



# Ridley Corporation Limited

## Appendix 4D Half Year Report

ABN 33 006 708 765

### Results for announcement to the market

Reporting period: Half year ended 31 December 2024  
Previous corresponding period: Half year ended 31 December 2023  
Release date: 20 February 2025

				<b>\$m</b>
Revenue from continuing operations	<b>up</b>	3.3%	to	658.9
EBITDA from continuing operations after individually significant items	<b>up</b>	9.3%	to	50.6
Net profit after tax for the period from continuing operations attributable to shareholders after individually significant items	<b>up</b>	3.5%	to	22.2

	<b>31 December 2024</b>	31 December 2023
Net tangible assets per ordinary share (cents)	0.68	0.78

### Dividends

The Board has declared an interim dividend of 4.75 cents per share (**cps**), fully franked and payable on Thursday 24 April 2025 for a cash outlay of approximately \$15.0 million. A dividend of 4.40 cps was paid in the previous corresponding period and a final dividend of 4.65 cps was paid, both were fully franked.

Record date for determining entitlements to the interim dividend	5.00 pm on Friday 4 April 2025.
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Further detail of the above figures is set out on the following pages and in the Company's separate results investor presentation.

## FY25 1H Results

The highlights of the Ridley Corporation Limited consolidated group (**Ridley or Group**) FY25 1H performance are:

- Statutory net profit after tax was \$22.2m, representing a \$0.8m, or 3.5% improvement on the previous corresponding period (pcp), after incurring a higher depreciation and amortisation expense and higher finance costs as a result of the acquisitions of both Oceania Meat Processing (OMP) and Carrick.
- EBITDA<sup>1</sup> after individually significant items was \$50.6m, representing a \$4.3m, or 9.3% increase on the pcp.
- The operating cashflow of \$49.2m represents an improvement on the pcp of \$14.1m, supported by disciplined working capital management.
- The Balance Sheet strength was maintained. Net debt increased by \$18.3m, which included acquisition outflows of \$14.4m for the working capital settlement for OMP (\$6.2m) and the acquisition of Carrick (\$8.1m).

SUMMARY (\$ million unless otherwise stated)	Dec 2024	Dec 2023	Movement
Statutory Net profit after tax ("NPAT")	22.2	21.4	▲ 0.8
EBITDA <sup>1</sup> - after Individually Significant Items ("ISIs") <sup>2</sup>	50.6	46.3	▲ 4.3
Total comprehensive income	21.1	21.4	▼ (0.3)
Operating cashflow <sup>3</sup>	49.2	35.1	▲ 14.1
Consolidated net cash (outflow) <sup>4</sup>	(18.3)	(14.1)	▼ (4.2)
Net debt	69.1	43.6	▲ 25.5
Leverage ratio (times) <sup>5</sup>	0.7x	0.5x	▲ 0.2
Earnings Per Share (cents)	6.7	6.8	▼ (0.1)

<sup>1</sup> Calculated as NPAT of \$22.2m adjusted for Net Finance Costs (\$4.9m), Tax (\$8.5m), Depreciation and Amortisation (\$15.1m).

<sup>2</sup> Refer Note 1c for details on Individually Significant Items ("ISIs").

<sup>3</sup> Calculated as EBITDA after ISIs (\$50.6m), less movement in working capital (\$1.4m).

<sup>4</sup> Calculated as closing net debt less opening net debt.

<sup>5</sup> Calculated as Net debt (\$69.1m) / Last 12 months EBITDA (\$95.4m) per banking facility covenant calculations.

The Directors believe that the presentation of the unaudited non-IFRS financial summary above is useful for users of the accounts as it reflects the underlying financial performance of the business. The non-IFRS financial information has not been audited or reviewed in accordance with Australian Auditing Standards.

## Segment Performance

The **Packaged Feeds and Ingredients segment** contributed EBITDA<sup>1</sup> of \$35.7m, a 13.6% increase on the pcp.

The strong increase in the sector was driven largely by the performance of Oceania Meat Processing (OMP) which was acquired in March 2024. Both margins and operational efficiency contributed to the result. The Ingredient Recovery and Packaged Dog food sectors also delivered strong volumes and operational efficiency. However, as foreshadowed, this was offset by lower sales prices in the Ingredient Recovery business (particularly tallow and meal prices when compared to the pcp) and the underperformance of the Aquafeed business.

