

FOR AUSTRALIAN AGRICULTURE



Elders Limited FY21 Results Presentation

15 November 2021

Presented by
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Tania Foster CFO

DISCLAIMER AND IMPORTANT INFORMATION

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

Forward looking statements

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

Non-IFRS information

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

Agenda

Business Update

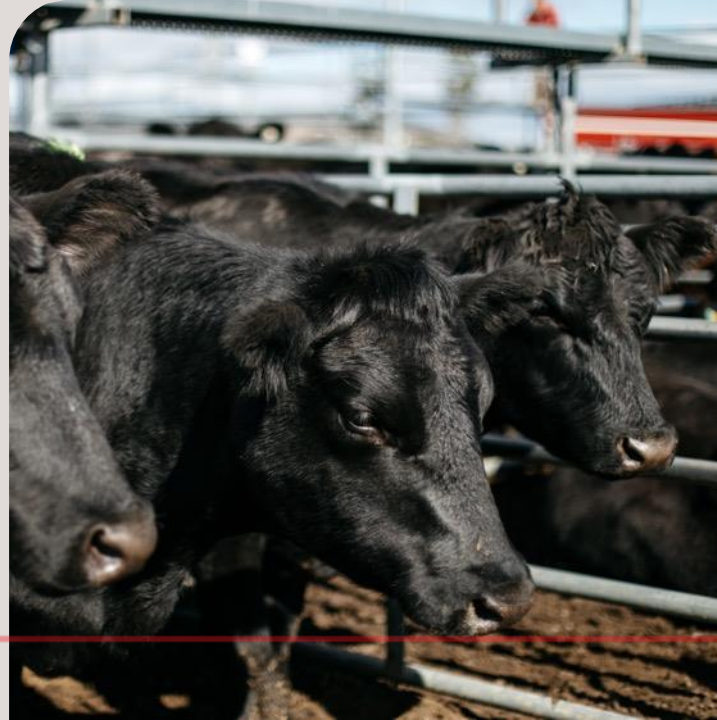
Financial Results

Business Performance

Growing our Business

Market Outlook

Questions



FY21 Highlights



PEOPLE

0.7
LTIFR

78%
employee
engagement

41%
female diversity¹

+256
FTE



CUSTOMERS

#1
most trusted
agribusiness brand

53
net promoter
score

+23
additional locations

**For Australian
Agriculture**
campaign launch



COMMUNITY

\$0.3m
to RFDS through
renewed sponsorship

\$2.1m
sponsorships and
donations

840
local community
sports teams and
events sponsored



SHAREHOLDERS

96.7 cents
underlying earnings
per share

42.0 cents
dividends
per share

43%
dividend
payout ratio

¹Excludes China, Indonesia and casuals

FY21 Financial Summary



SALES

\$2.5b

+22%

from \$2.1b



GROSS MARGIN

\$529.4m

+21%

from \$437.5m



EBIT

\$166.5m

+38%

from \$120.6m



COSTS

\$362.9m

+15%

from \$316.9m



COST TO EARN RATIO

Costs / gross margin

69%

from 72%



RETURN ON CAPITAL

EBIT / avg net operating assets

22.5%

from 18.9%



CASH CONVERSION

Operating cash flow / NPAT

94%

from 132%



LEVERAGE RATIO

Average net debt / EBITDA

1.4 times

from 2.0 times



GEARING RATIO

Average net debt / closing equity

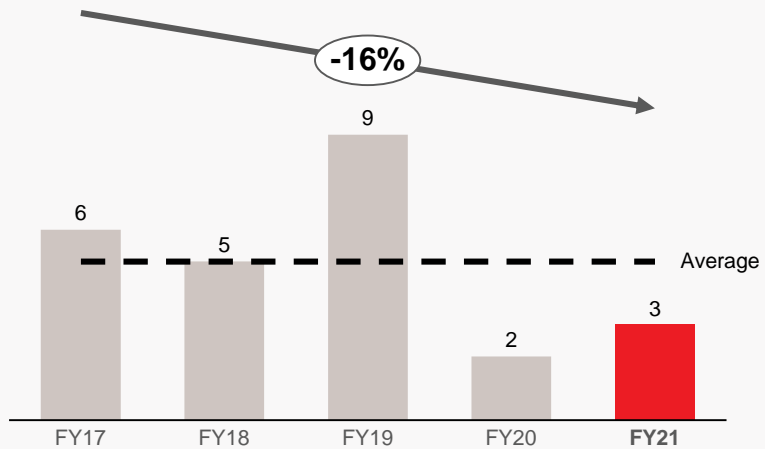
38.6%

from 47.2%

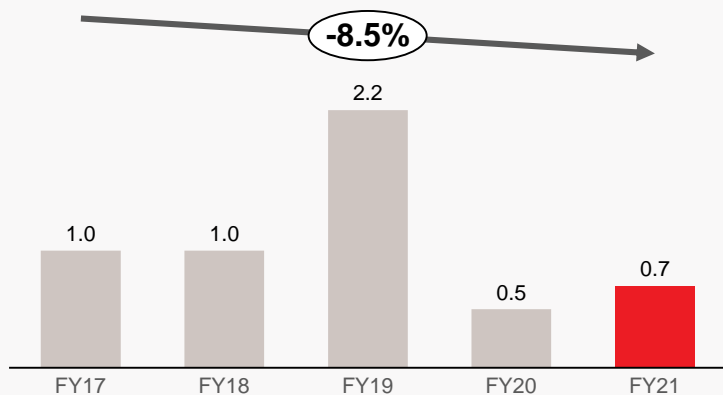


Safety, Health & Well-Being

Lost time injury (LTI)



Lost time injury frequency rate (LTIFR)



3

lost time injuries in FY21



16%

reduction in lost time injuries over the last five years with LTIFR at 0.7 for the year



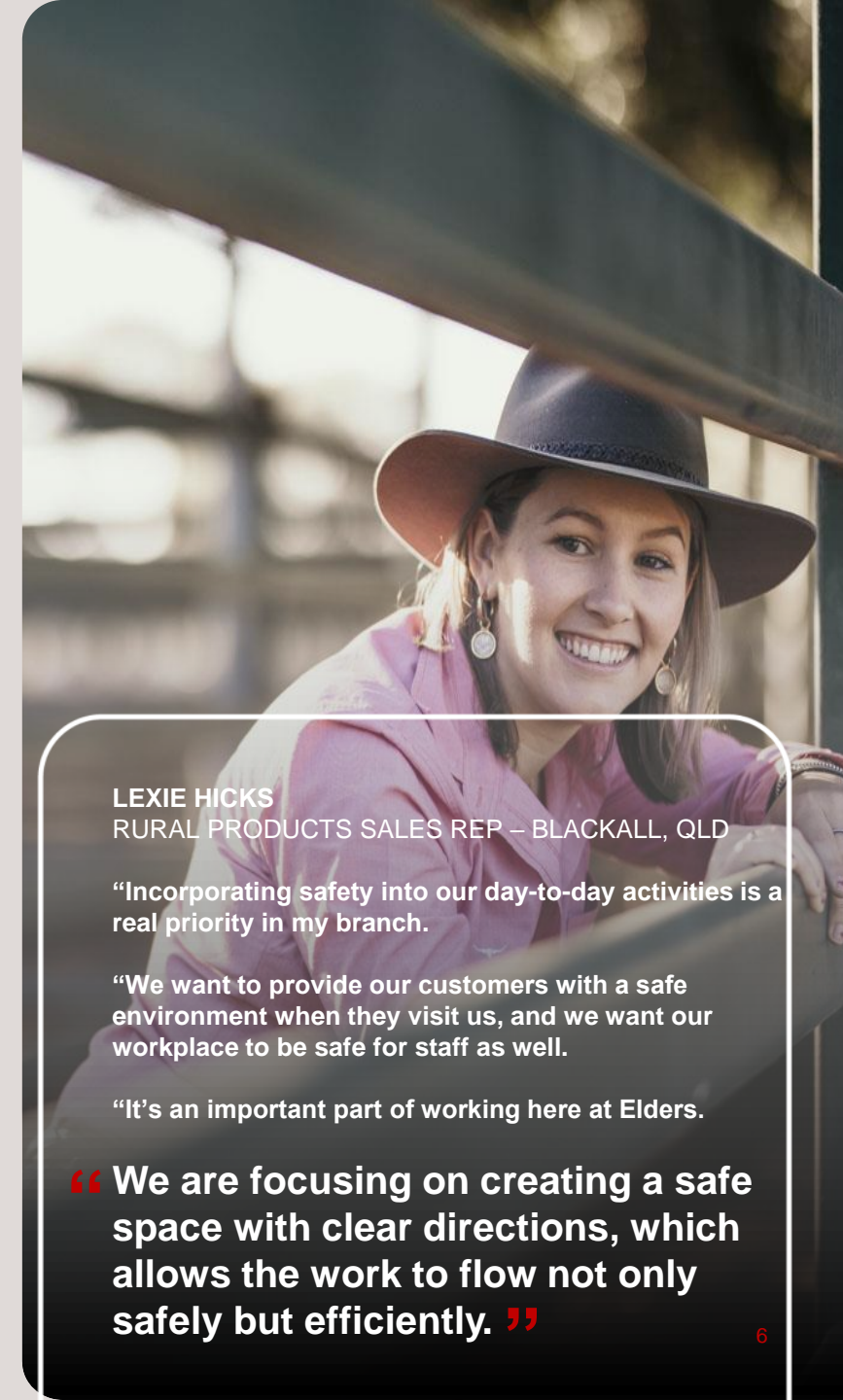
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critical risk teams established to reduce the risks of livestock handling, remote driving and manual handling



\$1.9m

invested in safety capital expenditure



LEXIE HICKS
RURAL PRODUCTS SALES REP – BLACKALL, QLD

“Incorporating safety into our day-to-day activities is a real priority in my branch.

“We want to provide our customers with a safe environment when they visit us, and we want our workplace to be safe for staff as well.

“It’s an important part of working here at Elders.

