVABLES

	2024	2023
	\$000	\$000
<b>Current</b>		
Trade debtors	805,279	664,989
Loss allowance	(4,947)	(4,580)
	800,332	660,409
Amounts receivable from equity accounted investments	3,264	10,203
Livestock deferred receivables	72,876	42,146
Prepayments	14,117	12,046
Other receivables	4,737	13,365
<b>Total current receivables</b>	<b>895,326</b>	<b>738,169</b>

Included in trade debtors is \$73.6 million (2023: \$60.2 million) of debt, which is covered by trade credit insurance on various terms and conditions.

Trade debtors are generally on 30 to 90 day terms with the exception of Livestock debtors which are generally on 10 day terms. In some instances, deferred terms in excess of 90 days are offered on commercial terms agreed by Elders.

In line with AASB 9, trade debtors are reviewed in accordance with the simplified approach to measuring expected credit losses based on the payment profile of sales over a period of five years and the corresponding historical credit losses experienced within this period, which is reassessed annually. The historical loss rates are adjusted to reflect current and forward-looking information (including agricultural specific macroeconomic factors) affecting the ability of the customers to settle the debtors. Elders' assessment of trade receivables and loss allowances was determined as follows:

	Current	1-30 days past due	31-60 days past due	61-90 days past due	+91 days past due	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>2024</b>						
Expected loss rate	< 1%	< 1%	< 1%	< 1%	13%	
Gross carrying amount	640,131	102,874	15,879	11,274	35,121	805,279
Loss allowance	384	62	44	28	4,429	4,947
<b>2023</b>						
Expected loss rate	< 1%	< 1%	< 1%	< 1%	22%	
Gross carrying amount	540,668	81,488	16,553	7,716	18,564	664,989
Loss allowance	301	105	49	7	4,118	4,580

#### Reconciliation of loss allowances for trade debtors at beginning and end of period:

	2024	2023
	\$000	\$000
Opening loss allowance	4,580	7,034
Increase/(decrease) in loss allowance recognised in profit or loss	1,651	(169)
Trade debtors (written off)/reversal	(1,284)	(2,285)
<b>Closing loss allowance</b>	<b>4,947</b>	<b>4,580</b>

#### Related party receivables

Refer to note 26 for terms and conditions of related party receivables, including from equity accounted investments.

#### Fair value and credit risk

Due to the short-term nature of trade and other current receivables, their carrying value is assumed to approximate their fair value. For other receivables, the carrying amount is not materially different to their fair values. The maximum exposure to credit risk is the fair value of each class of receivables. Details regarding credit risk exposure are disclosed in note 17.

#### Foreign exchange and interest rate risk

Details regarding the foreign exchange and interest rate risk exposure are disclosed in note 17, including those relating to derivative related balances.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### WORKING CAPITAL – NOTE 5: RECEIVABLES

#### Accounting Policy

Trade receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method, less expected credit losses. To measure the expected credit losses, trade receivables have been grouped on days past due.

The expected credit loss rates are based on payment profile over a historical period and the credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Livestock deferred receivables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method. All balances hold a maturity of less than 12 months. Interest on livestock deferred receivables is recognised as it accrues using the effective interest rate method.

### WORKING CAPITAL – NOTE 6: LIVESTOCK

	2024	2023
	\$000	\$000
<b>Current</b>		
Total livestock	47,436	49,120
<b>Reconciliation of fair value of livestock at beginning and end of period:</b>		
Opening fair value	49,120	73,371
Purchases	106,914	148,363
Cost of sales	(109,474)	(172,775)
Fair value increment/(decrement)	876	161
<b>Closing fair value</b>	<b>47,436</b>	<b>49,120</b>

At balance date, 21,631 head of cattle (2023: 22,057) are included in livestock. This represents cattle held in Australia for feedlotting and grass feeding purposes.

Elders is exposed to a number of risks related to its livestock:

#### Regulatory and environmental risks

Elders is subject to laws and regulations and has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and ensure systems in place are adequate to manage those risks.

#### Supply and demand risk

Elders is exposed to financial risk in respect to livestock activity. The primary financial risk associated with this activity occurs due to the length of time between expending cash on the purchase and ultimately receiving cash from the sales to third parties. Elders is exposed to risks arising from fluctuations in price and sales volumes, and product substitution. Where possible, Elders manages these risks by aligning volumes with market supply and demand, and through the sale of livestock on forward contracts.

#### Other risks

Elders' livestock are exposed to the risk of damage from diseases and other natural forces. Elders has processes in place aimed at monitoring and mitigating those risks, including regular health inspections and industry pest and disease surveys.

#### Accounting Policy

Elders holds biological assets in the form of livestock. Livestock is measured at fair value internally as there is no observable market for them. Where there are unobservable inputs for an asset or liability, these are classified as Level 3 Price Inputs. The value is based on the estimated exit price per kilogram and the value changes for the weight of each animal as it progresses through the feedlot program. The key factors affecting the value of each animal are price/kg, days on feed and the feed conversion ratio. The market value increments or decrements are recorded in profit and loss.

Material changes in any of the significant unobservable valuation inputs for feedlot cattle in isolation would result in significantly higher or lower fair value measurement.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### WORKING CAPITAL – NOTE 7: INVENTORY

#### Critical Accounting Judgements, Estimates and Assumptions

##### Accounting for inventory

Inventory is valued at the lower of cost or net realisable value. The net realisable value calculation includes management judgements and estimates. A significant change in the assumptions and judgement used in the calculation of provision for obsolescence may result in material changes in the carrying values of the inventory.

##### Accounting for rebates

Elders receives rebates associated with the purchase of retail goods from suppliers. These vary in nature and include price and volume rebates. Rebates received, in line with the relevant contractual arrangements, are recognised as a reduction to cost of sales when the sale of the particular product occurs. Inventory on hand is recognised net of rebates.

Elders pays rebates associated with the sales of wholesale goods to suppliers. These vary in nature and include price and volume rebates. Rebates paid, in line with the relevant contractual arrangements, are recognised as a reduction to sales revenue when the sale of the particular product occurs.

	2024	2023
	\$000	\$000
<b>Current</b>		
Retail and Wholesale	391,463	487,640
Other	10,172	8,117
Provision for obsolescence	(2,097)	(4,097)
<b>Total inventory</b>	<b>399,538</b>	<b>491,660</b>

Inventory write-downs recognised as an expense totalled \$3.1 million (2023: \$1.7 million).

#### Accounting Policy

Costs are assigned to individual items of inventory predominantly on the basis of weighted average cost. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Supplier rebates received are recognised as a reduction in the cost of inventory and are recorded as a reduction in cost of sales when the inventory is sold.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### WORKING CAPITAL – NOTE 8: TRADE AND OTHER PAYABLES

	2024	2023
	\$000	\$000
<b>Current</b>		
Trade creditors	535,687	514,726
Payables associated with supplier financing arrangements	32,895	41,178
Other creditors and accruals	85,524	79,122
Payables to associated companies	52	1,721
	654,158	636,747
<b>Non current</b>		
Other creditors and accruals	12,990	9,469
<b>Total trade and other payables</b>	667,148	646,216

### Interest rate, foreign exchange and liquidity risk

Information regarding interest rate, foreign exchange and liquidity risk exposure is set out in note 17, including those relating to derivative forward contracts.

#### Accounting Policy

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. The carrying amount of trade and other payables are assumed to be the same as their fair values. They represent liabilities for goods and services provided to Elders prior to the end of the financial year that remain unpaid and arise when Elders becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within supplier terms.

#### Financial guarantees

Financial guarantee contracts issued by Elders are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specific debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation. Information regarding financial guarantees is set out in note 25.

#### Payables associated with supplier financing arrangements

To manage the cash flow conversion cycle on some products procured and to ensure that suppliers receive payment in a time period that suits their business model, Elders offers some suppliers the opportunity to use supplier financing arrangements. Elders evaluates supplier financing arrangements against a number of indicators to assess if the balance continues to hold the characteristics of a payable or is required to be reclassified as borrowings. These indicators include whether the payment terms exceed customary payment terms within the industry of typically less than 90 days. During the course of the year and as at 30 September 2024, none of the balances subject to supplier financing arrangements met the characteristics to be reclassified as borrowings and the balances remained in other payables. Balances associated with supplier financing arrangements are unsecured. In the statement of cash flows, supplier financing is classified within cash flows from operating activities.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 9: PROPERTY, PLANT AND EQUIPMENT

#### Critical Accounting Judgements, Estimates and Assumptions

##### Impairment of non-financial assets other than brand names and goodwill

Elders assesses impairment of all assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. These include product performance, technology, climate, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. It is Elders' policy to conduct bi-annual internal reviews of asset values, which are used as sources of information to assess for indicators of impairment. Assets have been tested for impairment in accordance with the accounting policies, including the determination of recoverable amounts of assets using the higher of value in use and fair value less cost to sell.

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Assets under construction	Total
Note	\$000	\$000	\$000	\$000	\$000	\$000
<b>2024</b>						
Carrying amount at beginning of period	7,204	11,012	5,887	25,148	21,332	70,583
Additions	165	5,071	1,349	8,787	12,890	28,262
Additions through business combinations	23	-	508	2,254	-	2,762
Disposals	(13)	(227)	(63)	(531)	-	(834)
Depreciation expense	-	(888)	(1,826)	(5,298)	-	(8,012)
Other	-	-	-	414	-	414
Transfers from assets under construction	-	-	-	16,885	(16,885)	-
<b>Carrying amount at end of period</b>	<b>7,356</b>	<b>14,968</b>	<b>5,855</b>	<b>47,659</b>	<b>17,337</b>	<b>93,175</b>
Cost	7,356	26,202	21,381	82,726	17,337	155,002
Accumulated depreciation and impairment	-	(11,234)	(15,526)	(35,067)	-	(61,827)
	7,356	14,968	5,855	47,659	17,337	93,175
<b>2023</b>						
Carrying amount at beginning of period	3,569	11,456	5,076	18,297	8,555	46,953
Additions	3,667	254	2,104	10,417	13,657	30,099
Additions through business combinations	23	-	15	444	-	459
Disposals	(32)	-	(37)	(821)	-	(890)
Depreciation expense	-	(781)	(1,299)	(3,643)	-	(5,723)
Impairment/written down expense	-	-	-	(331)	-	(331)
Transfers from assets under construction	-	83	42	755	(880)	-
Other	-	-	(14)	30	-	16
<b>Carrying amount at end of period</b>	<b>7,204</b>	<b>11,012</b>	<b>5,887</b>	<b>25,148</b>	<b>21,332</b>	<b>70,583</b>
Cost	7,204	21,359	19,587	54,275	21,332	123,757
Accumulated depreciation and impairment	-	(10,347)	(13,700)	(29,127)	-	(53,174)
	7,204	11,012	5,887	25,148	21,332	70,583

All property, plant and equipment is pledged as security, refer to note 16 for interest bearing loans and borrowings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 9: PROPERTY, PLANT AND EQUIPMENT

#### Accounting Policy

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, Elders recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repairs and maintenance are recognised in profit or loss as incurred.