The **Bulk Stockfeeds segment** contributed EBITDA<sup>1</sup> of \$21.7m, a 5.7% decrease on the pcp.

The result was impacted by the lack of supplementary feeding in the beef and sheep sectors when compared to Q1 of the previous year and the effects of the Victorian Avian Influenza (AI) outbreak on our mills, which lasted longer than expected. In addition, procurement margins were not as strong as the pcp as opportunities to differentiate based on seasonal buying strategies did not eventuate. Partially offsetting these was the underlying volume growth in ruminant, primarily dairy and in monogastric, where the genetics issue affecting the broiler industry was resolved after a prolonged period of weaker volumes.

**Corporate costs** of \$6.8m represented an increase over the corresponding period of \$0.3m (5.1%). Corporate costs included a small foreign exchange loss, after excluding this, the corporate costs were well managed given the general inflationary environment.

The business reported net individually significant items of \$13 thousand (k) income, which comprised of \$214k in acquisition costs, offset by \$227k of land management gains. The acquisition costs relate to the acquisitions of OMP and Carrick and the land management gain related to the recovery of costs written off in a prior period.

Depreciation and amortisation increased by \$2.6 million to \$15.1 million. The increase included the new depreciation and amortisation charges for the acquired OMP business (\$1.2m). The remainder of the increase related primarily to a number of large capital projects that were commissioned in the last twelve months. These include the package line at Narangba and the Pakenham debottlenecking project.

There was a \$1.4m increase in finance costs in the period, to \$4.9m, which reflects the increased interest rates and the higher debt level following the acquisition of both OMP and Carrick.

<sup>1</sup> Refer Note 1 (b) for further information.

## Cashflows and debt

The operating cash inflow of \$49.2m for FY25 1H (FY24 1H: \$35.1m) was delivered primarily through disciplined working capital management. The business elected not to hold 'strategic' inventory at the half as the operating environment did not provide any clear opportunities to take advantage of the prevailing market conditions (pcp was \$11m).

Net Debt was \$69.1m at 31 December 2024 (30 June 2024 \$50.8m). With capital expenditure and the increased dividends funded through operating cashflow, the increase related primarily to the final working capital settlement for OMP (\$6.2m) and the acquisition of Carrick (\$8.1m). The Gearing and Leverage ratios at 31 December 2024 were 25.0% and 0.72x respectively.

The strong cashflow and debt position has supported the increase in the underlying dividend.

## Outlook

Ridley's business portfolio, with its diversified spread of operations and markets, continues to provide resilience in managing inflationary pressures, biosecurity events and changes in commodity cycles.

In FY25, Ridley expects earnings<sup>1</sup> growth from:

- the contribution from OMP
- increased volumes in Bulk Stockfeeds and Packaged products
- operating benefits from Clifton and Carrick expansions
- efficiency savings from the restructure of extrusion operations.

The Business Reset to support the next phase of our Growth Plan is expected to deliver \$5m<sup>1</sup> per annum in cost savings for FY26 onwards.

Implementation is expected to be largely complete by end FY25 with approx. \$3.5m in one off restructuring cost<sup>2</sup>.

<sup>1</sup> EBITDA before individually significant items.

<sup>2</sup> Treated as individually significant items.

For further information please contact:

Richard Betts Chief Financial Officer Ridley Corporation Limited +61 0401 506 882
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# **RIDLEY CORPORATION LIMITED DIRECTORS' REPORT**

## **FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

The Directors of Ridley Corporation Limited (the "Company") present their report together with the consolidated financial statements for the six months ended 31 December 2024 and the review report thereon.

### **1. Directors**

The Directors of the Company at any time during or since the end of the half year and up to the date of this report are as follows:

M McMahon

Q L Hildebrand

J E Raffe

M Laing

R Jones

D Masters (appointed 4 Oct 2024)

E Knudsen (resigned 4 Oct 2024)

### **2. Review of Operations**

The review of operations is set out on pages 2 and 3.

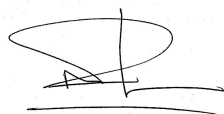
### **3. Lead Auditor's Independence Declaration**

The lead auditor's independence declaration is set out on page 6 and forms part of the directors' report for the six months ended 31 December 2024.