“ We are focusing on creating a safe space with clear directions, which allows the work to flow not only safely but efficiently. ”

Sustainability



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

- **Most trusted** agribusiness brand among regional Australians
- Launched **Elders Carbon Farming** advisory service
- **Over 40,000** agricultural chemical containers diverted from landfill



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

- **\$2.1 million** in sponsorships and donations, supporting local communities, charities and industry
- **535** new hires
- Record scores achieved on employee **engagement** (78%) and **enablement** (79%)¹



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

Targets set to reduce our Scope 1 and 2 greenhouse gas emissions²:

- **100%** renewable electricity in all Australian sites by 2025
- **50% reduction in Scope 1 and 2 emissions intensity** (tCO₂e/\$m revenue) by 2030, against a baseline year of 2021 (subject to commercially viable technology being available to address feedlot cattle emissions)
- **Net zero** Scope 1 and 2 emissions by 2050³



We operate ethically and to the highest standard

- Publication of our **first Modern Slavery Statement**
- Progressed alignment of **climate-related disclosures** with the Taskforce on Climate-related Financial Disclosures (TCFD) Recommendations

¹2021 Korn Ferry Elders Employee Effectiveness Survey

²Scope 1: direct emissions from owned or controlled sources. Scope 2: indirect emissions from the generation of purchased electricity

³Targets based on Elders' financial year ending 30 September

Financial Results





FY21 Financial Performance: Summary

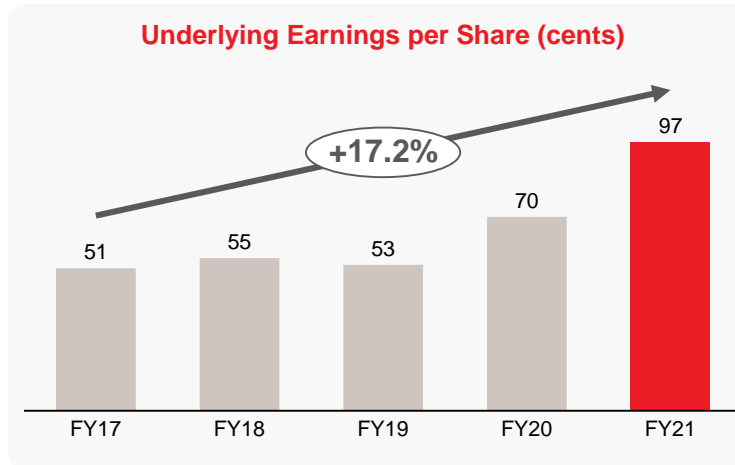
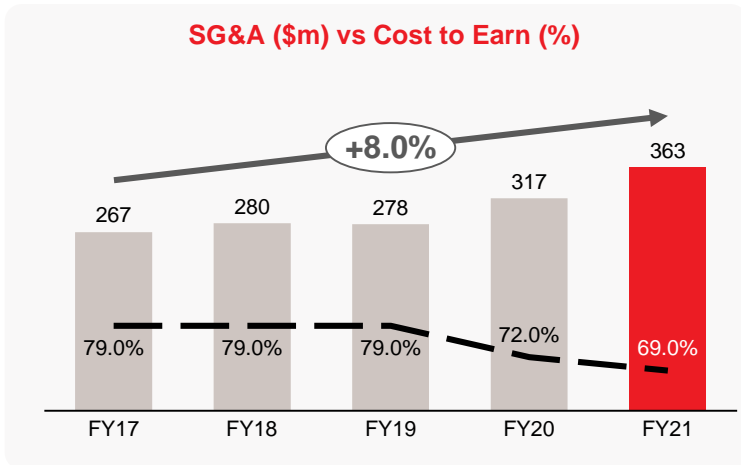
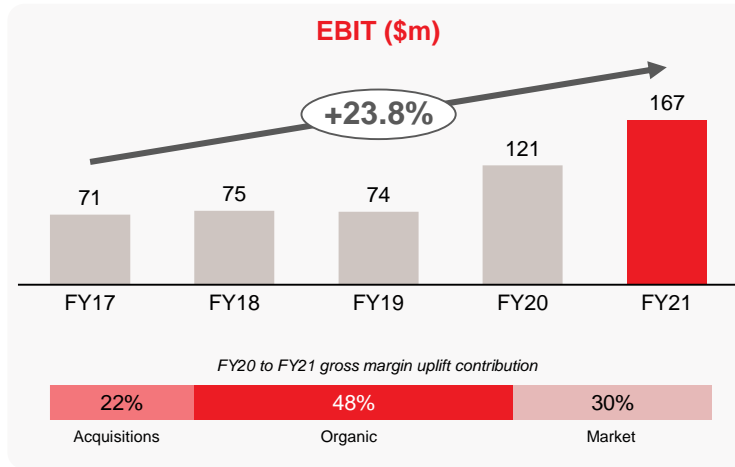
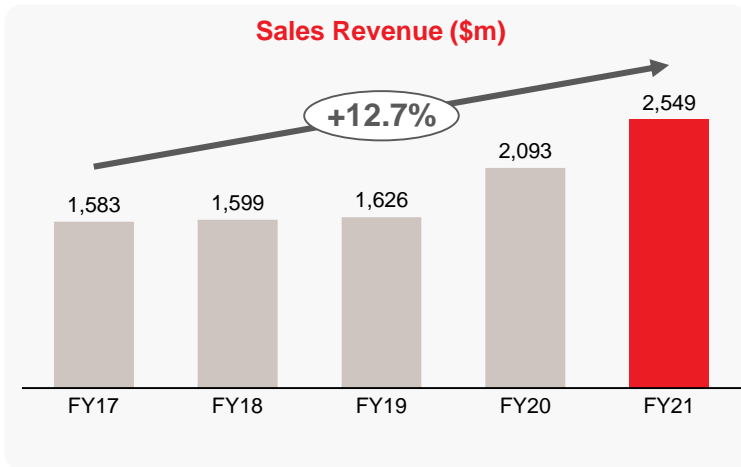
Strong performance across our key metrics

Key metrics (\$m)	FY21	FY20		Var	%
Sales revenue	2,548.9	2,092.6	↑	456.3	22%
Gross margin	529.4	437.5	↑	91.9	21%
Costs	362.9	316.9	↑	46.0	15%
Earnings before interest and tax	166.5	120.6	↑	45.9	38%
Underlying net profit after tax	151.1	107.7	↑	43.4	40%
Statutory net profit after tax	149.8	122.9	↑	26.9	22%
Return on capital (%) ¹	22.5%	18.9%	↑	3.6%	n/a
Net debt	216.9	237.5	↓	(20.6)	9%
Leverage ratio (times)	1.4	2.0	↓	(0.6)	(30%)
Operating cash flow	142.2	142.3	↓	(0.1)	(0%)
Underlying earnings per share (cents)	96.7	69.9	↑	26.8	38%
Dividend per share (cents)	42.0	22.0	↑	20.0	91%

¹Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + right of use assets + intangibles (excluding Elders brand name) – DTL on acquisitions – lease liabilities – provisions)

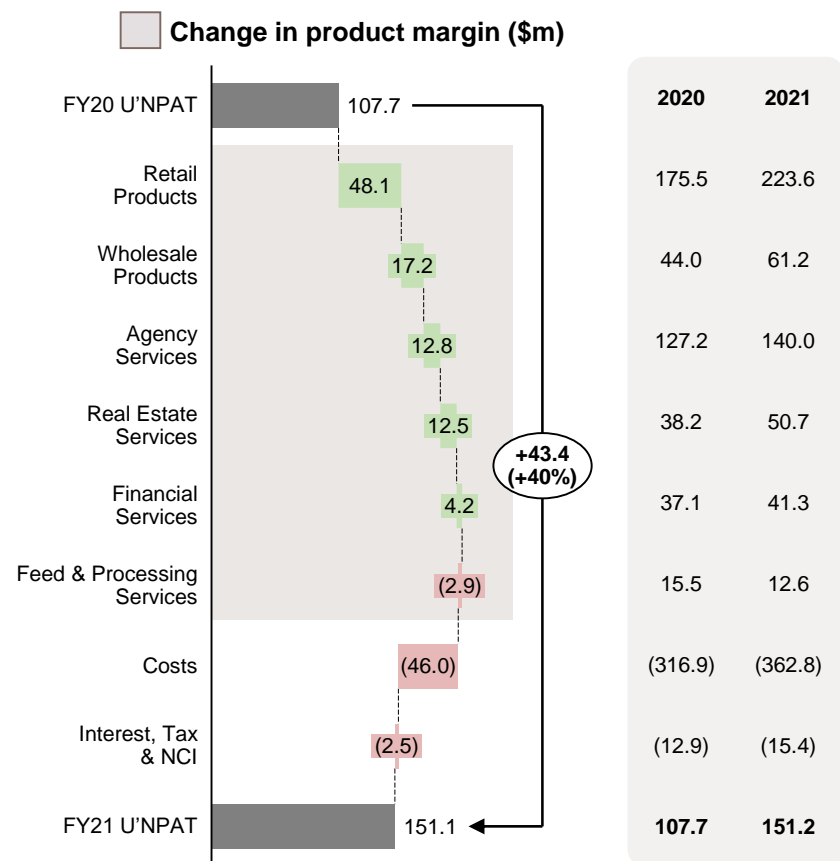
FY21 Financial Performance: Summary

Consistent growth over the last five years



FY21 Financial Performance: Product

Favourable performance across all products, with the exception of Feed and Processing businesses