Property, plant and equipment, excluding freehold land and assets under construction, are depreciated over the estimated useful economic life of specific assets as follows:

	Life	Method
Buildings	50 years	Straight line
Leasehold improvements	Lease term	Straight line
Plant and equipment	3 to 10 years	Straight line
Plant and equipment - Network infrastructure	5 to 25 years	Straight line

The useful lives are consistent with those of the prior period. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate at each financial year end.

#### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount. These are included in the consolidated statement of comprehensive income.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 10: LEASES

#### Critical Accounting Judgements, Estimates and Assumptions

##### Accounting for leases

In determining the lease term, Elders considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Elders holds leases of operational importance (e.g. rural cornerstone property leases) which are expected to be extended for the maximum available lease term. Leases of this nature have been assessed using the extended lease term. For all other leases, the lease term excluding extension and termination options has been applied. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of Elders.

Where Elders is a lessee:

#### (a) Amounts recognised in the consolidated statement of financial position

##### Reconciliation of carrying amounts of right-of-use assets at beginning and end of period:

	Properties	Motor vehicles	Equipment	Total
	\$000	\$000	\$000	\$000
<b>2024</b>				
Carrying amount at beginning of period	165,472	33,688	56	199,216
Additions	35,373	19,898	1,140	56,411
Depreciation expense	(39,979)	(15,428)	(403)	(55,810)
Lease modifications and reassessments	48,073	(1,260)	(56)	46,757
<b>Carrying amount at end of period</b>	<b>208,939</b>	<b>36,898</b>	<b>737</b>	<b>246,574</b>
<b>2023</b>				
Carrying amount at beginning of period	99,072	19,953	279	119,304
Additions	52,530	20,569	-	73,099
Depreciation expense	(29,155)	(15,617)	(223)	(44,995)
Lease modifications and reassessments	43,025	8,783	-	51,808
<b>Carrying amount at end of period</b>	<b>165,472</b>	<b>33,688</b>	<b>56</b>	<b>199,216</b>

##### Reconciliation of carrying amounts of lease liabilities at beginning and end of period:

	2024	2023
	\$000	\$000
Carrying amount at beginning of period	203,624	123,543
Additions	56,411	73,099
Interest expense	5,037	3,368
Lease modifications and reassessments	45,002	51,508
Repayments of principal and interest	(56,358)	(47,894)
<b>Carrying amount at end of period</b>	<b>253,716</b>	<b>203,624</b>
<i>Lease liabilities of which are:</i>		
• Current lease liabilities	52,718	36,041
• Non current lease liabilities	200,998	167,583
	253,716	203,624

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 10: LEASES

#### Accounting Policy

Elders leases various offices, warehouses, retail stores and motor vehicles. Rental contracts are typically made for an average period of three years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose on any banking covenants, however leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset with a corresponding liability at the date at which the leased asset is available for use. Each lease payment is allocated between the liability and interest expense. The interest expense is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option

Lease payments are discounted using Elders' incremental borrowing rate, being the rate Elders would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Elders is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received

Payments associated with leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Low-value assets comprise of IT equipment and office equipment.

#### Extension and termination options

Extension and termination options are included in Elders' property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of the extension and termination options held are exercisable only by Elders and not by the respective lessor.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 11: INTANGIBLES

#### Critical Accounting Judgements, Estimates and Assumptions

##### Impairment of brand names and goodwill

Elders assesses impairment of assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. These include product performance, technology, climate, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. It is Elders' policy to conduct bi-annual internal reviews for indicators of impairment. If indicators exist, assets are tested for impairment through determination of recoverable amounts of assets using the higher of value in use and fair value less cost to sell.

Elders determines whether the brand names and goodwill are impaired or whether it is appropriate to reverse any previous impairments on an annual basis. This requires an estimation of the recoverable amount of the associated cash-generating units, using a value in use discounted cash flow methodology, to which the brand names or goodwill is allocated.

#### Reconciliation of carrying amounts at beginning and end of period:

Non current	Goodwill	Rent rolls and loan books	Brand names	Distribution rights	Customer intangibles	Software assets	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>2024</b>								
Carrying amount at beginning of period	231,691	21,308	80,993	23,000	33,791	15,700	2,831	409,314
Additions	-	-	-	-	-	18,703	397	19,100
Additions through business combinations	89,186	29,595	338	-	-	-	270	119,389
Amortisation	-	(4,138)	-	-	(3,593)	(1,440)	(455)	(9,626)
Other	(111)	-	-	-	-	-	-	(111)
<b>Carrying amount at end of period</b>	<b>320,766</b>	<b>46,765</b>	<b>81,331</b>	<b>23,000</b>	<b>30,198</b>	<b>32,963</b>	<b>3,043</b>	<b>538,066</b>
Cost	320,766	59,816	81,331	23,000	47,620	34,626	5,615	572,774
Accumulated amortisation and impairment	-	(13,051)	-	-	(17,422)	(1,663)	(2,572)	(34,708)
	320,766	46,765	81,331	23,000	30,198	32,963	3,043	538,066
<b>2023</b>								
Carrying amount at beginning of period	199,254	15,925	80,993	23,000	37,385	4,235	3,528	364,320
Additions	2,017	3,958	-	-	-	11,688	-	17,663
Additions through business combinations	32,437	1,791	-	-	-	-	-	34,228
Disposals	-	-	-	-	-	-	(3)	(3)
Amortisation	-	(2,383)	-	-	(3,594)	(223)	(694)	(6,894)
<b>Carrying amount at end of period</b>	<b>233,708</b>	<b>19,291</b>	<b>80,993</b>	<b>23,000</b>	<b>33,791</b>	<b>15,700</b>	<b>2,831</b>	<b>409,314</b>
Cost	231,691	30,221	80,993	23,000	47,620	15,923	4,948	434,396
Accumulated amortisation and impairment	-	(8,913)	-	-	(13,829)	(223)	(2,117)	(25,082)
	231,691	21,308	80,993	23,000	33,791	15,700	2,831	409,314

For impairment testing purposes, all intangibles except for the Elders' Brand Name have been allocated to the Branch Network and Wholesale Products cash generating units as applicable. For Branch Network, \$240.0 million (2023: \$150.7 million) of goodwill, \$13.2 million (2023: \$12.8 million) of brand names and \$23.0 million (2023: \$23.0 million) of distribution rights were allocated for impairment testing. For Wholesale Products, \$81.0 million (2023: \$81.0 million) of goodwill and \$7.6 million (2023: \$7.8 million) of brand names were allocated for impairment testing. The Elders' Brand Name has not been allocated to individual cash generating units but rather assessed against all cash generating units expected to benefit from it.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 11: INTANGIBLES

The recoverable amount of cash generating units has been determined based on a value in use calculation using cash flow projections approved by management that covers a period of 5 years. Future cash flows are based on budgets and forecasts taking into account current market conditions and known future business events that will impact cash flows. The discount rate applied to the cash flow projections is 11.2% pre-tax (2023: 11.4% pre-tax) which has been determined based on a weighted average cost of capital calculation which incorporates the specific risks relating to the cash generating units identified. The estimated recoverable amount of each CGU is greater than the carrying values at 30 September 2024. Carrying values are not sensitive to a reasonable change in discount rate of +/- 1% and headroom remains.

The calculation of value in use for cash generating units was based on the following key assumptions:

#### Gross margin

- increased earnings from geographical expansion through acquisitions and footprint growth
- higher earnings from continued organic growth focus across our product and service portfolio
- additional growth through the continued expansion of the backward integration strategy

Gross margin assumptions are subject to risk factors associated with the agriculture industry, many of which are beyond the control of Elders such as weather and rainfall conditions, commodity prices and international trade relations. These factors are highly dependent on the outlook and prospects of the Australian farm sector, and the values and volume growth in internationally traded livestock and fibre.

#### Selling, general and administrative expenses

Ongoing emphasis on cost control will be offset by investment directly linked to margin improvement and control enhancement, including implementation of remuneration models which drive performance and growth.

#### Growth rate estimates

Cash flows are based on the 2025-2027 budget. Growth rate of 2-3% for years 4 to 5 or perpetuity has been incorporated in the discounted cash flow.

#### Discount rates

Discount rates reflect management's estimate of the time value of money and the specific risk not already reflected in the cash flows.

### Accounting Policy

#### (i) Brand names

The brand name intangibles are deemed to have an indefinite useful life and are not amortised. The brand name value represents the value attributed to brands when acquired through business combinations and is carried at cost less accumulated impairment losses. The brand names have been determined to have an indefinite useful life due to there being no foreseeable limit to the period over which they are expected to generate net cash inflows, given the strength and durability of the brands and the level of marketing support. The brands have been in the rural and regional Australian market for many years, and the nature of the industry Elders operates in is such that brand obsolescence is not common, if appropriately supported by advertising and marketing spend.

Expenditure incurred in developing, maintaining or enhancing the brand names is expensed in the year that it occurred.

#### (ii) Goodwill

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised but is subject to impairment testing on an annual basis or whenever there is an indicator of impairment.

#### (iii) Rent rolls and loan books

Rent rolls and loan books have been acquired and are carried at cost less accumulated amortisation and impairment losses. These intangible assets have been determined to have finite useful lives and are amortised over their useful lives of 10 years and tested for impairment whenever there is an indicator of impairment.

#### (iv) Distribution rights

Amount relates to a livestock and wool delivery guarantee distribution right. After initial recognition, distribution rights are measured at cost less any accumulated impairment losses. These intangible assets have been assigned an indefinite life and are subject to impairment testing on an annual basis or whenever there is an indicator of impairment.

#### (v) Customer intangibles

Customer intangibles relates to wholesale and member relationships recognised as part of the AIRR acquisition and are carried at cost less accumulated amortisation and impairment losses. These intangible assets have been determined to have finite useful lives and are amortised over their useful lives of 10 to 15 years and tested for impairment whenever there is an indicator present.

#### (vi) Software assets

Software assets relates to internally generated software and associated assets that form part of the Systems Modernisation program and are carried at cost until project milestones are completed. When a project milestone is completed, the asset is ready for use and amortised over the asset's useful life of 10 years in line with Elders' policy for core IT systems.

#### (vii) Other

Relates to other definite life intangibles carried at cost less accumulated amortisation and impairment losses and indefinite life assets carried at cost less accumulated impairment losses. Definite intangibles are amortised over their useful lives of up to 5 years and tested for impairment whenever there is an indicator of impairment.