Signed in Melbourne on 20 February 2025 in accordance with a resolution of the Directors.

### **4. Rounding off**

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the condensed consolidated interim financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.



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**Mick McMahon**  
Director and Ridley Chair



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**Quinton Hildebrand**  
CEO and Managing Director



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

To the Directors of Ridley Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Ridley Corporation Limited for the half-year ended 31 December 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



Julie Carey

*Partner*

Melbourne

20 February 2025

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	December 2024 \$'000	December 2023 \$'000
Revenue	658,850	637,786
Cost of sales	(595,347)	(576,708)
<b>Gross profit</b>	<b>63,503</b>	61,078
Other income	125	179
Selling and distribution expenses	(8,609)	(7,671)
General and administrative expenses	(19,473)	(19,825)
<b>Operating profit</b>	<b>35,546</b>	33,761
Finance income	403	364
Finance costs	(5,265)	(3,834)
<b>Net finance costs</b>	<b>(4,862)</b>	(3,470)
<b>Profit before income tax expense</b>	<b>30,684</b>	30,291
Income tax expense	5(a) (8,498)	(8,847)
<b>Profit after income tax</b>	<b>22,186</b>	21,444
<b>Other comprehensive income / (loss)</b>		
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
Net gain / (loss) on cash flow hedges, net of tax	(1,077)	-
<b>Other comprehensive income for the year, net of tax</b>	<b>(1,077)</b>	-
<b>Total comprehensive income for the year</b>	<b>21,109</b>	21,444
<b>Total comprehensive income for the year attributable to:</b>		
Ridley Corporation Limited	21,109	21,444
<b>Earnings per share</b>		
	<b>cents</b>	<b>cents</b>
Basic earnings per share	6.7c	6.8c
Diluted earnings per share	6.5c	6.6c

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2024**

	Note	December 2024 \$'000	(Restated) <sup>1</sup> June 2024 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6	40,938	34,196
Trade and other receivables	2	133,278	134,995
Inventories	2	107,033	105,338
Derivative financial instruments		-	414
<b>Total current assets</b>		<b>281,249</b>	<b>274,943</b>
<b>Non-current assets</b>			
Property, plant and equipment	3	288,550	281,637
Intangible assets	4	115,565	111,467
Other receivables		175	175
<b>Total non-current assets</b>		<b>404,290</b>	<b>393,279</b>
<b>Total assets</b>		<b>685,539</b>	<b>661,982</b>
<b>Current liabilities</b>			
Trade and other payables	2	214,170	224,247
Interest bearing liabilities	6	6,556	5,092
Provisions		15,182	14,635
Tax liabilities		2,168	4,973
Derivative financial instruments		1,124	-
<b>Total current liabilities</b>		<b>239,200</b>	<b>248,947</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities	6	115,389	93,202
Deferred tax liabilities		1,342	2,578
Provisions		469	376
<b>Total non-current liabilities</b>		<b>117,200</b>	<b>96,156</b>
<b>Total liabilities</b>		<b>356,400</b>	<b>345,103</b>
<b>Net assets</b>		<b>329,139</b>	<b>323,119</b>
<b>Equity</b>			
Share capital		218,090	218,090
Reserves		425	(462)
Retained earnings		110,624	105,491
<b>Total equity</b>		<b>329,139</b>	<b>323,119</b>

<sup>1</sup> Comparative information for the year ended 30 June 2024 has been restated due to the finalisation of acquisition accounting. Refer to note 8.