RETAIL PRODUCTS <ul style="list-style-type: none"> increased sales activity +22% improved summer and winter cropping driving demand backward integration strategy 	FINANCIAL SERVICES <ul style="list-style-type: none"> growth and improved market conditions in our Insurance business full year of new livestock funding product
WHOLESALE PRODUCTS <ul style="list-style-type: none"> full year of AIRR acquisition sales growth in line with seasonal conditions +34% further uptake from the Elders network 	FEED & PROCESSING SERVICES <ul style="list-style-type: none"> pricing pressures on feeder cattle on margin at Killara Feedlot lower cattle volumes sold (-8%)
AGENCY SERVICES <ul style="list-style-type: none"> high livestock prices (cattle +31%, sheep +9%), partially offset by reduced volumes improved seasonal conditions 	COSTS <ul style="list-style-type: none"> more people increased performance incentives acquisitions Systems Modernisation
REAL ESTATE SERVICES <ul style="list-style-type: none"> residential turnover (+69%) farmland turnover (+28%) ongoing network expansion favourable market conditions 	INTEREST, TAX & NCI¹ <ul style="list-style-type: none"> historically low interest rates B&W Rural EBIT outperformance (up 113%)

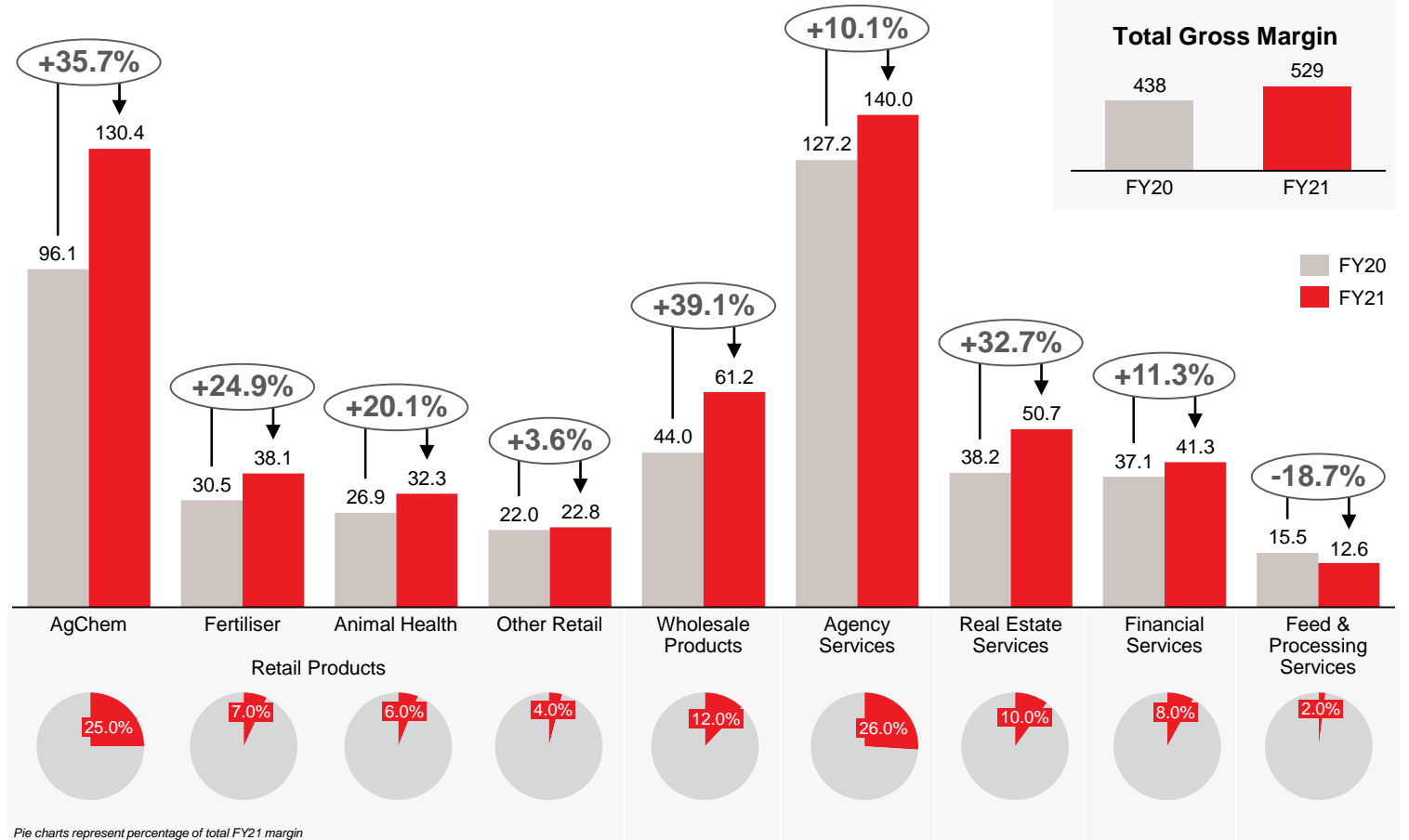
Underlying net profit after tax is calculated as total comprehensive income for the period (owners of the parent), add/subtract other comprehensive profit/(loss), add/subtract non-underlying items

¹NCI – Non controlling interests



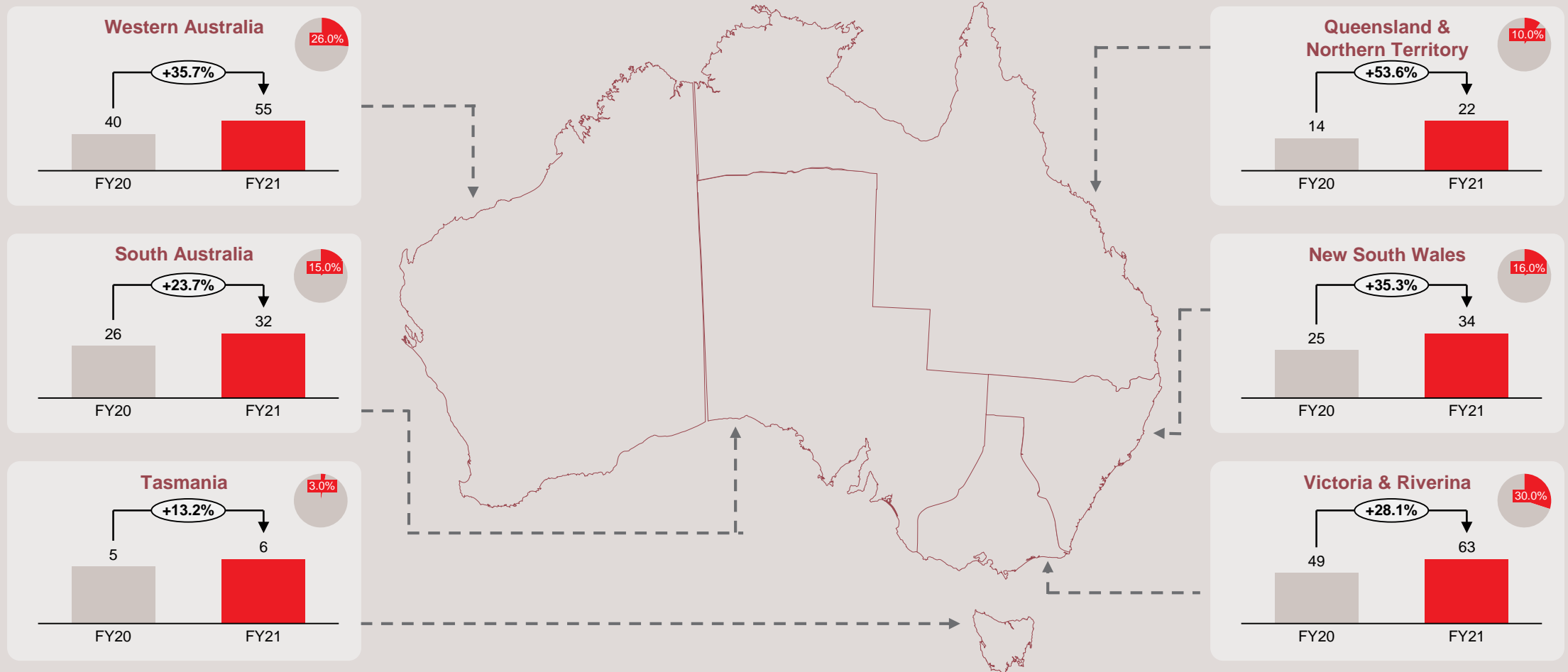
FY21 Financial Performance: Gross Margin

A diversified business model across product categories



FY21 Financial Performance: Geography

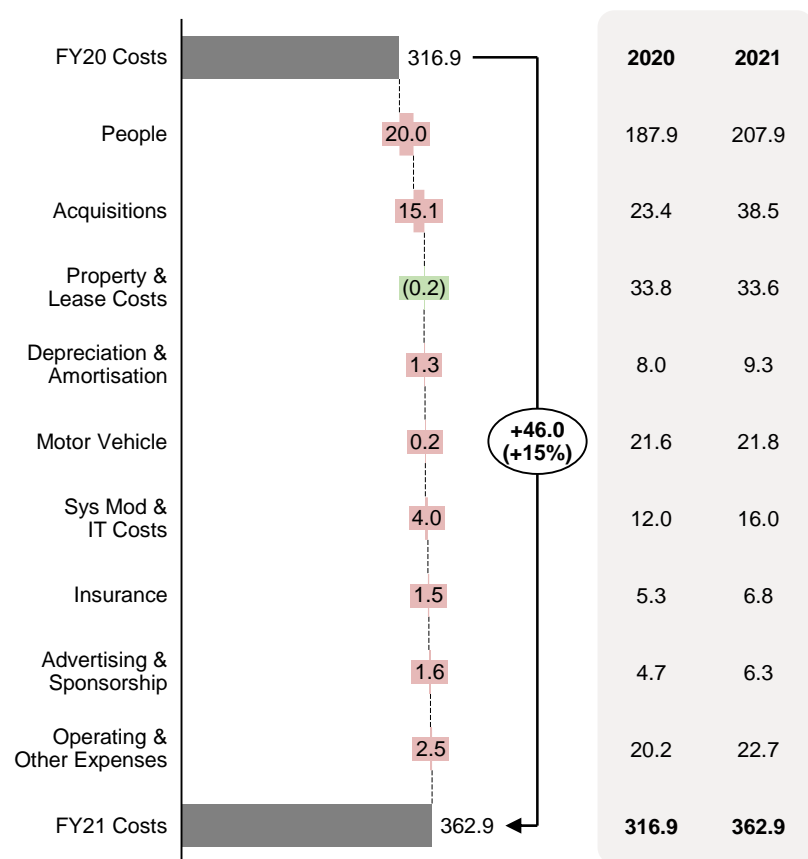
Strong growth across all geographies, with dispersion of our EBIT reducing risk