The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in accounting estimate and is thus accounted for on a prospective basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 12: EQUITY ACCOUNTED INVESTMENTS

	Balance date	Ownership interest	
		2024	2023
		%	%
AuctionsPlus Pty Ltd	30-Jun	50	50
Elders Insurance (Underwriting Agency) Pty Ltd	31-Dec	20	20
TLX Pty Ltd	31-Dec	50	-
Clear Grain Pty Ltd	30-Jun	30	30
AgCrest Holdings Pty Ltd	30-Jun	33	33
AgCrest Land Holdings Pty Ltd	30-Jun	33	33

	Consolidated entity investment		Contribution to net profit		Dividends received	
	2024	2023	2024	2023	2024	2023
	\$000	\$000	\$000	\$000	\$000	\$000
AuctionsPlus Pty Ltd	1,853	1,395	458	316	-	1,426
Elders Insurance (Underwriting Agency) Pty Ltd	43,994	43,596	13,597	12,917	13,199	12,304
TLX Pty Ltd	1,753	-	(47)	-	-	-
Clear Grain Pty Ltd	1,908	2,340	468	920	900	600
AgCrest Holdings Pty Ltd	153	64	(11)	(37)	-	-
AgCrest Land Holdings Pty Ltd	654	(12)	(2)	-	-	-
<b>Equity accounted investments</b>	<b>50,315</b>	<b>47,383</b>	<b>14,463</b>	<b>14,116</b>	<b>14,099</b>	<b>14,330</b>

All equity accounted investments are Australian resident companies. Summary financial information for equity accounted investees is as follows:

	Profit/(loss) after income tax	Assets	Liabilities
	\$000	\$000	\$000
<b>2024</b>			
AuctionsPlus Pty Ltd	915	9,164	(4,886)
Elders Insurance (Underwriting Agency) Pty Ltd	67,983	114,793	(103,621)
TLX Pty Ltd	(93)	3,763	(243)
Clear Grain Pty Ltd	1,559	8,034	(3,912)
AgCrest Holdings Pty Ltd	(38)	149	(241)
AgCrest Land Holdings Pty Ltd	(5)	2,992	(250)
<b>Total</b>	<b>70,321</b>	<b>138,895</b>	<b>(113,153)</b>
<b>2023</b>			
AuctionsPlus Pty Ltd	630	6,715	(3,511)
Elders Insurance (Underwriting Agency) Pty Ltd	64,591	128,670	(119,441)
Clear Grain Pty Ltd	3,068	19,609	(13,572)
AgCrest Holdings Pty Ltd	(124)	148	-
AgCrest Land Holdings Pty Ltd	-	761	(14)
<b>Total</b>	<b>68,165</b>	<b>155,903</b>	<b>(136,538)</b>

Elders invested \$0.7 million (2023: Nil) and \$0.1m (2023: Nil) in Agcrest Land Holdings Pty Ltd and Agcrest Holdings Pty Ltd respectively with ownership interest remained at 33% and acquired 50% equity stake in TLX Pty Ltd for \$1.8 million (2023: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 12: EQUITY ACCOUNTED INVESTMENTS

#### Accounting Policy

Elders' equity accounted investments are accounted for using the equity method of accounting in the consolidated financial statements and at cost in the parent. Equity accounted investments are entities over which Elders has significant influence and that are neither subsidiaries nor joint ventures.

Under the equity method, equity accounted investments are carried in the consolidated financial statements at cost plus post acquisition changes in Elders' share of net assets of the investment. Goodwill relating to the investment is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of comprehensive income reflects Elders' share of the results of operations of the equity accounted investments.

### CAPITAL EMPLOYED – NOTE 13: OTHER FINANCIAL ASSETS

#### Accounting Policy

Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading and which Elders has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and Elders considers this classification to be more relevant.

	2024	2023
	\$000	\$000
PGG Wrightson Limited	15,555	32,317
Others	269	269
<b>Total other financial assets</b>	<b>15,824</b>	<b>32,586</b>
<b>Gains/(losses) recognised in other comprehensive income</b>	<b>(16,785)</b>	<b>(6,251)</b>

During the period, Elders purchased equity interests in PGG Wrightson Limited (NZX:PGW) for a total consideration of \$0.02 million (2023: \$38.6 million).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 30 September 2024

**CAPITAL EMPLOYED – NOTE 14: PROVISIONS**

Reconciliation of carrying amounts at beginning and end of period:

	Employee benefits	Restructuring provisions	Other	Total
	\$000	\$000	\$000	\$000
<b>2024</b>				
As at beginning of period	72,933	126	3,510	76,569
Arising during year	52,402	3,040	-	55,442
Utilised	(54,659)	(63)	(3,271)	(57,993)
Discount rate adjustment	2,653	-	-	2,653
Provisions arising from entities acquired	2,828	-	-	2,828
	76,157	3,103	239	79,499
<i>Disclosed as:</i>				
Current	70,406	3,103	239	73,748
Non current	5,751	-	-	5,751
<b>Total</b>	<b>76,157</b>	<b>3,103</b>	<b>239</b>	<b>79,499</b>
<b>2023</b>				
As at beginning of period	92,415	2,033	3,777	98,225
Arising during year	46,304	-	5,964	52,268
Utilised	(67,293)	(1,907)	(5,699)	(74,899)
Unused amounts reversed	-	-	(532)	(532)
Discount rate adjustment	959	-	-	959
Provisions arising from entities acquired	548	-	-	548
	72,933	126	3,510	76,569
<i>Disclosed as:</i>				
Current	68,547	126	3,510	72,183
Non current	4,386	-	-	4,386
<b>Total</b>	<b>72,933</b>	<b>126</b>	<b>3,510</b>	<b>76,569</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### CAPITAL EMPLOYED – NOTE 14: PROVISIONS

#### Accounting Policy

Provisions are recognised when Elders has a present obligation (legal or constructive) as a result of a past event, which makes it probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When Elders expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

#### Employee benefits

##### (i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' service up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

##### (ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. The non current portion of this liability relates to the entitlement that Elders does not expect employees to take within 12 months of 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 currencies that match, as closely as possible, the estimated future cash outflows.

##### (iii) Incentives

Includes corporate, network and other incentives. These are accrued throughout the reporting period, according to performance based measures.

#### Restructuring provisions

Provisions are only recognised when general recognition criteria provisions are fulfilled. Additionally, Elders needs to follow a detailed formal plan about the business or part of the business concerned, the location and the number of employees affected, a detailed estimate of the associated costs, and appropriate time line. The people affected have a valid expectation that the restructuring is being carried out or the implementation has been initiated already.

#### Others

##### (i) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of complying with the contract. Before a provision is established, Elders recognises any impairment loss on the assets associated with that contract.

##### (ii) Make good (restoration)

Where Elders has entered into leasing arrangements that require the leased asset to be returned at the end of the lease term in its original condition, an estimate is made of the costs of restoration or dismantling of any improvements and a provision is raised.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### NET DEBT – NOTE 15: CASH FLOW STATEMENT RECONCILIATION

#### (a) Reconciliation of net profit after tax to net cash flows from operations

	2024	2023
	\$000	\$000
Profit after income tax expense	49,848	105,840
<i>Adjustments for non cash items:</i>		
Depreciation and amortisation	73,448	57,612
Unwinding of discount in regards to payables	2,653	959
Fair value adjustments of financial instruments	793	758
Equity accounted profits	(14,463)	(14,116)
Dividends from equity accounted investments	14,099	14,330
Other fair value adjustments	(876)	(1,582)
Impairments of property, plant and equipment	-	331
Doubtful debts	1,651	(169)
Employee entitlements	55,055	46,304
Other provisions	3,040	5,432
Net profit/(loss) on sale of non current assets	(1,483)	(316)
Net tax movements	14,407	24,512
Other non cash items	1,833	(651)
<i>Total non cash items</i>	150,157	133,404
<i>Total after non cash items</i>	200,005	239,244
• (Increase)/decrease in receivables and other assets	(149,513)	113,936
• (Increase)/decrease in inventories	93,631	(2,498)
• Increase/(decrease) in payables and provisions	(61,175)	(181,439)
<b>Net cash flows from operating activities</b>	<b>82,948</b>	<b>169,243</b>

#### (b) Cash and cash equivalents

Cash at bank and in hand	40,210	21,483
--------------------------	--------	--------

#### (c) Net debt reconciliation

Cash and cash equivalents	40,210	21,483
Borrowings - repayment within one year	(295,000)	(265,814)
Borrowings - repayment after one year	(182,000)	(15,356)
Lease liabilities	(253,716)	(203,624)
<b>Net debt</b>	<b>(690,506)</b>	<b>(463,311)</b>
Cash and liquid investments	40,210	21,483
Gross debt - fixed interest rates	(253,716)	(203,624)
Gross debt - variable interest rates	(477,000)	(281,170)
<b>Net debt</b>	<b>(690,506)</b>	<b>(463,311)</b>

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets – note 10
- dividend distributions through the issue of shares under the dividend reinvestment plan – note 20
- shares issued to eligible executives under Elders Long-Term Incentive Plan – note 27

At balance date, Elders held \$61.0 million (2023: \$41.2 million) of client monies in trust which are off balance sheet. The funds are held on behalf of clients in the Real Estate business and Elders is bound by the relevant legislation in each state in relation to controls and governance over the funds.

#### Accounting Policy

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short-term deposits with a maturity of three months or less. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash deposits as defined above, net of outstanding bank overdrafts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### NET DEBT – NOTE 16: INTEREST BEARING LOANS AND BORROWINGS

	2024	2023
	\$000	\$000
<b>Current</b>		
Secured loans	-	-
Trade receivables and other working capital funding	295,000	265,814
	295,000	265,814
<b>Non current</b>		
Secured loans	182,000	15,356
<b>Total current and non current</b>	477,000	281,170

Under the terms of the group syndicated facilities which are subject to change over time, Elders is required to comply with the following financial covenants at the end of each annual and interim reporting period:

- the leverage ratio must be less than 2.5 times
- the interest cover must be more than 3.5 times
- the net worth must be more than \$300 million

Elders has complied with all applicable bank covenants throughout the reporting period.

Elders also has an ancillary facility in relation to contingent funding, such as bank guarantees. As at 30 September 2024, \$7.6 million had been issued by the bank (2023: \$5.0 million).

#### Assets pledged as security

Secured loans are secured by various fixed and floating charges over all the assets of Elders (either directly or indirectly) except debtors carried out for trade receivables funding. Trade receivables and other working capital funding is secured over the underlying debtors. This facility expires in December 2025.

Elders notes that whilst the scheduled termination date of the debtor financing facility is currently 31 December 2025, the liability is classified as current as Elders does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, pursuant to AASB 101 Presentation of Financial Statements.

#### Fair value

The carrying value of interest bearing liabilities approximates fair value.

#### Accounting Policy

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Borrowings are classified as current liabilities unless Elders has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### RISK MANAGEMENT – NOTE 17: FINANCIAL INSTRUMENTS

Elders' principal financial instruments comprise cash, receivables, payables, interest bearing loans and borrowings, and derivatives.