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



## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Share Capital \$'000	Share Based Payments Reserve \$'000	Treasury Shares Reserve \$'000	Cash flow hedge Reserve \$'000	Retained Earnings \$'000	Total \$'000
<b>2024</b>						
<b>Opening balance at 1 July 2024</b>	218,090	4,309	(5,020)	249	105,491	323,119
Profit / (Loss) for the year	-	-	-	-	22,186	22,186
Other Comprehensive (Loss) / Income	-	-	-	(1,077)	-	(1,077)
<b>Total Comprehensive (Loss) / Income for the year</b>	-	-	-	(1,077)	22,186	21,209
<b>Transactions with owners recognised directly in equity:</b>						
Dividends paid / declared	-	124	-	-	(14,686)	(14,562)
Shares purchased on market <sup>1</sup>	-	-	(5,438)	-	-	(5,438)
Shares released for LTIP <sup>2</sup>	-	-	8,573	-	(8,573)	-
Transfer to retained earnings	-	(2,513)	-	-	2,513	-
Share based payments transactions	-	1,219	-	-	-	1,219
Net deferred tax impact on treasury shares purchased for the LTIP <sup>3</sup>	-	-	-	-	3,693	3,693
<b>Total transactions with owners recognised directly in equity</b>	-	(1,171)	3,135	-	(17,053)	(15,089)
<b>Balance at 31 December 2024</b>	<b>218,090</b>	<b>3,138</b>	<b>(1,885)</b>	<b>(828)</b>	<b>110,624</b>	<b>329,139</b>
<b>2023</b>						
<b>Opening balance at 1 July 2023</b>	218,090	4,227	(6,115)	-	99,185	315,386
Profit for the year	-	-	-	-	21,444	21,444
Other Comprehensive (Loss) / Income	-	-	-	-	-	-
<b>Total Comprehensive (Loss) / Income for the year</b>	-	-	-	-	21,444	21,444
<b>Transactions with owners recognised directly in equity:</b>						
Dividends paid / declared	-	133	-	-	(13,423)	(13,290)
Shares purchased on market	-	-	(3,525)	-	-	(3,525)
Shares released for LTIP	-	-	9,000	-	(9,000)	-
Transfer to retained earnings	-	(2,040)	-	-	2,040	-
Share based payments transactions	-	1,130	-	-	-	1,130
<b>Total transactions with owners recognised directly in equity</b>	-	(777)	5,474	-	(20,383)	(15,685)
<b>Balance at 31 December 2023</b>	<b>218,090</b>	<b>3,450</b>	<b>(641)</b>	<b>-</b>	<b>100,246</b>	<b>321,145</b>

<sup>1</sup> During FY25 1H, the Group purchased its own shares on-market at a value of \$5.4m for the purpose of allocating these shares to eligible employees as a part of the Group's Long-Term Incentive Plan (FY24 1H: \$3.5m).

<sup>2</sup> During FY25 1H, the Group awarded \$8.6m value for the vested LTIP to eligible employees (FY24 1H: \$9.0m).

<sup>3</sup> The impact to equity represents the amount of the tax deduction on treasury shares purchased for the LTIP, that exceeds the amount of the related cumulative share based payment expense.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>December 2024 \$'000</b>	<b>December 2023 \$'000</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		729,327	690,004
Payments to suppliers and employees		(678,978)	(655,183)
Other income received		125	179
Interest paid		(5,178)	(3,555)
Interest received		403	364
Income taxes paid		(8,422)	(7,254)
<b>Net cash from operating activities</b>		<b>37,277</b>	<b>24,555</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(17,907)	(17,566)
Payments for intangibles		-	(1,277)
Payments for purchase of business		(14,358)	-
<b>Net cash from / (used in) investing activities</b>		<b>(32,265)</b>	<b>(18,843)</b>
<b>Cash flows from financing activities</b>			
Employee share scheme purchases		(420)	(646)
LTIP share purchase		(5,438)	(3,525)
Proceeds from loans and borrowings		61,000	20,000
Repayment of borrowings		(36,000)	(10,000)
Dividends paid	7	(14,562)	(13,290)
Payment of lease liabilities		(2,850)	(2,378)
<b>Net cash used in financing activities</b>		<b>1,730</b>	<b>(9,839)</b>
<b>Net movement in cash held</b>		<b>6,742</b>	<b>(4,127)</b>
<b>Cash at the beginning of the period</b>		<b>34,196</b>	<b>43,023</b>
<b>Cash at the end of the half year</b>		<b>40,938</b>	<b>38,896</b>

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

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

## Overview

Ridley Corporation Limited (the “Company”) is a company limited by shares, incorporated and domiciled in Australia. These condensed consolidated interim financial statements as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group”).

The nature of the operations and principal activities of the Company are described in the segment information in Note 1.

## Basis of preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and IAS 34 *Interim Financial Reporting*.

They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

These interim financial statements were authorised for issue by the Company’s Board of Directors on 20 February 2025.

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2016/191* and in accordance with the legislative instrument, amounts in the consolidated interim financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

## Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates about the future that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those described in the last annual financial statements.