Excludes Corporate Overheads

FY21 Financial Performance: Costs

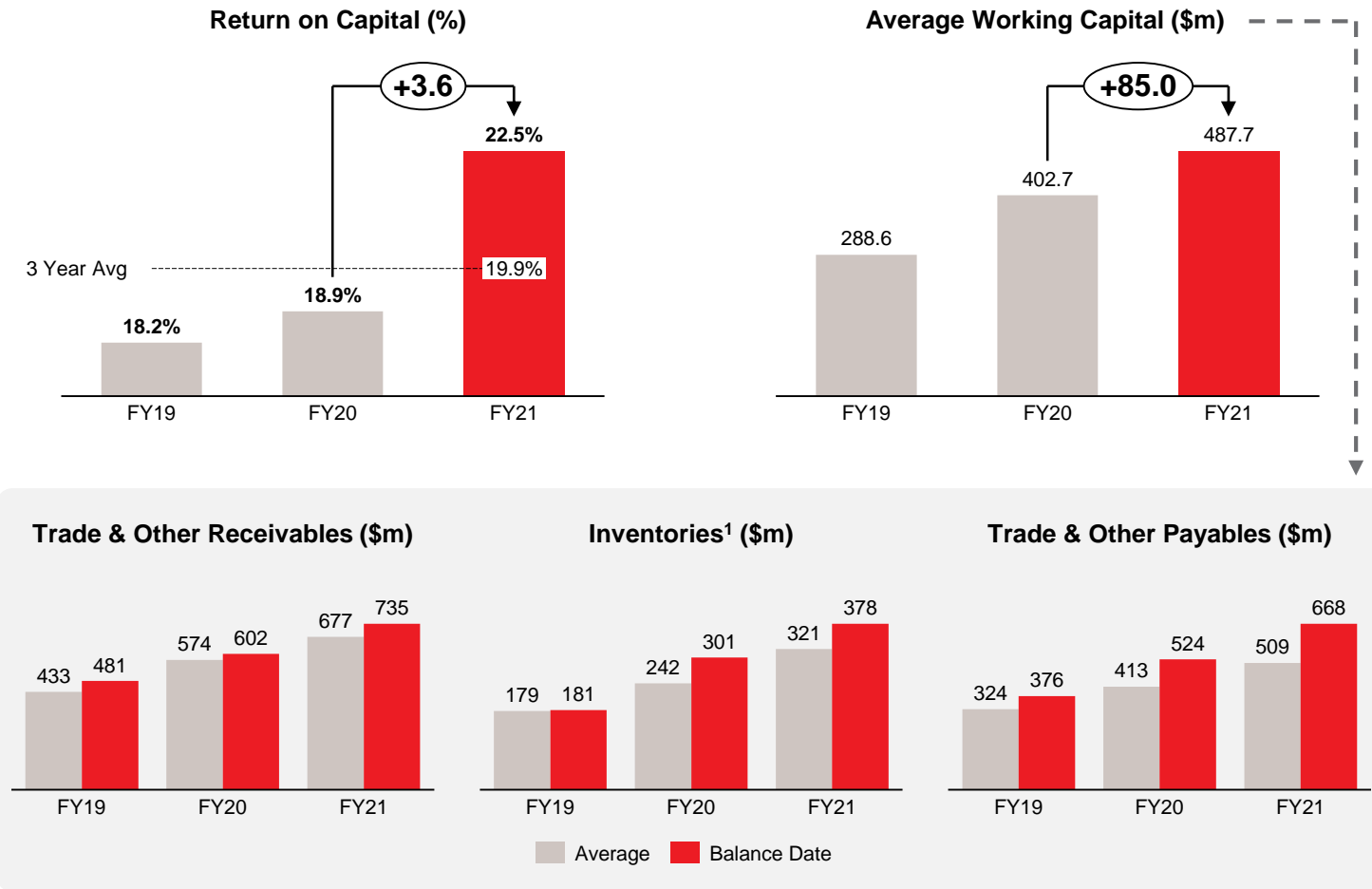
Investment in people and strategic initiatives driving increased costs



PEOPLE <ul style="list-style-type: none"> investment in network growth +116 FTE additional Corporate Services +23 FTE increased incentives 	SYS MOD & IT COSTS <ul style="list-style-type: none"> costs associated with first wave of Systems Modernisation implementation financial and reporting software and program upgrades
ACQUISITIONS <ul style="list-style-type: none"> AIRR full year impact, increased FTEs (29), incentives and more warehouses 9 acquisitions, including 88 FTEs 	INSURANCE <ul style="list-style-type: none"> additional activities, assets and turnover market related insurance premium increase livestock prices and turnover driving higher debtor insurance
PROPERTY & LEASE COSTS <ul style="list-style-type: none"> includes net property lease expenses and other property costs small savings in property maintenance costs 	ADVERTISING & SPONSORSHIP <ul style="list-style-type: none"> marketing and "For Australian Agriculture" brand campaign sponsorships and donations, including to local communities
DEPRECIATION & AMORTISATION <ul style="list-style-type: none"> increased capital expenditure, focused on safety and sustainability amortisation on acquisitions 	OPERATING & OTHER <ul style="list-style-type: none"> includes consulting, telephone, travel and entertainment, professional service fees and other expenses