#### Risk exposures and responses

Elders manages its exposure to key financial risks, including interest rate and currency risk in accordance with its financial risk management policy. The objective of the policy is to support the delivery of financial targets while protecting future financial security. The main risks arising from Elders' financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Elders uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

#### (a) Interest rate risk

Elders' exposure to market interest rates relates primarily to short-term and long-term debt obligations. The level of debt is disclosed in note 16. At 30 September 2024 there was nil value of secured loans hedged under a floating to fixed arrangement (2023: nil), meaning at balance date, Elders had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk:

	2024	2023
	\$000	\$000
<i>Financial assets</i>		
Cash and cash equivalents	40,210	21,483
<i>Financial liabilities</i>		
Interest bearing loans and liabilities	(477,000)	(281,170)
<b>Net exposure</b>	<b>(436,790)</b>	<b>(259,687)</b>

Elders constantly analyses its interest rate exposure so as to manage its cash flow volatility arising from interest rate changes. Within this analysis consideration is given to potential renewals of existing positions, alternative financing, alternative hedging positions and the mix of fixed and variable interest rates.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date. At balance dates, if interest rates had moved as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

<b>Post tax profit/equity</b>		
<b>Higher/(lower)</b>		
+ 100 basis points	(4,368)	(2,597)
- 100 basis points	4,368	2,597

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### RISK MANAGEMENT – NOTE 17: FINANCIAL INSTRUMENTS

#### (b) Liquidity risk

Liquidity risk arises from Elders' financial liabilities and the subsequent ability to meet obligations to repay financial liabilities as and when they fall due. Elders' objective is to maintain a balance between continuity of funding and flexibility through the use of committed available lines of credit. Elders manages its liquidity risk by monitoring the total cash inflows and outflows expected on a daily basis. Elders has established comprehensive risk reporting covering its business units that reflect expectations of management of the expected settlement of financial assets and liabilities. As at 30 September 2024, Elders has \$90.9 million (2023: \$314.2 million) of undrawn facilities.

#### (i) Non-derivative financial assets and liabilities

The following liquidity risk disclosures reflect all contractually fixed pay-offs, repayments and interest resulting from the recognised financial liabilities and financial guarantees as of 30 September 2024. For the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. The timing of cash flows for liabilities is based on the contractual terms of the underlying contract.

However, where the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which Elders can be required to pay. When committed to make amounts available in instalments, each instalment is allocated to the earliest period in which Elders is required to pay. For financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called. The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows of non-derivative financial instruments.

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	More than 1 year
	\$000	\$000	\$000	\$000	\$000
<b>2024</b>					
<i>Non-derivative financial assets:</i>					
Trade and other receivables	900,273	900,273	900,273	-	-
	900,273	900,273	900,273	-	-
<i>Non-derivative financial liabilities:</i>					
Interest bearing loans and borrowings	(477,000)	(501,995)	(310,458)	-	(191,537)
Lease liabilities	(253,716)	(258,215)	(28,698)	(28,698)	(200,819)
Trade and other payables	(667,148)	(667,148)	(638,565)	(15,593)	(12,990)
	(1,397,864)	(1,427,358)	(977,721)	(44,291)	(405,346)
<b>Net inflow/(outflow)</b>	<b>(497,591)</b>	<b>(527,085)</b>	<b>(77,448)</b>	<b>(44,291)</b>	<b>(405,346)</b>
<b>2023</b>					
<i>Non-derivative financial assets:</i>					
Trade and other receivables	742,749	742,749	742,749	-	-
	742,749	742,749	742,749	-	-
<i>Non-derivative financial liabilities:</i>					
Interest bearing loans and borrowings	(281,170)	(281,237)	(265,814)	-	(15,423)
Lease liabilities	(203,624)	(208,712)	(15,759)	(23,716)	(169,237)
Trade and other payables	(646,166)	(646,165)	(635,816)	(880)	(9,469)
	(1,130,960)	(1,136,114)	(917,389)	(24,596)	(194,129)
<b>Net inflow/(outflow)</b>	<b>(388,211)</b>	<b>(393,365)</b>	<b>(174,640)</b>	<b>(24,596)</b>	<b>(194,129)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### RISK MANAGEMENT – NOTE 17: FINANCIAL INSTRUMENTS

#### (ii) Derivative financial instruments

Due to the unique characteristics and inherent risks of derivative instruments, Elders separately monitors liquidity risk arising from transacting in derivative instruments. Net settled derivatives comprise interest rate hedges. Net settled derivatives held by Elders at balance date were nil (2023: nil).

#### (c) Credit risk

Credit risk arises from Elders' financial assets, which comprise cash and cash equivalents, trade and other receivables, and derivative instruments. Elders' exposures to credit risk arise from potential default of the counterparty, with the maximum exposure equal to the carrying amount of the financial assets. The ageing of trade and other receivables at balance date is reported at note 5. The credit risk associated with cash and derivatives is located primarily in Australia.

Trade receivables are reviewed in accordance with the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. To measure expected losses, trade receivables have been grouped on days past due. Expected credit losses are based on the payment profile of sales over a period of 5 years and the historical default experience within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Elders minimises concentrations of credit risk by undertaking transactions with a large number of debtors in various locations. The credit risk amounts do not take into account the value of any collateral or security. The creditworthiness of counterparties is regularly monitored and subject to defined credit policies, procedures, limits and insurance positions. The amounts disclosed do not reflect expected losses and are shown gross of provisions. The maximum exposure to credit risk at the reporting date was:

	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
Cash and cash equivalents	40,210	21,483
Trade and other receivables	900,273	742,749
	940,483	764,232
<i>Location of credit risk</i>		
Australia	939,768	761,567
Asia	715	1,659
Other	-	1,006
<b>Total</b>	<b>940,483</b>	<b>764,232</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### RISK MANAGEMENT – NOTE 17: FINANCIAL INSTRUMENTS

#### (d) Foreign currency risk

Elders is exposed to movements in the exchange rates of a number of currencies. These are primarily generated from the following activities:

- purchase and sale contracts denominated in foreign currency
- receivables and payables denominated in foreign currencies
- commodity cash prices that are partially determined by movements in exchange rates

Foreign exchange risk is managed within Board approved limits using forward foreign exchange and foreign currency contracts. Where possible, exposures are netted off against each other to minimise the cost of hedging. Hedge accounting is applied effective 1 October 2020. Elders uses cash flow financial instruments to offset foreign currency exposures on purchases of crop protection products from international suppliers, denominated in US Dollars. The cash flow financial instruments are not speculative investments. As at 30 September 2024, Elders held designated cash flow hedges with a notional value of \$77.8 million with a fair value liability of \$2.3 million (2023: \$1.1 million fair value asset). The maturity dates for designated cash flow hedges ranges from October 2024 to May 2025.

As at 30 September 2024, Elders had the following Australian Dollar exposures to foreign currencies that were not designated in cash flow hedging arrangement:

	2024	2023
	\$000	\$000
<i>Financial assets</i>		
Cash and cash equivalents – CNY	-	718
Cash and cash equivalents – IDR	413	413
Cash and cash equivalents – other	-	1,006
Receivables – CNY	-	82
Receivables – IDR	302	446
	715	2,665
<i>Financial liabilities</i>		
Payables – CNY	-	(188)
Payables – IDR	(174)	(240)
	(174)	(428)
<b>Net exposure</b>	<b>541</b>	<b>2,237</b>

Given the foreign currency balances included in the statement of financial position at balance date, if the Australian Dollar at that date strengthened by 10% with all other variables held constant, then the impact on post tax profit/(loss) arising on the balance sheet exposure would be as follows:

<b>Post tax profit</b>		
<b>Higher/(lower)</b>		
CNY	-	(61)
IDR	(54)	(62)
Other	-	(100)

A 10% weakening of the Australian Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables are held constant.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### RISK MANAGEMENT – NOTE 17: FINANCIAL INSTRUMENTS

#### Accounting Policy

Elders uses forward currency contracts to hedge risks associated with foreign currency rate fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value. Derivatives are carried as financial assets when their fair value is positive and as financial liabilities when their fair value is negative. Derivative assets and liabilities are classified as non current in the statement of financial position when the remaining maturity is more than 12 months, or current when the remaining maturity is less than 12 months.

The fair values of forward currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit and loss.

Elders applies the hedge accounting principles contained within AASB 9 Financial Instruments. For all effective cash flow hedges entered into, Elders recognises the movements in fair value of the derivative financial instruments in equity and only recognises the cumulative difference in the statement of comprehensive income when the hedged item is recognised. Amounts accumulated in equity are included within the initial cost of the asset where the hedged item subsequently results in the recognition of a non-financial asset such as inventory. Any ineffective portion of a cash flow hedge is recognised immediately in the profit and loss. Hedge effectiveness is determined at the inception of the hedge relationship, and prospectively assessed to ensure economic relationships remain between the hedging instrument and hedged item.

Elders documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. Elders also documents its risk management objective and strategy for undertaking its hedge transactions.

#### (e) Financial assets and liabilities measured at fair value

Elders use various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets
- Level 2 – the fair value is estimated using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data

All forward exchange derivative contracts were measured at fair value using the level 2 method. Fair value of derivative instruments approximates the carrying value. The fair values of forward currency contracts are calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

The fair value of financial instruments as well as the method used to estimate the fair values are summarised in the table below:

	2024			2023		
	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2)	Valuation technique – non market observable inputs (Level 3)	Quoted market price (Level 1)	Valuation technique – market observable inputs (Level 2)	Valuation technique – non market observable inputs (Level 3)
	\$000	\$000	\$000	\$000	\$000	\$000
<i>Financial assets and liabilities</i>						
Foreign currency derivatives	-	(2,297)	-	-	1,169	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### EQUITY – NOTE 18: CONTRIBUTED EQUITY

	2024		2023	
	Number of shares	\$000	Number of shares	\$000
Issued and paid up capital				
Balance 1 October	156,476,574	1,643,419	156,476,574	1,646,630
Treasury shares purchased	(94,035)	(677)	(1,247,168)	(11,047)
Allocation of dividend reinvestment plan shares	1,564,547	11,859	638,645	4,762
Allocation of deferred shares under executive performance schemes	94,035	1,375	608,523	3,074
<b>Balance 30 September</b>	<b>158,041,121</b>	<b>1,655,976</b>	156,476,574	1,643,419

Elders considers both capital and net debt as relevant components of funding, and hence, part of its capital management. When managing capital and net debt, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

#### Treasury Shares

Treasury shares are shares in Elders Limited that are held for the purpose of allocating shares under the Elders Executive Long-Term Incentive and Short-Term Incentive plans (see note 27 for further information).

Shares issued are recognised on a first-in-first-out basis.