## Changes in accounting policies and standards

The accounting policies applied by the Group in the interim financial statements are the same as those applied by the Group in the consolidated financial report for the year ended 30 June 2024 except for new and amended standards and interpretations effective 1 July 2024.

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

## New sustainability reporting standards

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

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

## 1. Segment Report

### (a) Identification and description of segments

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

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

Reportable segment	Products / services	Countries of operation
Packaged Feeds and Ingredients	Manufacture and supply premium quality, high performance animal nutrition feed and ingredient solutions delivered in packaged form ranging from 1 tonne bulka bag down to 3kg bags.	<ul style="list-style-type: none"> <li>• Australia</li> <li>• New Zealand</li> <li>• Thailand</li> </ul>
Bulk Stockfeeds	Manufacture and supply premium quality, high performance animal nutrition stockfeed solutions delivered in bulk.	<ul style="list-style-type: none"> <li>• Australia</li> </ul>

### (b) Reportable segments

31 December 2024 in \$'000	Bulk Stockfeeds	Packaged / Ingredients	Corporate	Consolidated
Revenue	451,794	207,056	-	658,850
Earnings before significant items, interest, tax and depreciation and amortisation	21,688	35,747	(6,841)	50,595
Depreciation and amortisation	(8,895)	(6,164)	(3)	(15,062)
Finance costs	-	-	(4,862)	(4,862)
<b>Reportable segment profit / (loss) before income tax and individually significant items</b>	<b>12,794</b>	<b>29,583</b>	<b>(11,706)</b>	<b>30,671</b>
Individually significant items	-	-	13	13
<b>Reportable segment profit / (loss) before income tax</b>	<b>12,794</b>	<b>29,583</b>	<b>(11,694)</b>	<b>30,684</b>
Total segment assets	344,244	278,267	63,029	685,539
Total segment liabilities	(181,635)	(60,395)	(114,370)	(356,400)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

**(b) Reportable segments (continued)**

<b>31 December 2023 in \$'000</b>	<b>Bulk Stockfeeds</b>	<b>Packaged / Ingredients</b>	<b>Corporate</b>	<b>Consolidated</b>
Revenue	444,119	193,667	-	637,786
Earnings before significant items, interest, tax and depreciation and amortisation	22,993	31,477	(6,510)	47,960
Depreciation and amortisation	(8,066)	(4,458)	(8)	(12,532)
Finance costs	-	-	(3,471)	(3,471)
<b>Reportable segment profit / (loss) before income tax and individually significant items</b>	<b>14,928</b>	<b>27,019</b>	<b>(9,989)</b>	<b>31,958</b>
Individually significant items	-	(1,409)	(258)	(1,667)
<b>Reportable segment profit / (loss) before income tax</b>	<b>14,928</b>	<b>25,610</b>	<b>(10,247)</b>	<b>30,291</b>
Total segment assets	316,920	248,968	62,370	628,258
Total segment liabilities	(167,120)	(54,619)	(85,373)	(307,112)

**(c) Individually significant items**

	<b>December 2024</b>			<b>December 2023</b>		
	<b>Gross \$'000</b>	<b>Tax \$'000</b>	<b>Net \$'000</b>	<b>Gross \$'000</b>	<b>Tax \$'000</b>	<b>Net \$'000</b>
<b>Profit after income tax includes the following individually significant items of expense:</b>						
Acquisition transaction costs <sup>1</sup>	<b>(214)</b>	<b>51</b>	<b>(163)</b>	(1,409)	207	(1,202)
Land management income / (costs) <sup>2</sup>	<b>227</b>	<b>(68)</b>	<b>159</b>	(258)	77	(181)
<b>Total</b>	<b>13</b>	<b>(17)</b>	<b>(4)</b>	(1,667)	284	(1,383)

<sup>1</sup> Transaction costs associated with the acquisition of Oceania Meat Processors (OMP) and Carrick.

<sup>2</sup> The Group incurred additional gains / (costs) associated with the FY21 sale of Moolap land, the net gain was reported as an individually significant item.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 2. Working capital

Working capital includes current receivables, inventories and payables (net of provisions) that arise from normal trading conditions.