FY21 Financial Performance: Capital

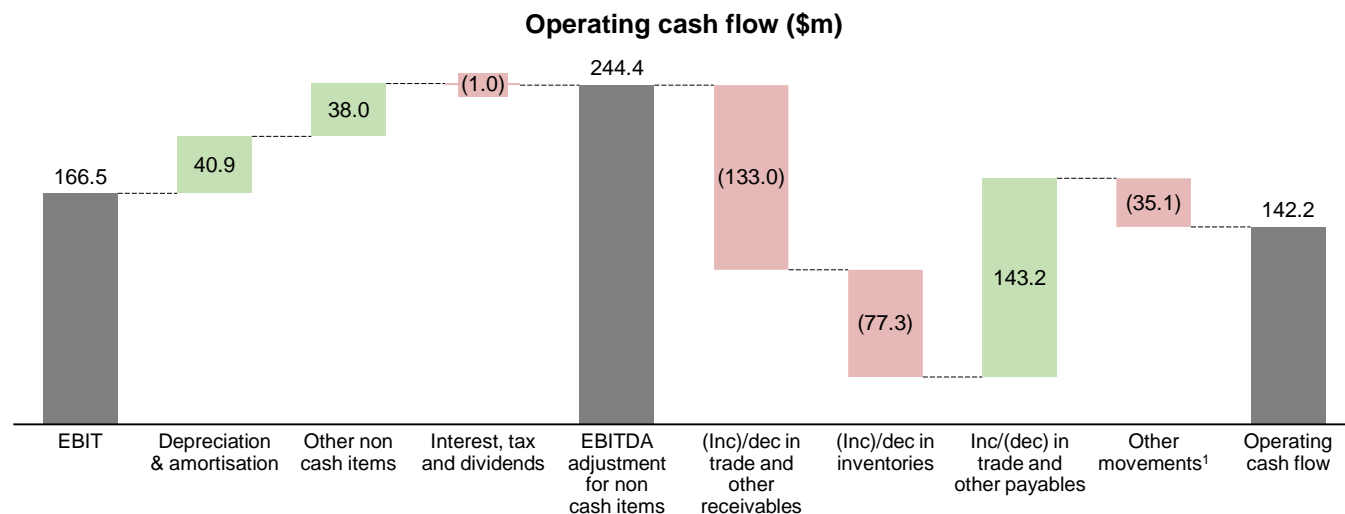
Return on capital increasing



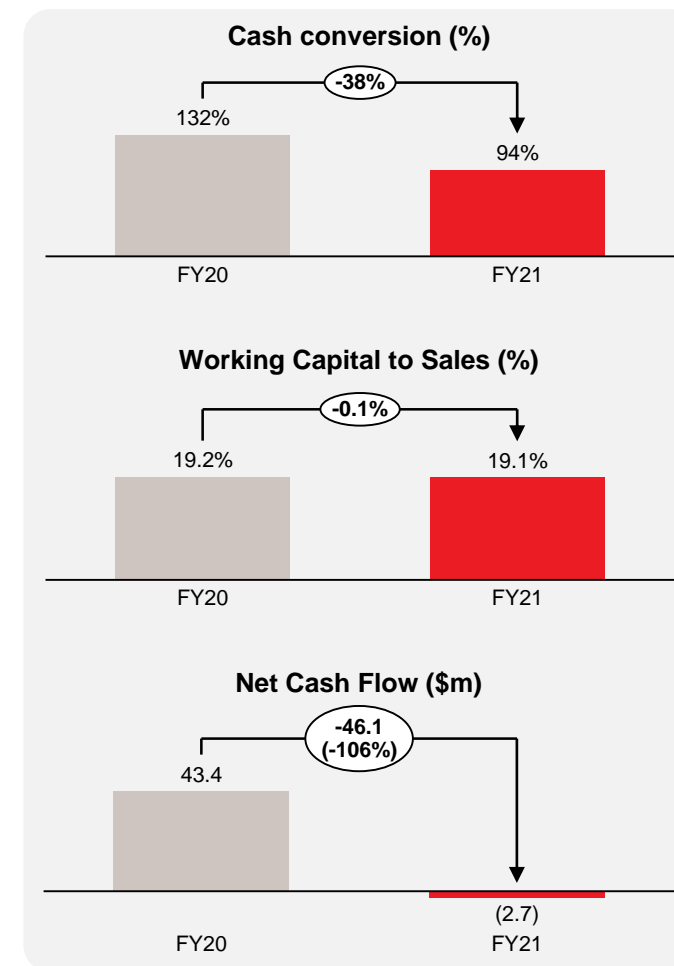
¹Including Livestock

FY21 Financial Performance: Cash Flow

Growth in debtors in line with sales activity; debtor days consistent



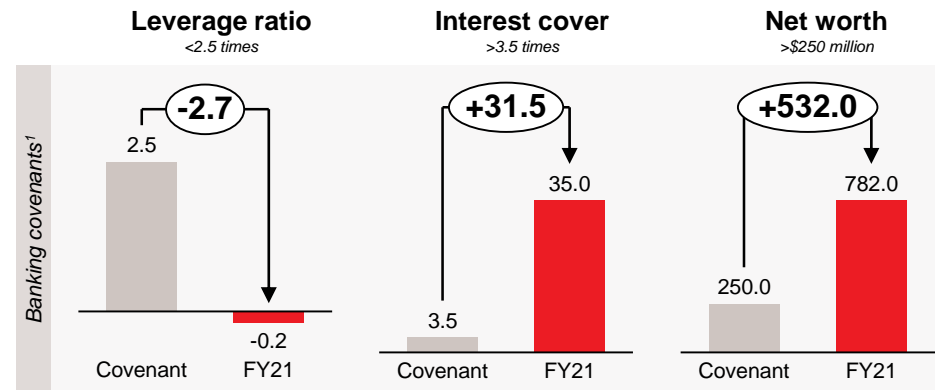
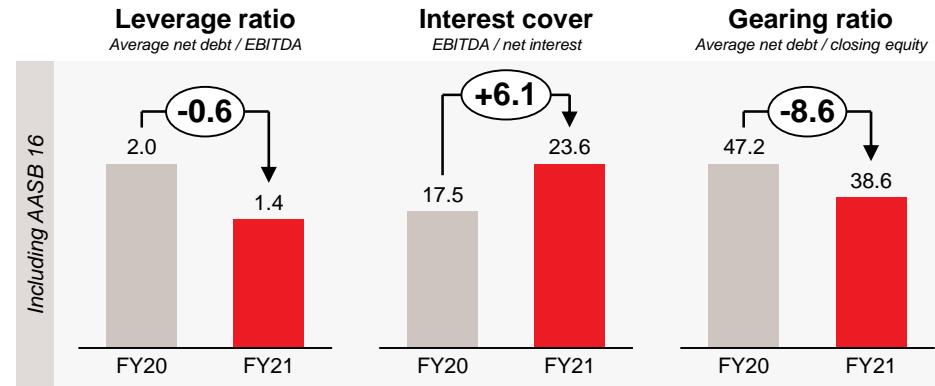
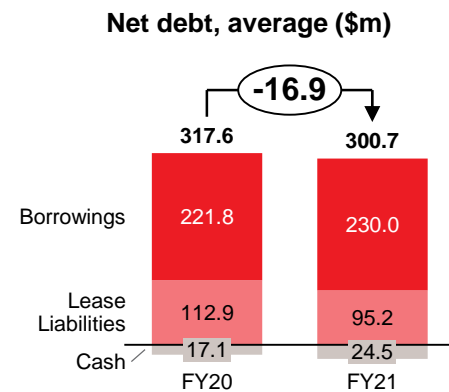
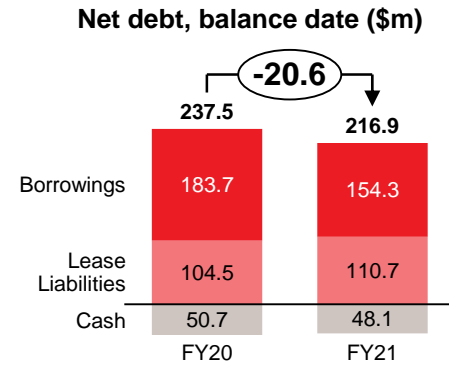
Key metrics (\$m)	FY21	FY20	Var
Underlying EBITDA adjustment for non cash items	244.4	187.7	56.7
Movements in assets and liabilities	(102.2)	(45.4)	(56.8)
Cash from operating activities	142.2	142.3	(0.1)
Investing cash flows	(35.5)	(123.1)	87.6
Financing cash flows	(109.3)	24.2	(133.5)
Net cash flow	(2.7)	43.4	(46.1)



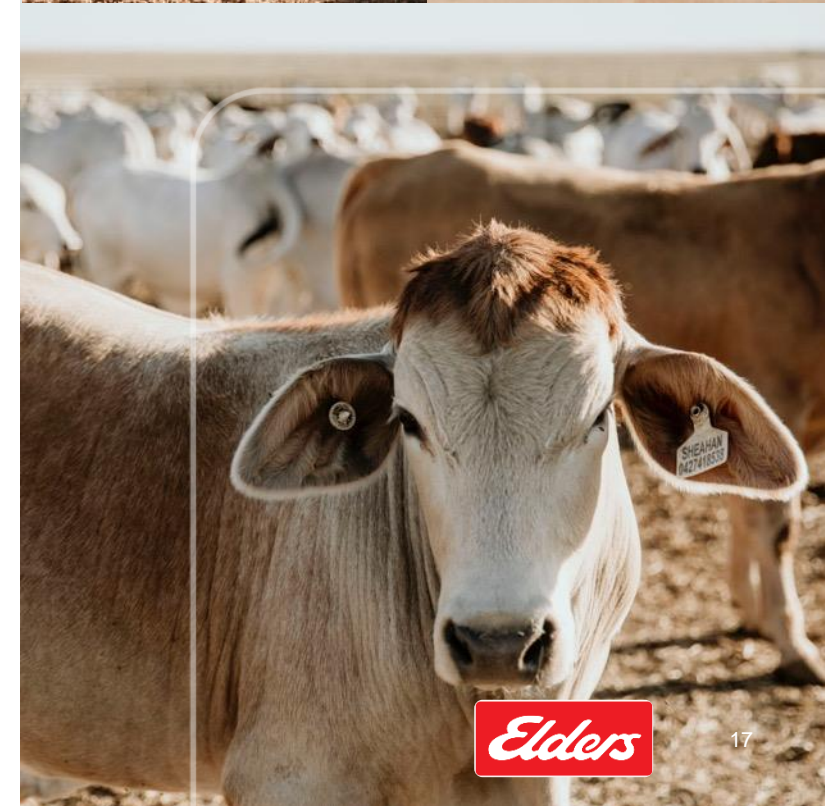
¹Other movements includes other non cash movements in provisions, balances acquired and other non cash movements

FY21 Financial Performance: Net Debt

Debt reducing, improving leverage, interest cover and gearing ratios



Undrawn facilities at 30 September 2021 was \$293 million out of total committed facilities of \$450 million and significant headroom in our banking covenants

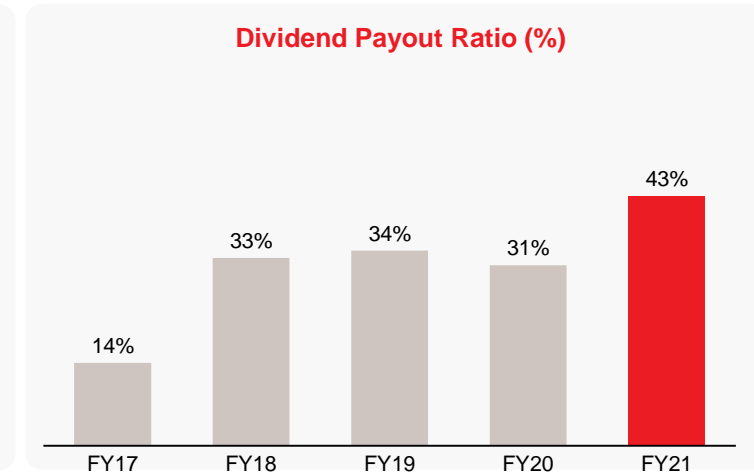
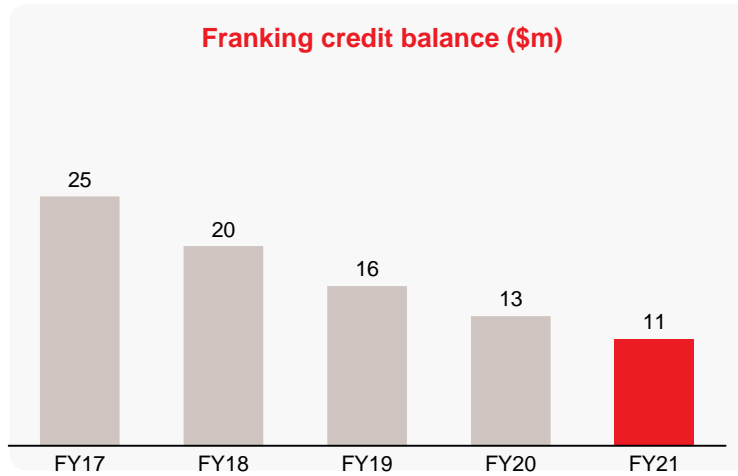
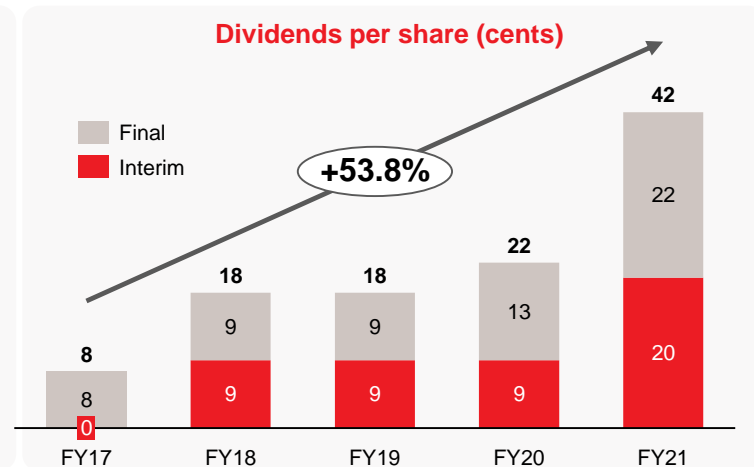
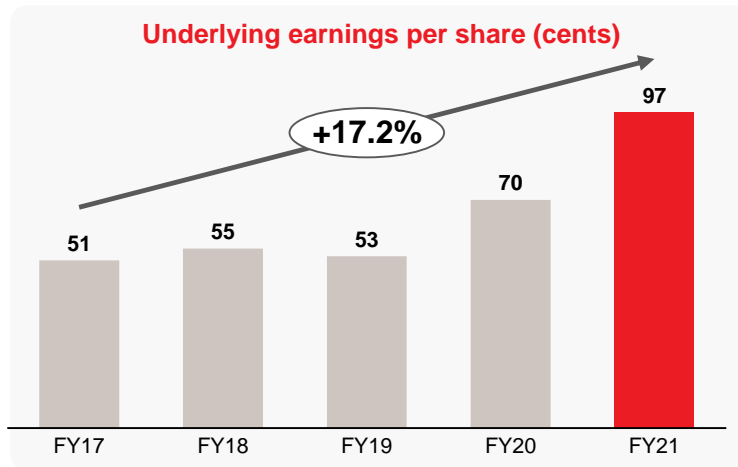


¹Calculated pursuant to definitions in group syndicated facilities, with AASB 16 Leases and debtor securitisation facility as material exclusions



Dividend & Capital Management

Earnings and dividends per share continue to grow



Note: Prior year dividends were franked at 100%. FY21 dividends were partially franked at 20%.