	2024		2023	
	Number of shares	\$000	Number of shares	\$000
Balance 1 October	-	-	-	-
Acquisition of shares - average price \$7.18 per share (2023: \$8.86)	94,035	677	1,247,168	11,047
Allocation of deferred shares under executive performance schemes	(94,035)	(677)	(608,523)	(6,285)
Allocation of dividend reinvestment plan shares	-	-	(638,645)	(4,762)
<b>Balance 30 September</b>	-	-	-	-

#### Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are included in equity as a deduction, net of tax, from the proceeds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### EQUITY – NOTE 19: RESERVES

#### Reconciliation of carrying amounts at beginning and end of period:

	Business combination reserve	Employee equity benefits reserve	Hedge reserve	Foreign currency translation reserve	Financial assets at FVOCI	Total
	\$000	\$000	\$000	\$000	\$000	\$000
<b>2024</b>						
Carrying amount at beginning of period	(29,730)	3,203	(18)	(4,591)	(6,251)	(37,387)
Exchange differences on translation of foreign operations	-	-	-	2,198	-	2,198
Fair value movement in cash flow hedge	-	-	(2,297)	-	-	(2,297)
Reclassified to inventory	-	-	939	-	-	939
Less deferred tax impact	-	-	408	-	-	408
Cost of share based payments	-	1,833	-	-	-	1,833
Transfer to issued capital	-	(1,375)	-	-	-	(1,375)
Transferred of unvested employee equity benefits reserve to retained earnings	-	(955)	-	-	-	(955)
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(16,785)	(16,785)
<b>Carrying amount at end of period</b>	<b>(29,730)</b>	<b>2,706</b>	<b>(968)</b>	<b>(2,393)</b>	<b>(23,036)</b>	<b>(53,421)</b>
<b>2023</b>						
Carrying amount at beginning of period	(29,730)	6,676	576	(5,227)	-	(27,705)
Exchange differences on translation of foreign operations	-	-	-	636	-	636
Fair value movement in cash flow hedge	-	-	1,143	-	-	1,143
Reclassified to inventory	-	-	(1,992)	-	-	(1,992)
Less deferred tax impact	-	-	255	-	-	255
Cost of share based payments	-	(399)	-	-	-	(399)
Transfer to issued capital	-	(3,074)	-	-	-	(3,074)
Changes in the fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(6,251)	(6,251)
<b>Carrying amount at end of period</b>	<b>(29,730)</b>	<b>3,203</b>	<b>(18)</b>	<b>(4,591)</b>	<b>(6,251)</b>	<b>(37,387)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### EQUITY – NOTE 19: RESERVES

#### Nature and purpose of reserves

##### (i) Business combination reserve

This reserve is used to record the differences between the carrying value of non-controlling interests and the consideration paid/received, where there has been a transaction involving non-controlling interests that do not result in a loss of control.

Under agreements entered into with a number of non-controlling interests, the non-controlling shareholders have put options over their interests. These options are exercisable in accordance with the terms of each agreement. The potential liability for Elders under the put options is based on expectations of the exercise price and timing, discounted to present value using Elders' incremental borrowing rate. The recognition of the put options is reflected in the business combination reserve and as a financial liability within current liabilities.

##### (ii) Employee equity benefits reserve

This reserve is used to record the value of equity benefits provided to employees, including key management personnel as part of their remuneration.

##### (iii) Hedge reserve

The hedge reserve is used to record the effective portion of gains or losses on derivative financial instruments. Amounts are subsequently included within the initial cost of the asset where the hedged item subsequently results in the recognition of a non-financial asset such as inventory or profit and loss as appropriate.

##### (iv) Financial assets at fair value through other comprehensive income

Elders has elected to recognise changes in the fair value of certain investments in financial assets in OCI. These changes are accumulated within the FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

##### (v) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries, including exchange differences arising from loans which are deemed to be net investments in a foreign operation.

#### Accounting Policy

The results of subsidiaries incorporated in countries other than Australia, are translated into Australian Dollars (presentation currency) as at the date of each transaction. Assets and liabilities are translated at exchange rates prevailing at reporting date. Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in equity.

On consolidation, exchange differences arising from the translation of net investments in overseas subsidiaries are taken to the foreign currency translation reserve. If such a subsidiary was disposed of, the proportionate share of exchange differences would be transferred out of equity and recognised in profit or loss.

### EQUITY – NOTE 20: DIVIDENDS

On 20 December 2023, Elders paid a partially franked (30%) final dividend of 23 cents per share. This distribution totalled \$35.9 million (December 2022: \$43.8 million). The cash outflow was \$29.5 million (December 2022: \$41.2 million), with the difference reinvested by shareholders under dividend reinvestment plan.

On 26 June 2024, Elders paid a partially franked (50%) interim dividend of 18 cents per share. This distribution totalled \$28.3 million (June 2023: \$36.0 million). The cash flow was \$22.9 million (June 2023: \$32.1 million), with the difference reinvested by shareholders under dividend reinvestment plan.

	2024	2023
	\$000	\$000
<i>Subsidiary equity dividends on ordinary shares:</i>		
Dividends paid to non-controlling interests during the year	4,657	6,504
Franking credits available to the parent for subsequent financial years based on tax rate of 30% (2023: 30%)	13,508	12,006

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 21: INVESTMENTS IN CONTROLLED ENTITIES

#### (a) Schedule of material controlled entities

	Country of incorporation		% Held by group	
			2024	2023
Ace Ohlsson Pty Limited	Australia	(a)	100	100
AIRR Apparent Pty Ltd	Australia	(a)	100	100
AIRR Belmark Pty Ltd	Australia	(a)	100	100
AIRR Holdings Limited	Australia	(a)	100	100
AIRR iO Pty Ltd	Australia	(a)	100	100
Australian Independent Rural Retailers Pty Ltd	Australia	(a)	100	100
B & W Rural Pty Ltd	Australia		75.5	75.5
Elders Finance Pty Ltd	Australia	(a)	100	100
Elders Home Loans Pty Ltd	Australia	(c)	100	100
Elders Real Estate (Tasmania) Pty Ltd	Australia	(c)	100	100
Elders Real Estate (W.A.) Pty Ltd	Australia	(c)	100	100
Elders Rural Services Australia Limited	Australia		100	100
Elders Rural Services Limited	Australia	(a)	100	100
Elders Toll Formulation Pty Ltd	Australia	(c)	100	100
Emmobi Pty Ltd	Australia	(c)	100	100
IPST Holdings Pty Ltd	Australia	(a)(b)	100	-
Integrated Property Services Tas Pty Ltd	Australia	(a)(b)	100	-
KF Tas (Property Services) Pty Ltd	Australia	(a)(b)	100	-
KF Tas (Valuations) Pty Ltd	Australia	(a)(b)	100	-
Killara Feedlot Pty Ltd	Australia	(a)	100	100
SBK Beef Pty Ltd	Australia	(b)	75	-
S D E A Nominees Pty Ltd	Australia	(a)	100	100
Sunfam Pty Ltd	Australia	(c)	100	100
The Hunter River Company Pty Ltd	Australia	(a)	100	100
Titan Ag Pty Ltd	Australia	(a)	100	100
Ultrasound Australia Pty Ltd	Australia	(a)	100	100
YP Agricultural Services Pty Ltd	Australia	(c)	100	100

- The parties that comprise the Closed Group are denoted by (a)
- Entities acquired or registered during the period are denoted by (b)
- Entities classified by the Corporations Act as small proprietary companies relieved from audit requirements are denoted by (c)

#### Accounting Policy

The results of subsidiaries incorporated in countries other than Australia, are translated into Australian Dollars (presentation currency) as at the date of each transaction. Assets and liabilities are translated at exchange rates prevailing at reporting date. Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in equity.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 21: INVESTMENTS IN CONTROLLED ENTITIES

#### (b) Deed of Cross Guarantee

Pursuant to *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*, relief has been granted to these controlled entities of Elders Limited from the *Corporations Act 2001* requirements for preparation, audit and lodgement of financial reports and Directors' reports. As a condition of the Class Order, Elders Limited, and the controlled entities subject to the Class Order, entered into a Deed of Cross Guarantee (Deed). The effect of the Deed is that Elders Limited has guaranteed to pay any deficiency in the event of the winding up of any member of the Closed Group, and each member of the Closed Group has given a guarantee to pay any deficiency, in the event that Elders Limited or any other member of the Closed Group is wound up.

Certain members of the Closed Group, in addition to certain controlled entities, are guarantors in connection with the consolidated entity's borrowings facilities disclosed at note 16. A consolidated statement of comprehensive income and consolidated statement of financial position, comprising Elders Limited and the controlled entities which are a party to the Deed, after elimination of all transactions between parties to the Deed, for the year ended 30 September 2024 is set out as follows. The prior period has been adjusted to ensure comparability:

	2024	2023
	\$000	\$000
<b>Statement of comprehensive income of the Closed Group</b>		
Sales revenue	1,220,312	1,360,290
Cost of sales	(1,006,216)	(1,142,967)
<b>Gross profit</b>	<b>214,096</b>	<b>217,323</b>
Other revenue	151	59,279
Distribution expenses	(67,261)	(53,804)
Administrative expenses	(8,938)	(12,920)
Other items of income/(expense)	(229)	-
Finance costs	(12,531)	(6,963)
<b>Profit/(loss) before income tax benefit/(expense)</b>	<b>125,288</b>	<b>202,915</b>
Income tax benefit/(expense)	(13,145)	(29,913)
<b>Profit/(loss) after income tax benefit/(expense)</b>	<b>112,143</b>	<b>173,002</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 21: INVESTMENTS IN CONTROLLED ENTITIES

	2024	2023
	\$000	\$000
<b>Consolidated statement of financial position of the Closed Group</b>		
<i>Current assets</i>		
Cash and cash equivalents	3,171	21,099
Trade and other receivables	517,028	277,707
Livestock	47,436	49,120
Inventory	109,767	147,906
<b>Total current assets</b>	<b>677,402</b>	<b>495,832</b>
<i>Non current assets</i>		
Other financial assets	274,179	274,179
Property, plant and equipment	44,867	24,582
Right-of-use assets	35,398	25,659
Intangibles	33,167	29,765
Deferred tax assets	19,176	21,438
<b>Total non current assets</b>	<b>406,787</b>	<b>375,623</b>
<b>Total assets</b>	<b>1,084,189</b>	<b>871,455</b>
<i>Current liabilities</i>		
Trade and other payables	401,544	436,112
Lease liabilities	7,152	6,396
Interest bearing loans and borrowings	25,000	20,000
Provisions	6,836	4,130
<b>Total current liabilities</b>	<b>440,532</b>	<b>466,638</b>
<i>Non current liabilities</i>		
Interest bearing loans and borrowings	182,000	15,000
Lease liabilities	27,377	18,805
<b>Total non current liabilities</b>	<b>209,377</b>	<b>33,805</b>
<b>Total liabilities</b>	<b>649,909</b>	<b>500,443</b>
<b>Net assets</b>	<b>434,280</b>	<b>371,012</b>
<i>Equity</i>		
Issued capital	1,655,976	1,643,419
Retained earnings	(1,366,633)	(1,465,432)
Profit reserve	142,231	189,822
Employee equity reserve	2,706	3,203
<b>Total equity</b>	<b>434,280</b>	<b>371,012</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 22: PARENT ENTITY

#### Information relating to the parent entity of the Group, Elders Limited:

	2024	2023
	\$000	\$000
<i>Results:</i>		
Net profit for the period after income tax expense	(19,414)	24,154
<b>Total comprehensive income</b>	<b>(19,414)</b>	<b>24,154</b>
<i>Financial position:</i>		
Current assets	141,965	213,976
Non current assets	198,687	198,781
<b>Total assets</b>	<b>340,652</b>	<b>412,757</b>
Current liabilities	2,042	1,600
<b>Total liabilities</b>	<b>2,042</b>	<b>1,600</b>
<b>Net assets</b>	<b>338,610</b>	<b>411,157</b>
Issued capital	1,655,976	1,643,419
Retained earnings	(1,462,304)	(1,425,287)
Profit reserve	142,232	189,822
Employee equity reserve	2,706	3,203
<b>Total equity</b>	<b>338,610</b>	<b>411,157</b>

#### Guarantees

As disclosed in note 21, the parent entity has entered into a Deed of Cross Guarantee with certain controlled entities. The effect of this Deed is that Elders Limited and each of these controlled entities has guaranteed to pay any deficiency of any of the companies party to the Deed in the event of any of those companies being wound up.