	December 2024 \$'000	June 2024 \$'000
Trade and other receivables	133,278	134,995
Inventories	107,033	105,338
Trade and other payables	(214,170)	(224,247)
<b>Working capital</b>	<b>26,141</b>	<b>16,086</b>

### 3. Property, plant and equipment

During the six months ended 31 December 2024, the Group acquired assets with a cost of \$21.0m (six months ended 31 December 2023: \$23.3m). This amount excludes capitalised borrowing costs, but includes assets acquired through business combinations (see Note 8) of \$1.5m (six months ended 31 December 2023: nil).

### 4. Intangible assets and goodwill

During the six months ended 31 December 2024, the Group acquired assets with a cost of \$5.1m (six months ended 31 December 2023: \$1.9m). This amount excludes capitalised borrowing costs, but includes assets acquired through business combinations (see Note 8) of \$5.1m (six months ended 31 December 2023: nil).

### 5. Income tax expense

#### (a) Income tax expense for the period

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by managements best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate in the annual financial statements.

#### (b) Income tax recognised in equity

	December 2024			December 2023		
	Gross \$'000	Tax \$'000	Net \$'000	Gross \$'000	Tax \$'000	Net \$'000
<b>Cash flow hedges</b>				-	-	-
Effective portion of changes in fair value	(1,538)	461	(1,077)	-	-	-
<b>Total recognised in equity</b>	<b>(1,538)</b>	<b>461</b>	<b>(1,077)</b>	-	-	-

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 6. Financial instruments

#### (a) Standby arrangements and loan facilities

Reconciliation of net debt:

	December 2024 \$'000	June 2024 \$'000
Current lease liabilities	6,556	5,092
Non-current borrowings	110,000	85,000
Non-current lease liabilities	5,389	8,202
Less cash and cash equivalents	<u>(40,938)</u>	<u>(34,196)</u>
Net debt	81,007	64,098
Less lease liabilities	<u>(11,945)</u>	<u>(13,294)</u>
Net debt – excluding lease liabilities	<u><u>69,062</u></u>	<u><u>50,804</u></u>

#### Loan facilities

Secured long term loan facility	150,000	150,000
Amounts of facility utilised	<u>80,000</u>	<u>55,000</u>
Trade receivables facility	30,000	30,000
Amount of facility utilised	<u>30,000</u>	<u>30,000</u>

#### (b) Fair value measurement

The carrying amount of financial assets and liabilities approximates their fair value. For financial assets and liabilities carried at fair value, the Group uses the following to categorise the method used:

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

At reporting date, the derivative financial instruments on the balance sheet include forward exchange contracts. The fair values of these contracts are calculated by reference to forward exchange market rates and are valued using level 1 inputs.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 7. Dividends

	December 2024 \$'000	December 2023 \$'000
Dividends paid in the half year ended 31 December were:		
<b>Ordinary shares</b>		
final dividend of 4.25 cents per share, fully franked, paid 26 October 2023	-	13,423
final dividend of 4.65 cents per share, fully franked, paid 24 October 2024	<b>14,686</b>	-
Dividends paid in cash or applied to employee in-substance option loan balances during the year were as follows:		
- paid in cash	<b>14,562</b>	13,290
- non-cash dividends paid applied to employee in-substance option loan balances	<b>124</b>	133

Subsequent to period end, the Directors have approved the payment of an interim dividend of 4.75 cps (fully franked) for a cash outlay of approximately \$15.0 million, expected to be paid on 24 April 2025.

### 8. Business combinations

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

#### Acquisition in 2025 – Provisional

On 31 August 2024, the Group acquired the business assets of the Carrick feedmill in Tasmania from Pure Foods Eggs. The purchase price was \$8.1m. The acquisition will enable the Group to provide for ruminant growth in Tasmania and backfill opportunities in Gippsland, Victoria. In the four months to 31 December 2024, the Carrick feedmill contributed EBITDA of \$61 thousand loss to the Group's results.