Tax Losses Expected to be Used by FY24

Elders will report income tax expense from FY22 onwards

Tax losses

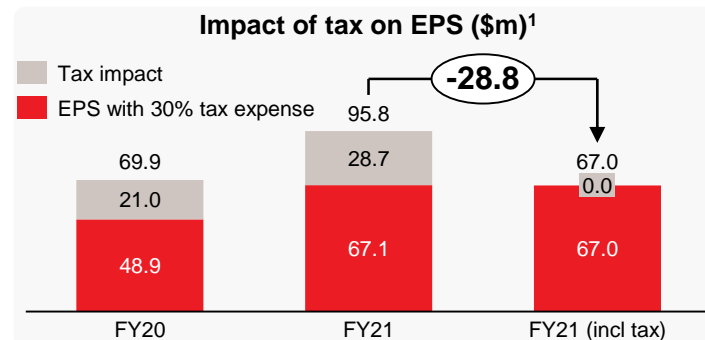
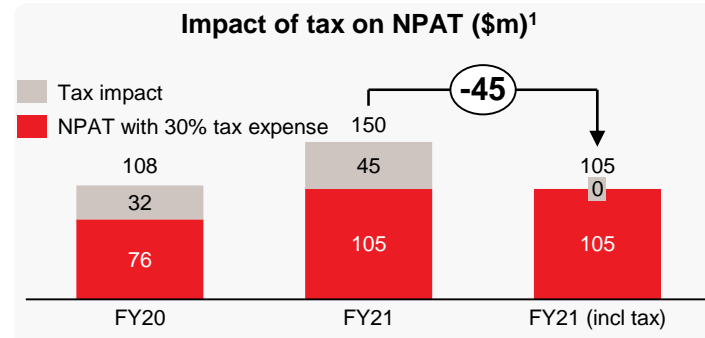
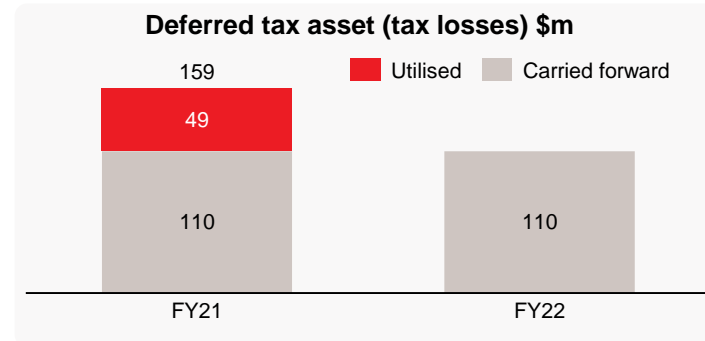
- Elders estimates it will utilise all tax losses recognised as a Deferred Tax Asset by FY24

Change in reporting disclosure

- In FY21 (and prior years) the recognition of the tax benefit has been reported as a tax credit offsetting prima facie tax expense
- As a consequence the tax benefit has been treated as “non-underlying” profit to avoid artificially inflating underlying profit
- From FY22 onwards tax expense will be recognised in the profit and loss. This is consistent with the guidance provided by AASB 112. However, no tax is forecast to be paid until FY24
- Elders will cease the practice of reporting tax expense (benefit) as non-underlying earnings, tax expense will be reported as underlying earnings

Impact on financial metrics

- The impact of these accounting changes is a reported reduction in statutory NPAT (\$45m) and EPS (28.8 cents per share) based on FY21 performance



¹Assumes 30% tax expense on NPAT



Business Performance

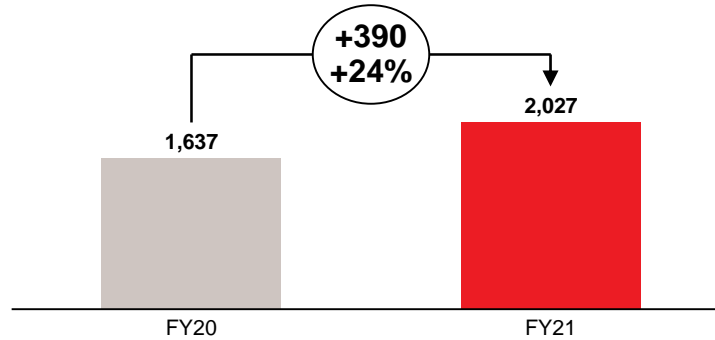




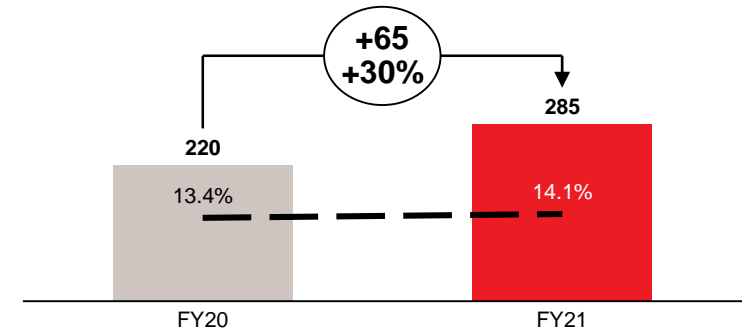
Rural Products

Gross margin improving year on year via our backward integration strategy

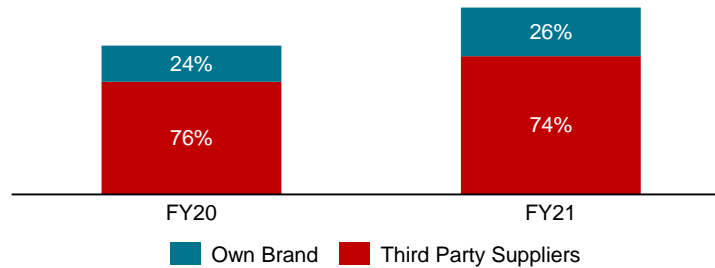
Sales Revenue (\$m)



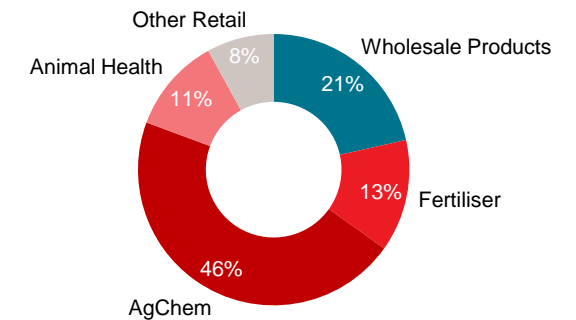
Gross margin (\$m) vs (%)



Elders own brand vs third party¹ (\$m)