The parent entity is a party to various guarantees and indemnities pursuant to bank facilities extended to the Group as disclosed in note 25.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 23: BUSINESS COMBINATIONS – CHANGES IN THE COMPOSITION OF THE ENTITY

#### (a) Acquisitions

##### (i) Prior period acquisitions

In the prior period, Elders acquired a number of small to medium retail, livestock and real estate businesses for a total consideration of \$42.0 million, including \$16.5 million of deferred consideration. These transactions resulted in the recognition of \$32.4 million of goodwill.

##### (ii) Current period acquisitions

During the current period, Elders acquired a number of small to medium retail, livestock and real estate businesses for a total consideration of \$116.7 million, including \$36.0 million of deferred consideration. These transactions resulted in the recognition of \$89.2 million of goodwill.

	2024	2023
	\$000	\$000
Purchase consideration		
Cash paid	80,710	25,516
Deferred consideration	35,975	16,504
<b>Total purchase consideration</b>	<b>116,685</b>	<b>42,020</b>
<i>The total assets and liabilities recognised as a result of acquisitions are:</i>		
Cash and cash equivalents	3,744	-
Trade and other receivables	1,348	8,098
Prepayments	3,492	-
Inventory	1,968	4,680
Property, plant and equipment	2,762	459
Rent roll	29,595	1,791
Brand name	338	-
Other intangibles	270	-
Trade and other payables	(4,124)	(4,517)
Accruals	(4,253)	-
Provisions	(2,828)	(548)
Deferred tax assets/(liabilities)	(4,813)	(380)
<b>Net identifiable assets acquired</b>	<b>27,499</b>	<b>9,583</b>
Goodwill on acquisition	89,186	32,437
<b>Total purchase consideration</b>	<b>116,685</b>	<b>42,020</b>

#### Payments for acquisitions through business combinations, net of cash acquired

The cash outflow for payments for acquisitions through business combinations of \$103.3 million (2023: \$47.0 million) represents cash paid, net of cash acquired in respect of businesses acquired during the period of \$77.0 million (2023: \$25.5 million) and payments of deferred consideration relating to acquisitions from prior and current periods of \$26.3 million (2023: \$21.5 million).

At 30 September 2024, Elders has \$44.1 million (2023: \$27.8 million) of deferred consideration amounts related to acquisitions which are included in current and non current other creditors and accruals in note 8.

#### (b) Disposals

There were no disposals during the current or prior period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### GROUP STRUCTURE – NOTE 23: BUSINESS COMBINATIONS – CHANGES IN THE COMPOSITION OF THE ENTITY

#### Accounting Policy

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, Elders elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When Elders acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 9 either in profit or loss or as a charge to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity. In instances where the contingent consideration does not fall within the scope of AASB 9, it is measured in accordance with the appropriate AASB standard.

### OTHER NOTES – NOTE 24: EXPENDITURE COMMITMENTS

#### (a) Low value assets lease commitments – Elders as a lessee

As a result of the application of AASB 16, Elders' expenditure commitments relating to leases have been recognised as lease liabilities with an associated right-of-use asset and are presented in note 10, except for low value leases. Elders' low value assets lease commitments are presented below.

	2024	2023
	\$000	\$000
<i>Low value assets lease commitments:</i>		
• Within one year	2,476	2,134
• After one year but not later than five years	4,004	3,321
<b>Total minimum lease payments</b>	<b>6,480</b>	<b>5,455</b>

#### (b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2024	2023
	\$000	\$000
<i>Capital expenditure commitments:</i>		
• Within one year	1,503	2,859
<b>Total minimum payments</b>	<b>1,503</b>	<b>2,859</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### OTHER NOTES – NOTE 25: CONTINGENT LIABILITIES

There are potential legal matters that occur in the ordinary course of business that are being considered by Elders' legal advisors. Based on the current information available, the following applies:

#### Unquantifiable contingent liabilities

- Elders has contingent obligations in respect of real property let or sub-let by Elders. The Directors are not aware of any material exposure arising from these contingent obligations
- Elders has contingent obligations in respect of real property sub-let to the purchaser of Elders' former Sandalwood estate. The Directors are not aware of any material exposure arising from these contingent obligations
- Benefits are payable under service agreements with employees of Elders under certain circumstances such as achievement of prescribed performance hurdles, occurrence of certain events or termination of employment for reasons other than serious misconduct. The quantum of such benefits is generally contingent on company and personal performance and where appropriate expensed in the financial statements in any relevant year
- The Parent and some of its subsidiaries have, from time to time in the ordinary course, provided parent company guarantees in respect of certain contractual obligations of their subsidiaries. The contingent exposure under those guarantees on a consolidated basis is no greater than the exposure of the subsidiary having the principal contractual obligation
- The Parent and its subsidiaries have from time to time provided warranties and indemnities in connection with the acquisition or provision of goods and services and the disposal of assets. The Directors are not aware at the present time of any material exposures under the warranties of indemnities
- Various legal claims for damages resulting from the use of products or services of Elders, and from the contracts entered into or alleged to have been entered into by Elders, are in existence for which no provision has been raised as it is not currently probable that these claims will succeed or it is not practical to estimate the potential effect of these claims. The Directors are of the view that none of these claims based on the net exposure is likely to be material

#### Other guarantees

As disclosed in note 21, the parent entity has entered into a Deed of Cross Guarantee with certain controlled entities. The effect of this Deed is that Elders Limited and each of these controlled entities has guaranteed to pay any deficiency of any of the companies party to the Deed in the event of any of those companies being wound up.

The parent entity and certain subsidiaries of Elders are parties to various guarantees and indemnities pursuant to bank facilities extended to Elders.

### OTHER NOTES – NOTE 26: RELATED PARTY DISCLOSURES

The ultimate controlling entity of the Group is Elders Limited.

From time to time, Directors of Elders, or third parties of which a Director of Elders is also a Director, engage in transactions with Elders or entities in which Elders has an investment. These transactions are immaterial and generally in the nature of the acquisition of goods or services from Elders or an entity in which Elders has an investment or the supply of services to Elders or an entity in which Elders has an investment. Such transactions are on arm's length commercial terms and procedures are in place to manage any actual or potential conflicts of interest.

As part of sharing office space with branches within the Branch Network segment, Elders incurred costs on behalf of Elders Insurance (Underwriting Agency) Pty Ltd and recharged these at arm's length.

As at balance date, Elders has receivables from equity accounted investments as disclosed in note 5.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### OTHER NOTES – NOTE 27: SHARE BASED PAYMENT PLANS

#### Long-Term Incentive Performance Rights

Performance rights were granted to eligible executives with a three year performance period and split into tranches, each carrying a different performance condition. Upon vesting of performance rights one fully paid share in Elders will be allocated for each performance right.

Set out below are a summary of rights granted under the plans:

	Grant Date	Vesting date	Balance at start of period	Granted	Vested	Lapsed	Balance at end of period
MD & CEO Grant	17-Dec-20	Nov-23*	101,000	-	28,280	72,720	-
Senior Executive Grant	12-Mar-21	Nov-23*	235,667	-	65,755	169,912	-
MD & CEO Grant	16-Dec-21	Nov-24*	102,400	-	-	-	102,400
Senior Executive Grant	22-Dec-21	Nov-24*	223,700	-	-	9,900	213,800
MD & CEO Grant	15-Dec-22	Nov-25*	107,000	-	-	-	107,000
Senior Executive Grant	23-Dec-22	Nov-25*	272,500	-	-	20,455	252,045
MD & CEO Grant	19-Dec-23	Nov-26*	-	283,990	-	-	283,990
Senior Executive Grant	19-Dec-23	Nov-26*	-	617,280	-	-	617,280
<b>Total</b>			1,042,267	901,270	94,035	272,987	1,576,515

\*The vesting date does not include the 12 month holding lock period which is an additional service requirement.

During the period, Long-Term Incentive performance rights expense of \$2.0 million (2023: \$(0.8) million benefit) was recognised.

For Long-Term Incentive performance rights vesting in November 2024, no additional shares (November 2023: Nil) will be allocated under the MD & CEO Grant and Senior Executive Grant at the time of vesting for the value of dividends paid but not received on the vested rights during the performance period.

The fair value at grant date of the Long-Term Incentive performance rights issued during the year was:

	MD & CEO Grant	Senior Executive Grant
	\$ per right	\$ per right
<b>2024</b>		
Relative TSR against Comparator Companies Performance Rights	5.12	5.12
EPS Growth Performance Rights	6.69	6.69
<b>2023</b>		
Relative TSR against Comparator Companies Performance Rights	3.95	3.78
EPS Growth Performance Rights	9.04	8.84

Key inputs in calculating the fair value of the Long-Term Incentive performance rights issued during the year include:

- Share price at valuation date: \$7.66 for the MD and CEO Grant (2023: \$10.36) and \$7.66 for the Senior Executive Grant (2023: \$10.12)
- Risk free rate: 3.7% for the MD and CEO Grant (2023: 3.3%) and 3.7% for the Senior Executive Grant (2023: 3.3%)
- Volatility: 33% for the MD and CEO Grant (2023: 33%) and 33% for the Senior Executive Grant (2023: 33%)
- Dividend yield: 5.0% for the MD and CEO Grant (2023: 5.0%) and 5.0% for the Senior Executive Grant (2023: 5.0%)

The weighted average remaining life of the Long-Term Incentive performance rights outstanding at the end of the financial year was 1.5 years. (2023: 1.2 years).

Performance rights associated with the 2021 Long-Term Incentive Plan vested during the period. As a result, a total of 94,035 shares were issued to relevant participants.

#### Short-Term Incentive Restricted Shares

Restricted shares issued to employees are part of the Short-Term Incentive plan. During the period, a total expense of \$0.1 million (2023: \$0.2 million) was recognised in relation to this.

A total of 39,573 (2023: 79,151) restricted shares were allocated to the plan participants and remain unvested at the end of the year.

The weighted average fair value at the grant date is \$10.12 (2023: \$10.12).