	December 2024 Provisional \$'000
Consideration	
cash paid	<b>8,118</b>
Fair value of net assets of business acquired	
Inventory	<b>1,627</b>
Property, plant and equipment	<b>1,453</b>
Customer relationships	<b>124</b>
Provisions	<b>(137)</b>
Deferred Tax Liability	<b>(37)</b>
Total fair value of net assets of business acquired	<b>3,030</b>
Goodwill on acquisition	<b>5,088</b>



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

### 8. Business combinations (continued)

Goodwill on the purchase is attributable mainly to the skills and technical talent of the acquired business' workforces and the synergies expected to be achieved from integrating this business. None of the goodwill recognised is expected to be deductible for income tax purposes. The Group incurred acquisition-related costs of \$98 thousand in legal fees and due diligence costs. These costs are included in 'general and administrative expenses' in the Condensed Consolidated Income Statement and in operating cash flows in the Condensed Consolidated Statement of Cash Flows.

#### Acquisition in 2024

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

For the three months ended 30 June 2024, OMP contributed EBITDA of AUD\$3.2m to the Group's results. Goodwill on the purchase is attributable mainly to the skills and technical talent of the acquired business' workforces and the synergies expected to be achieved from integrating this business. None of the goodwill recognised is expected to be deductible for income tax purposes. The Group incurred acquisition-related costs of \$2.2m on legal fees and due diligence costs. These costs were included in 'general and administrative expenses' in the Consolidated Income Statement and in operating cash flows in the Consolidated Statement of Cash Flows at 30 June 2024.

#### Updates to provisional accounting

Finalisation of the acquisition accounting was completed within the 12-month measurement period, resulting in a retrospective change to the provisional fair values presented in the 30 June 2024 financial report. The change related to the working capital settlement, resulting in an increase in the purchase price and an update to the provisional accounting at 30 June 2024.

Due to the nature of the adjustment, there is no impact on reported net assets, profit after tax or comprehensive income as previously disclosed for the comparative period. The above change resulted in an increase in goodwill of \$3.8m as shown in the table below:

	<b>2024 Provisional \$'000</b>	<b>Adjustment \$'000</b>	<b>2024 Restated \$'000</b>
Consideration			
cash paid	53,048	-	<b>53,048</b>
working capital settlement	2,399	3,841	<b>6,240</b>
Total consideration	55,447	3,841	<b>59,288</b>
Fair value of net assets of business acquired			
Trade and other receivables	13,373	-	<b>13,373</b>
Inventory	11,424	-	<b>11,424</b>
Trade and other payables	(5,105)	-	<b>(5,105)</b>
Other non-current receivables	175	-	<b>175</b>
Property, plant and equipment	9,907	-	<b>9,907</b>
Customer relationships	15,197	-	<b>15,197</b>
Lease liabilities	(2,647)	-	<b>(2,647)</b>
Provisions	(265)	-	<b>(265)</b>
Deferred tax liability	(4,559)	-	<b>(4,559)</b>
Total fair value of net assets of business acquired	37,500	-	<b>37,500</b>
Goodwill on acquisition	17,947	3,841	<b>21,788</b>

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

### **9. Contingent liabilities**

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

### **10. Events occurring after the balance sheet date**

The Board has determined to pay an interim dividend of 4.75 cps, fully franked and payable on 24 April 2025.

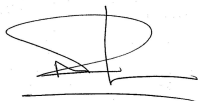
The Directors have not become aware of any other significant matter or circumstance that has arisen since 31 December 2024, that has affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years, which has not been covered in this report.

## DIRECTORS' DECLARATION

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

- (a) The condensed consolidated financial statements and notes that are set out on pages 7 to 18 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and
  - (ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the six month period ended on that date.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



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M McMahon  
Director and Ridley Chair



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Q L Hildebrand  
CEO and Managing Director

Melbourne  
20 February 2025



# Independent Auditor's Review Report

To the shareholders of Ridley Corporation Limited

## Report on the Condensed Half-year Financial Report

### Conclusion

We have reviewed the accompanying *Condensed Half-year Financial Report* of Ridley Corporation Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Half-year Financial Report of Ridley Corporation Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The *Condensed Half-Year Financial Report* comprises:

- Condensed consolidated balance sheet as at 31 December 2024;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 10 including selected explanatory notes; and
- The Directors' Declaration.

The Group comprises the Company and the entities it controlled at the Half year's end or from time to time during the Half-year.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

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



## Responsibilities of the Directors for the Condensed Half-year Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Half-year Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Half-year Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibilities for the Review of the Condensed Half-year Financial Report

Our responsibility is to express a conclusion on the Condensed Half-year Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the Half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Julie Carey

Partner

Melbourne

20 February 2025