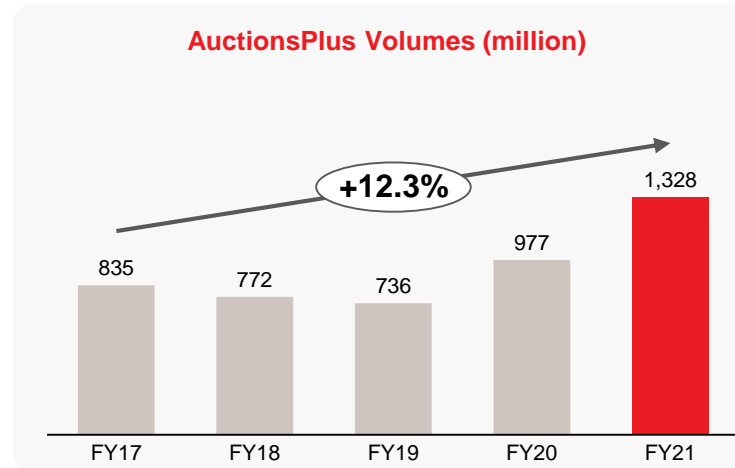
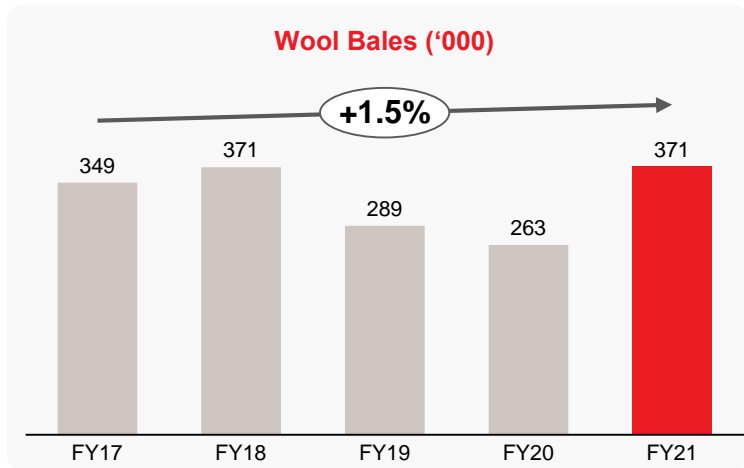
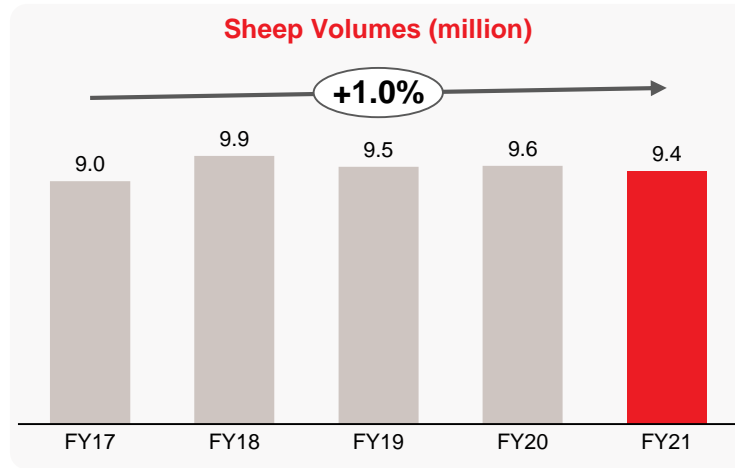
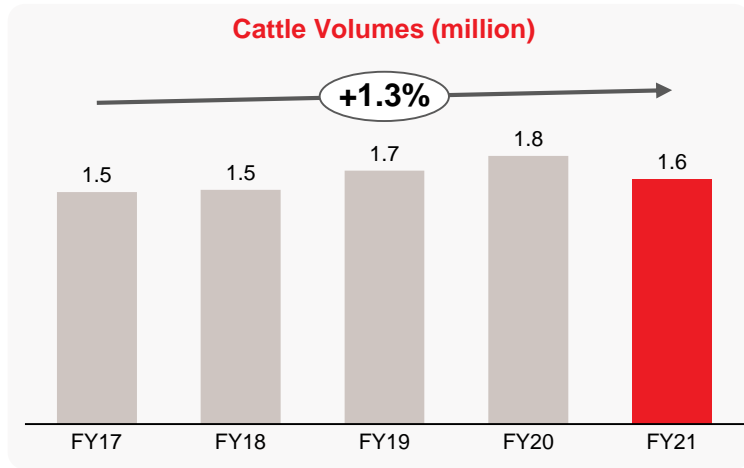
FY21 gross margin by category (%)



¹Excludes product categories where Elders does not sell own brand products

Agency Services

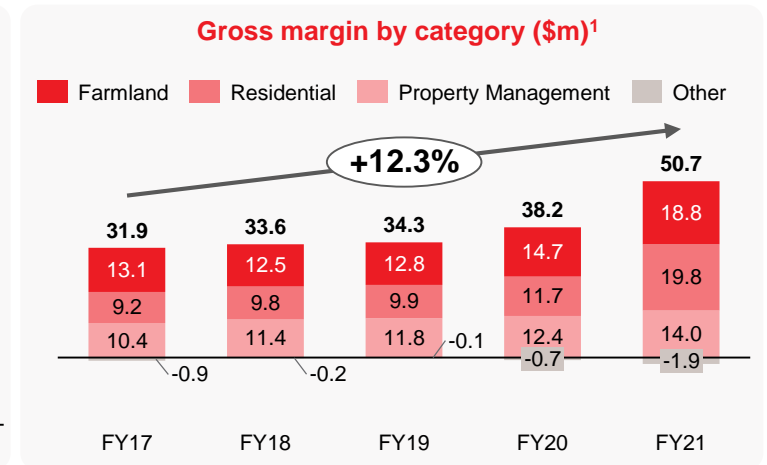
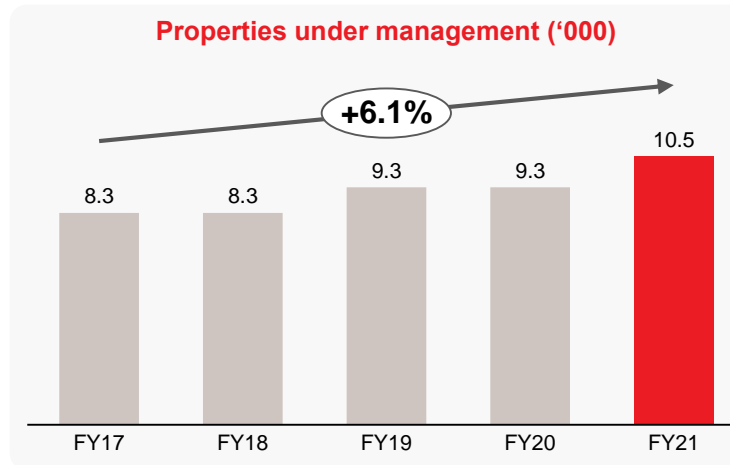
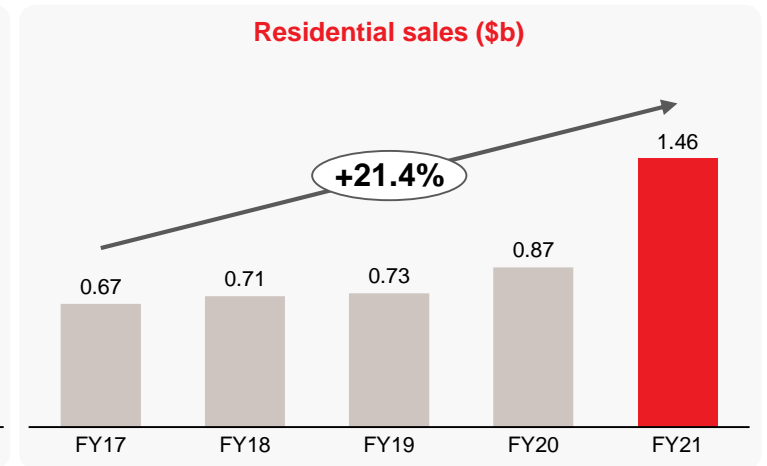
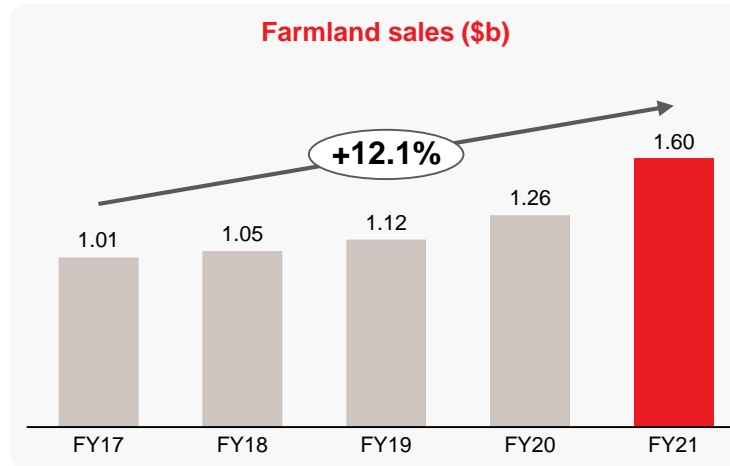
Cattle and sheep volumes down as a consequence of re-stocking