#### Other Service Rights

As part of the arrangements put in place to retain Mr Allison's services, shareholders were asked to approve the issue of Service Rights, as outlined in the 2023 Annual Report and Notice of Meeting. As advised to shareholders in May 2024, the Board has satisfied the value of Other Services Rights by way of cash payment. This cash payment is determined by the value of the proposed Other Service Rights (90,000 in each of two tranches) multiplied by the volume weighted average price of Elders shares traded on ASX over the five trading days prior to Mr Allison's retention service dates, being 1 June 2024 and 1 June 2025. During the year, a total expense of \$1.0 million (2023: \$0.2 million) was recognised in relation to this.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 September 2024

### OTHER NOTES – NOTE 28: AUDITOR'S REMUNERATION

	2024	2023
	\$	\$
<i>Amounts received or due and receivable by the auditor PricewaterhouseCoopers for:</i>		
• auditing or review of financial statements *	778,780	820,390
• other audit related services	142,500	74,240
• other non-audit services	33,923	100,113
<b>Total</b>	<b>955,203</b>	<b>994,743</b>

\* Fees include amounts paid to overseas PricewaterhouseCoopers offices in relation to the statutory audits of the subsidiaries in China and Indonesia.

### OTHER NOTES – NOTE 29: KEY MANAGEMENT PERSONNEL

#### Remuneration of Directors and Other Key Management Personnel

For information on the Remuneration Policy, structure and the relationship between remuneration payment and performance please refer to the Remuneration Report.

	2024	2023
	\$	\$
Short-term	1,790,786	1,776,675
Long-term	852,177	486,621
Post employment	57,746	51,638
Share based payments	1,618,932	536,698
<b>Total</b>	<b>4,319,641</b>	<b>2,851,632</b>

For details of Key Management Personnel, see section 6.2 of the Remuneration Report.

### OTHER NOTES – NOTE 30: OTHER MATTERS

On 20 December 2023, Elders Rural Services Australia Limited (a subsidiary of Elders Limited) and Bendigo and Adelaide Bank Limited (ASX: BEN) executed a settlement deed terminating the Relationship Agreement (dated 4 March 2019) between Elders Rural Services Australia Limited and Rural Bank (a division of Bendigo and Adelaide Bank Limited) in connection with the origination and referral of Rural Bank's loan and deposit products since 2019. Rural Bank has paid Elders Rural Services Australia Limited \$17.0 million during the period which has been accounted for in this financial reports as follows:

- \$9.4 million recognised as revenue in the consolidated statement of comprehensive income
- \$5.8 million offset against trade and other receivables and the balance of \$1.8 million is deferred in the consolidated statement of financial position as a current liability

### OTHER NOTES – NOTE 31: SUBSEQUENT EVENTS

On 18 November 2024, Elders entered into a binding Share Agreement to acquire 100% of shares in Delta Agribusiness Pty Limited (Delta Ag). Delta Ag is an Australian agribusiness providing rural products and advisory services through a network of 68 locations. Purchase consideration for the acquisition is \$475 million which will be funded through a fully underwritten, non-renounceable entitlement offer equity raise, scrip consideration in the form of Elders shares to the vendors and debt financing. Completion of the acquisition is subject to the satisfaction of customary conditions precedent and informal merger clearance by the Australian Competition and Consumer Commission.

The financial effects of this transaction have not been recognised at 30 September 2024. At the time the financial statements were authorised for issue, Elders had not yet completed the acquisition accounting. In particular, it is not yet possible to provide detailed information for the fair value of the assets and liabilities acquired. The operating results and assets and liabilities of the acquired company are to be consolidated on completion of the acquisition.

**CONSOLIDATED ENTITY DISCLOSURE STATEMENT**

For the year ended 30 September 2024

<b>Name of entity</b>	<b>Entity type</b>	<b>Country of incorporation</b>	<b>% Held by group</b>	<b>Australian resident or foreign resident</b>	<b>Foreign jurisdiction(s) of foreign residents</b>
Ace Ohlsson Pty Limited	Body Corporate	Australia	100	Australia	N/A
Agsure Pty Ltd	Body Corporate	Australia	100	Australia	N/A
AI Asia Pacific Operations Holding Limited	Body Corporate	Hong Kong SAR	50	Foreign	Hong Kong SAR
Air International Asia Pacific Operations Pty Ltd	Body Corporate	Australia	100	Australia	N/A
AIRR Apparent Pty Ltd	Body Corporate	Australia	100	Australia	N/A
AIRR Belmark Pty Ltd	Body Corporate	Australia	100	Australia	N/A
AIRR Holdings Limited	Body Corporate	Australia	100	Australia	N/A
AIRR iO Pty Ltd	Body Corporate	Australia	100	Australia	N/A
APO Administration Limited	Body Corporate	Hong Kong SAR	50	Foreign	Hong Kong SAR
Ashwick (Vic.) No. 102 Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Australian Independent Rural Retailers Pty Ltd	Body Corporate	Australia	100	Australia	N/A
B & W Rural Pty Ltd	Body Corporate	Australia	75.5	Australia	N/A
Chemseed Australia Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Eastern Rural Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Asset Finance Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Automotive Group Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Finance Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Forestry Finance Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Forestry Management Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Limited	Body Corporate	Australia	N/A	Australia	N/A
Elders Forestry Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Home Loans Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Management Services Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders PT Indonesia	Body Corporate	Indonesia	100	Foreign	Indonesia
Elders Real Estate (Tasmania) Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Real Estate (W.A.) Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Elders Rural Services Australia Limited	Body Corporate	Australia	100	Australia	N/A
Elders Rural Services Limited	Body Corporate	Australia	100	Australia	N/A
Elders Toll Formulation Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Emmobi Pty Ltd <sup>1</sup>	Body Corporate	Australia	100	Australia	N/A
Family Hospitals Pty Ltd	Body Corporate	Australia	100	Australia	N/A
IPST Holdings Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Integrated Property Services Tas Pty Ltd	Body Corporate	Australia	100	Australia	N/A
ITC Timberlands Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Keratin Holdings Pty Ltd	Body Corporate	Australia	100	Australia	N/A
KF Tas (Property Services) Pty Ltd	Body Corporate	Australia	100	Australia	N/A
KF Tas (Valuations) Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Killara Feedlot Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Manor Hill Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Northern Rural Supplies Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Prels Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Prestige Property Holdings Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Primac Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Redray Enterprises Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Robian Holdings Pty Ltd	Body Corporate	Australia	100	Australia	N/A
SBK Beef Pty Ltd	Body Corporate	Australia	75	Australia	N/A
S D E A Nominees Pty Ltd <sup>2</sup>	Body Corporate	Australia	100	Australia	N/A
Sunfam Pty Ltd	Body Corporate	Australia	100	Australia	N/A

## CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 September 2024

Name of entity	Entity type	Country of incorporation	% Held by group	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
The Hunter River Company Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Titan Ag Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Ultrasound Australia Pty Ltd	Body Corporate	Australia	100	Australia	N/A
Victorian Producers' Co-operative Company Pty Ltd	Body Corporate	Australia	100	Australia	N/A
YP Agricultural Services Pty Ltd	Body Corporate	Australia	100	Australia	N/A
RWEM Unit Trust	Trust	N/A	N/A	Australia	N/A
S D E A Bunbury Unit Trust	Trust	N/A	N/A	Australia	N/A

<sup>1</sup> Emmobi Pty Ltd is trustee of RWEM Unit Trust.

<sup>2</sup> S D E A Nominees Pty Ltd is trustee of S D E A Bunbury Unit Trust.

### Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*.

#### Determination of tax residency

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

#### Partnerships and trusts

Australian tax law generally does not contain corresponding residency tests for partnerships and trusts and these entities are typically taxed on a flow-through basis.

## DIRECTORS' DECLARATION

For the year ended 30 September 2024

In accordance with a resolution of the Directors of Elders Limited, the Directors declare:

1. In the opinion of the Directors:
  - (a) the financial statements and notes of Elders Limited for the financial year ended 30 September 2024 are in accordance with the *Corporations Act 2001*, including:
    - (i) giving a true and fair view of its financial position as at 30 September 2024 and of its performance for the year ended on that date; and
    - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001
  - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in the basis of preparation
  - (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
  - (d) the consolidated entity disclosure statement on pages 118 to 119 is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 September 2024.
3. In the opinion of the Directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 21 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the Board,

The image shows two handwritten signatures in black ink. The first signature on the left is a large, stylized cursive signature, likely belonging to Ian Wilton. The second signature on the right is a smaller, more compact cursive signature, likely belonging to Mark Allison.

**Ian Wilton**  
Chair

**Mark Allison**  
Managing Director and CEO

Adelaide  
18 November 2024



## Auditor's Independence Declaration

As lead auditor for the audit of Elders Limited for the year ended 30 September 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Elders Limited and the entities it controlled during the period.



M. T. Lojszczyk  
Partner  
PricewaterhouseCoopers

Adelaide  
18 November 2024



## Independent auditor's report

To the members of Elders Limited

### Report on the audit of the financial report

---

#### Our opinion

In our opinion:

The accompanying financial report of Elders Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 September 2024 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 September 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 September 2024
- the directors' declaration.

---

#### Basis for opinion

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

#### Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757  
Level 11, 70 Franklin Street, ADELAIDE SA 5000, GPO Box 418, ADELAIDE SA 5001  
T: +61 8 8218 7000, F: +61 8 8218 7999

Liability limited by a scheme approved under Professional Standards Legislation.



## Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

<i>Audit scope</i>	<i>Key audit matters</i>
<ul style="list-style-type: none"> <li>• Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.</li> <li>• Our audit work focused on the financial information of the Group's significant operations.</li> <li>• We performed further audit procedures at a Group level, including procedures over the consolidation of the Group's businesses and the preparation of the financial and remuneration reports.</li> </ul>	<ul style="list-style-type: none"> <li>• Amongst other relevant topics, we communicated the following key audit matters to the Audit, Risk and Compliance Committee:               <ul style="list-style-type: none"> <li>– Accounting for supplier rebates (refer to note 7)</li> <li>– Existence and Valuation of inventory (Refer to note 7)</li> <li>– Accounting for receivables loss allowance (refer to note 5)</li> </ul> </li> <li>• These are further described in the <i>Key audit matters</i> section of our report.</li> </ul>



## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit 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. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

### Key audit matter

### How our audit addressed the key audit matter

#### Accounting for supplier rebates (Refer to note 7)

Elders receive rebates on purchases of retail goods for resale from suppliers. These rebates are varied in nature and include price and volume rebates. In accordance with Australian Accounting Standards, rebates should only be recognised as a reduction in cost of sales when the associated performance conditions have been met. This requires a detailed understanding by the Group of the various contractual arrangements.

We considered the accounting for supplier rebates to be a key audit matter because:

- supplier rebates recognised during the year are material to the financial statements;
- supplier arrangements are complex in nature and vary between suppliers; and
- judgement is involved to determine the amount of rebates that should be recognised in the cost of sales and the amount that should be deferred to inventory.

We performed the following procedures:

for a sample of rebates recognised as a reduction to cost of sales, we:

- agreed terms to supplier credit notes or individual supplier agreements and recalculated the amount of the rebate; and
- checked if the rebate amount was only recognised as a reduction in cost of sales when a sale of the relevant product had occurred.

for a sample of rebates receivable at balance date, we:

- agreed the Group's calculation of the rebate receivable to the terms in the relevant supplier agreement; and
- agreed the key components of rebates receivable, including rebate accruals and amounts received over the course of the year, to relevant underlying evidence.

to assess the accuracy of rebates being deferred in inventory as at balance date we:

- obtained a listing of retail stock on hand and for a sample of items, traced the rebate percentage back to supplier agreements. We also recalculated the rebate amount deferred against inventory; and
- for a sample of rebates receivable, checked that when the related inventory was still on hand at balance date, the rebate amount had been appropriately deducted from inventory.



### *Key audit matter*

### *How our audit addressed the key audit matter*

#### ***Existence and valuation of inventory (Refer to note 7)***

At 30 September 2024, the Group held inventory balances of \$399.5 million, as disclosed in Note 7 Inventories.

Inventories are valued at the lower of cost and net realisable value ('NRV'). Costs are assigned to individual items of inventory predominately on the basis of weighted average cost. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

We considered this a key audit matter due to the judgement required by the Group in estimating the net realisable value and the provision for obsolescence in relation to the inventory.

In addition, the distribution of inventory across a large number of locations may result in an increased risk in relation to existence.

We performed the following procedures amongst others:

- developed an understanding of the Group's process for the procurement and accounting for inventory;
- for a sample of inventory items, we reperformed the calculation of weighted average cost using the Group's methodology;
- attended stocktakes at selected locations;
- selected a sample of inventory items from the Group's inventory records and compared the quantity recorded to the actual amount counted during the stock takes;
- for a sample of inventory items, traced the inventory quantity counted during the stocktakes to the Group's inventory records;
- for a sample of inventory purchases and sales made between the stocktake date and balance sheet date, we checked the inventory movements to the relevant supporting documentation;
- for a sample of inventory items sold after the year end, we compared the selling price net of estimated selling costs to the cost of the inventory items at the balance date; and
- assessed the reasonableness of the financial report disclosures against the requirements of Australian Accounting Standards.



### Key audit matter

### How our audit addressed the key audit matter

#### Accounting for receivables loss allowance (Refer to note 5)

Elders recognised receivables from sales initially at transaction price and subsequently at amortised cost using the effective interest rate method, less expected creditor losses. To measure the expected credit losses, trade receivables have been grouped on days past due.

The expected credit loss rates are based on payment profiles over a historic period and the credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. This requires a detailed understanding of the impact of historical and forward-looking factors.

We considered the accounting for receivables loss allowance to be a key audit matter because:

- receivables recognised as at balance date are material to the financial statements; and
- there is judgement, subjectivity and effort involved to evaluate the loss allowance and assumptions used to estimate the expected loss allowance that should be recognised in profit and loss and provided against gross receivables.

To assess the loss allowance recorded as at balance date we performed the following procedures:

- obtained an understanding of the estimation process including data, and significant assumptions used, in the loss allowance model;
- tested the mathematical accuracy of Group's expected credit loss model;
- for a sample of receivables, tested aging of outstanding receivables to underlying invoices;
- assessed assumptions relating to expected default rates, forward looking estimates and macroeconomic factors included in the expected credit loss model to agriculture specific macroeconomic factors;
- assessed payments received subsequent to balance date; and
- assessed the calculated loss allowance in the Group's model, and reasonableness of disclosures, against the requirements of Australian Accounting Standards.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 September 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial report

Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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: [https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.

### Report on the remuneration report

#### Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 September 2024.

In our opinion, the remuneration report of Elders Limited for the year ended 30 September 2024 complies with section 300A of the *Corporations Act 2001*.

### 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 responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

M. T. Lojszczyk  
Partner

Adelaide  
18 November 2024

*This page has been intentionally left blank.*

# ASX Additional Information

## a) Distribution of Ordinary Shares as at 1 November 2024

Holdings Ranges	Total Units	Percentage FPO	Holders
1-1,000	4,853,608	3.07%	12,978
1,001-5,000	16,306,244	10.31%	6,707
5,001-10,000	9,933,712	6.29%	1,356
10,001-100,000	22,094,212	13.98%	930
100,001-9,999,999,999	104,853,345	66.35%	58
<b>Totals</b>	<b>158,041,121</b>	<b>100.00%</b>	<b>22,029</b>
The number of holders holding less than a marketable parcel			1,442

## Distribution of Unquoted Equity Securities at 1 November 2024

As noted on page 43 of the Directors' Report, performance rights are the only unquoted equity securities on issue as at the date of this report.

Holdings Ranges	Total Units	Percentage Unquoted Equity Securities	Holders
1-1,000	0	0.00%	0
1,001-5,000	0	0.00%	0
5,001-10,000	30,683	1.94%	4
10,001-100,000	950,592	60.30%	23
100,001-9,999,999,999	595,240	37.76%	2
<b>Totals</b>	<b>1,576,515</b>	<b>100.00%</b>	<b>29</b>

All unvested performance rights on issue were acquired under an employee incentive plan

## b) Voting Rights

All ordinary shares carry one vote per share without restriction. Unvested performance rights carry no voting rights.

## c) Stock Exchange Quotation

Elders has one class of quoted securities, being the ordinary shares (ELD) which is listed on the Australia Securities Exchange. The Home Exchange is Sydney.

**d) Twenty Largest Shareholders as at 1 November 2024**

The twenty largest holders of Elders Ordinary Shares were as follows:	No. of shares	%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	36,252,495	22.939%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	26,162,018	16.554%
CITICORP NOMINEES PTY LIMITED	23,703,716	14.998%
BNP PARIBAS NOMS PTY LTD	2,015,706	1.275%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	1,977,549	1.251%
MR MARK CHARLES ALLISON	1,182,932	0.748%
NATIONAL NOMINEES LIMITED	931,648	0.589%
UBS NOMINEES PTY LTD	891,597	0.564%
VENN MILNER SUPERANNUATION P/L	800,000	0.506%
BNP PARIBAS NOMS (NZ) LTD	739,491	0.468%
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	596,234	0.377%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	517,811	0.328%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	485,299	0.307%
CERTANE CT PTY LTD <ELD DEF A/C>	462,404	0.293%
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	453,232	0.287%
MR RAYMOND JAMES ALLAN	390,000	0.247%
PACIFIC AGRIFOODS INVESTMENTS PTY LTD	335,456	0.212%
MR KWOK CHING CHOW & MS PIK YUN PEGGY CHAN	310,000	0.196%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	306,750	0.194%
MR JAMES STUART FOLEY	300,000	0.190%

The number of shares held by substantial shareholders in the Company, as disclosed in substantial holding notices given to the Company as at 1 November 2024.

Shareholder	No. of shares	Percentage of shares held at date of notice	Date of notice
Vanguard Group	9,502,710	6.013%	21 October 2024
Dimensional	7,878,525	5.006%	23 January 2024
State Street Corporation	7,865,930	5.00%	22 May 2024

**e) Corporate Governance Statement**

Elders' 2024 Corporate Governance Statement can be found online at <https://investors.elders.com.au/periodic-reports>.

# Shareholder Information

## Share Registry

	Boardroom Pty Limited Level 8, 210 George Street, Sydney, NSW, 2000
	1300 121 053
	+61 (0)2 9279 0664
	<a href="mailto:elders@boardroomlimited.com.au">elders@boardroomlimited.com.au</a>
	<a href="http://boardroomlimited.com.au">boardroomlimited.com.au</a>

## Enquiries

Shareholders with enquiries about their shareholdings should contact the Company's share registry, Boardroom, on the above contact details.

## Online shareholder information

Shareholders can obtain information about their holdings or view their account instructions online.

For identification and security purposes, you will need to know your Reference Number (HIN/SRN), Surname/Company Name and Post/Country Code to access. This service is accessible via Elders' Investor Hub or direct via the Boardroom website at [investorserve.com.au](http://investorserve.com.au).

## Tax and dividend/ interest payments

Elders is obliged to deduct tax from dividend/ interest payments (which are not fully franked) to holders registered in Australia who have not quoted their Tax File Number (TFN) to the Company. Shareholders who have not already quoted their TFN can do so by contacting Boardroom.

## Change of address

Issuer sponsored shareholders who have changed their address should advise Boardroom in writing. Written notification can be emailed or posted to Boardroom at the address shown adjacent and must include both old and new addresses and the Securityholder Reference Number (SRN) of the holding.

Alternatively, holders can amend their details online via Boardroom's website. Shareholders who have broker sponsored holdings should contact their broker to update these details.

## Annual Report mailing list

Shareholders who wish to vary their Annual Report mailing arrangements should advise Boardroom online or in writing.

Electronic versions of the report are available to all via the Company's website. Annual Reports will be mailed to all shareholders who have elected to be placed on the mailing list for this document.

## Investor information

Information about the Company is available from a number of sources:

**Website:**  
[elders.com.au](http://elders.com.au)

**Subscribe:**  
Shareholders can nominate to receive company information electronically via [Elders' Investor Hub](#).

Additionally, shareholders may elect to receive official company information through InvestorServe on Boardroom's website.

**Publications:**  
The Annual Report is the major printed source of Company information. Other publications include the half-yearly report, Sustainability Report, Corporate Governance Statement, company press releases and investor presentations.

All publications can be obtained either through the Company's [website](#) or by contacting the Company.

# Company Directory

<b>Directors</b>	Ian Wilton — <i>MSC, FCCA, FCPA, CA, FAICD</i>
	Mark Allison — <i>BAgrSc, BEcon, GDM, AMP (HBS), DUniv (hc) (Adel), FAICD</i>
	Robyn Clubb AM — <i>BEC, CA, SF Fin, MAICD</i>
	Raelene Murphy — <i>BBus, FCA, GAICD</i>
	John Lloyd - <i>BSc, MBA</i>
	Damien Frawley
	Glenn Davis - <i>LLB, BEc, FAICD</i>
<b>Secretaries</b>	Peter Hastings — <i>BA, LLB, GDLP, FGIA, Grad Dip Applied Corporate Governance, GAICD</i>
	Shannon Doecke — <i>BAcc, Grad Dip Applied Corporate Governance, AGIA, MAICD</i>
<b>Registered Office</b>	Level 10, 80 Grenfell Street, Adelaide, South Australia, 5000
	P (08) 8425 4000
	<a href="mailto:CompanySecretary@elders.com.au">CompanySecretary@elders.com.au</a>
	<a href="http://elders.com.au">elders.com.au</a>
<b>Share Registry</b>	Boardroom Pty Limited, Level 8, 210 George Street, Sydney, NSW, 2000
	P 1300 121 053
	F +61 (0)2 9279 0664
	<a href="http://boardroomlimited.com.au">boardroomlimited.com.au</a>
<b>Auditor</b>	PricewaterhouseCoopers
<b>Bankers</b>	Australia & New Zealand Banking Group
	National Australia Bank
	Cooperatieve Rabobank U.A., Australia Branch
<b>Stock Exchange Listing</b>	Elders Limited ordinary shares are listed on the Australian Securities Exchange under the ticker code “ELD”.





*Elders*