Real Estate Services

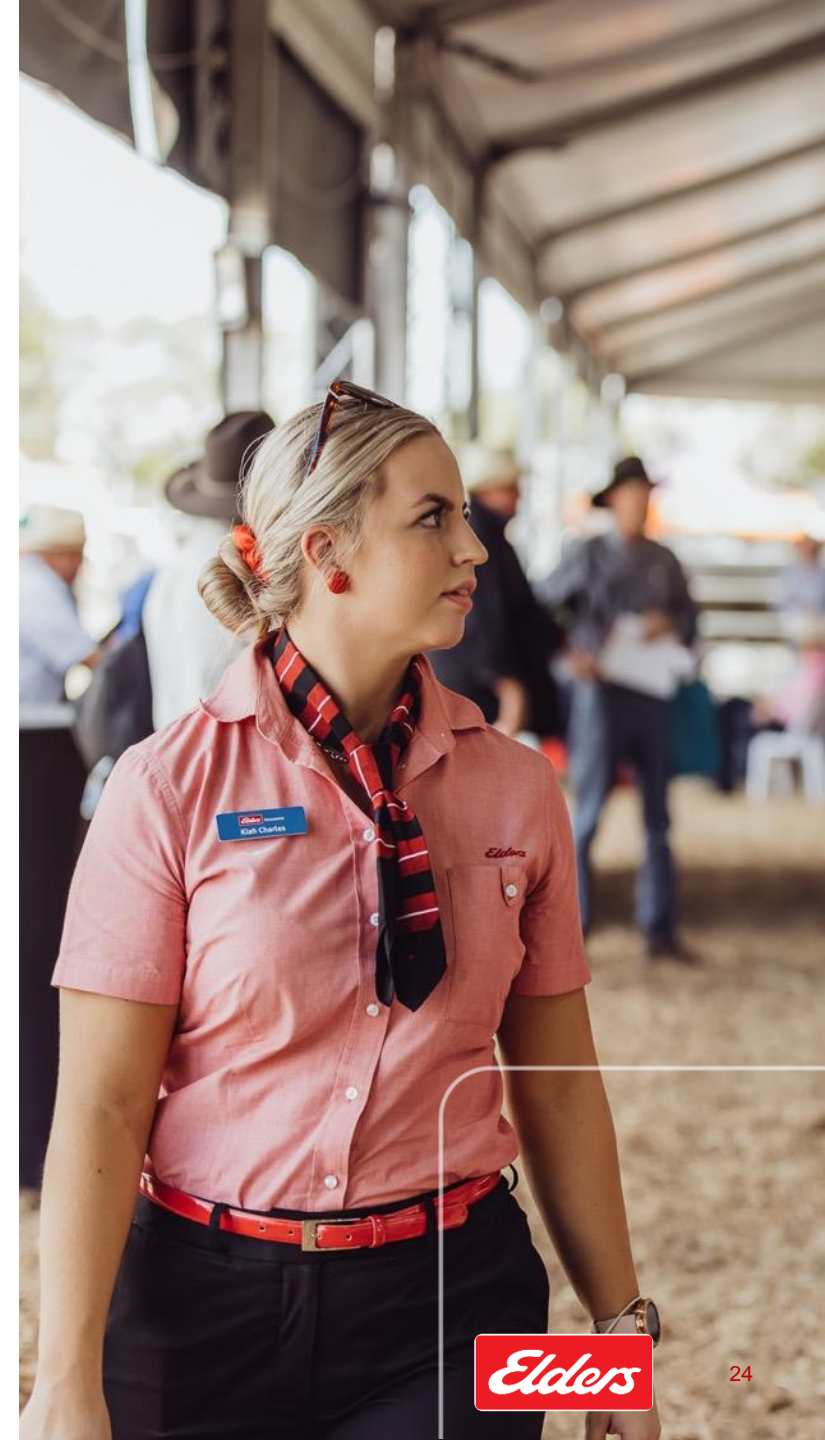
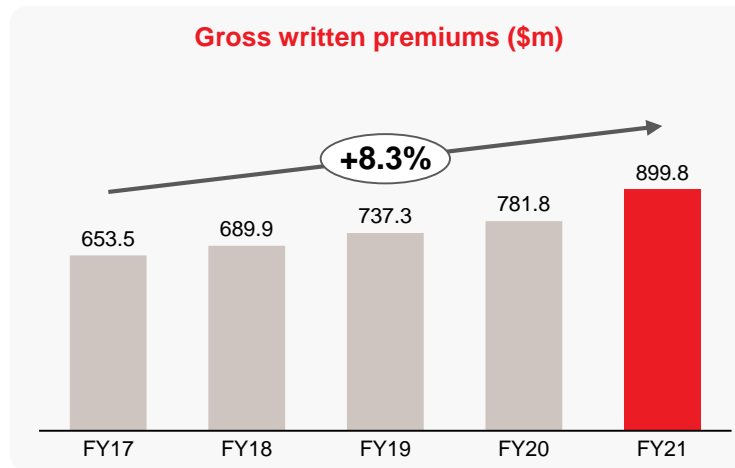
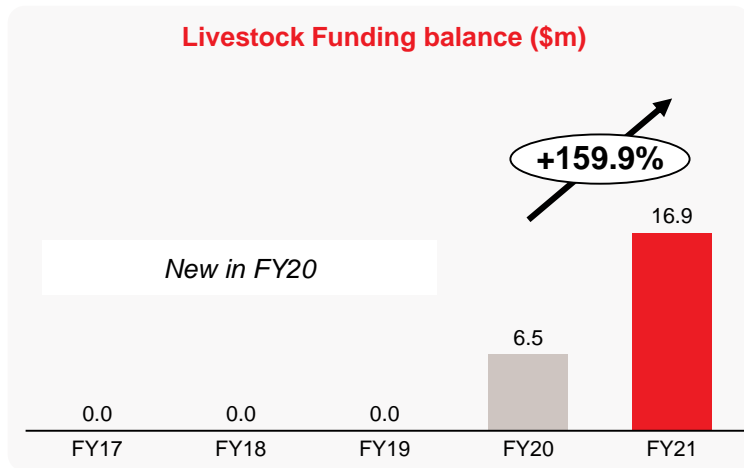
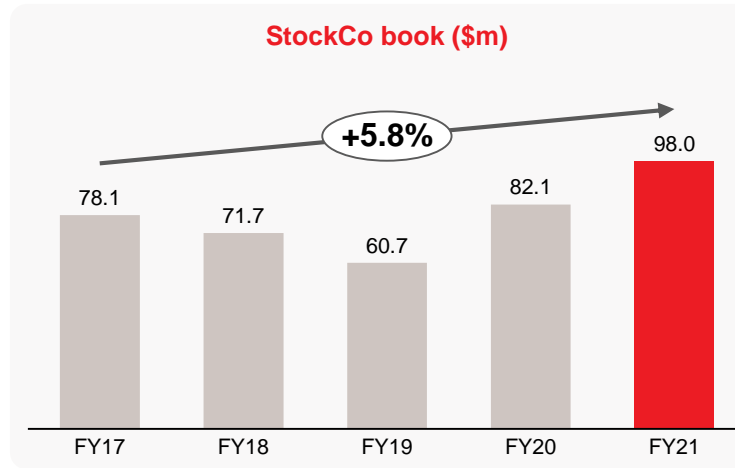
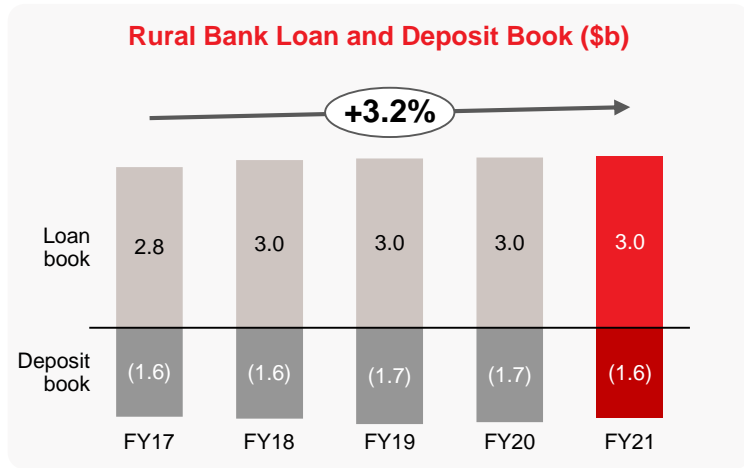
Strong demand for farmland and residential property



¹Other includes: franchise revenue, water broking activities, Elders Home Loans and other earnings and direct costs

Financial Services

Market conditions support growth in Insurance products



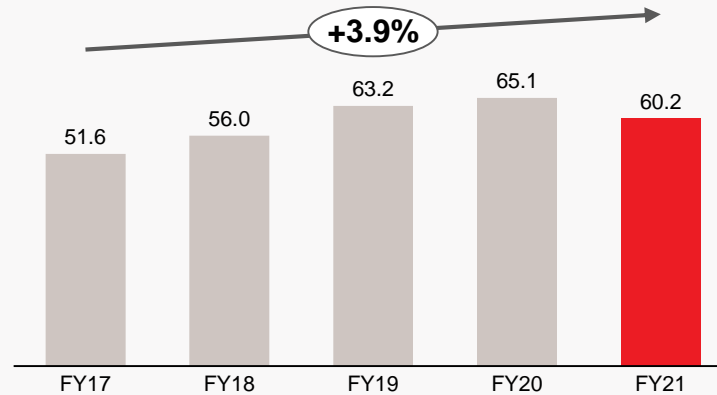
Principal positions are held by Rural Bank, StockCo and Elders Insurance Underwriting Agency



Feed and Processing Services

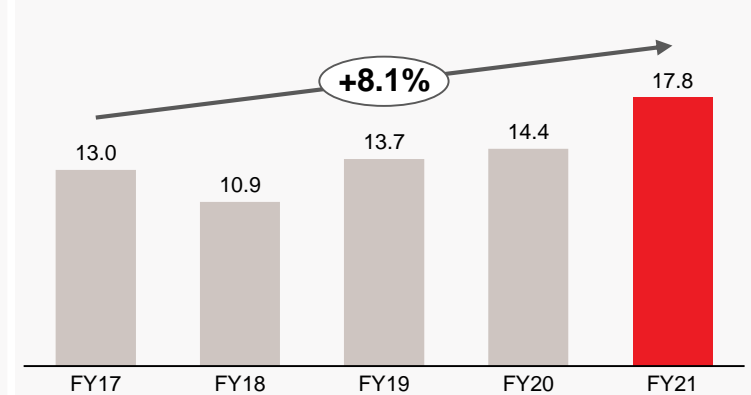
Sustained higher cattle prices impacting number of cattle sold

Killara Feedlot (cattle sold 000s)



- Sustained high cattle prices and seasonal conditions lowering the number of cattle sold at Killara Feedlot in FY21 compared to previous years
- Supply chain challenges have been partly mitigated by early procurement through Killara's backgrounding operations

Elders Fine Foods sales (\$m)















- Despite higher costs of inputs for beef products, Elders Fine Foods sales improving on prior year due to COVID-19 recoveries in the market
- Extended supply chain difficulties and on-going COVID-19 constraints in China have impacted the business

Growing our Business











8 ELDERS EIGHT POINT PLAN



OUR 2023 AMBITION	Compelling shareholder returns 5-10% EBIT and EPS growth through the cycles at 15% ROC	Industry leading sustainability outcomes across health and safety, community, environment and governance	Most trusted Agribusiness brand in rural and regional Australia					
OUR BUSINESS UNITS	 RURAL PRODUCTS	 AGENCY SERVICES	 REAL ESTATE	 FINANCIAL SERVICES	 TECHNICAL SERVICES	 FEED & PROCESSING		
OUR STRATEGIC PRIORITIES	1 Win market share across all products, services and geographies through client focus, effective sales and marketing and strategic acquisitions		2 Capture more gross margin in Rural Products through optimised pricing, backward integration and supply chain efficiency		3 Strengthen and expand our service offerings , including Livestock and Wool Agency, Real Estate, Financial and Tech Services		4 Optimise our feed and processing businesses in Killara Feedlot and Elders Fine Foods	5 Develop a sustainability program that is authentic and industry leading
OUR ENABLERS	6 Systems Modernisation Program – invest in best of breed solutions to improve customer experience, drive process and administration efficiency and better accommodate change			7 Attract, retain and develop the best people and provide a safe and inclusive working environment		8 Maintain unflinching financial discipline and commitment to cost and capital efficiency		
OUR VALUES	 INTEGRITY	 CUSTOMER FOCUSED	 ACCOUNTABILITY	 TEAM WORK	 INNOVATION			

Delivering on our Eight Point Plan (8PP)

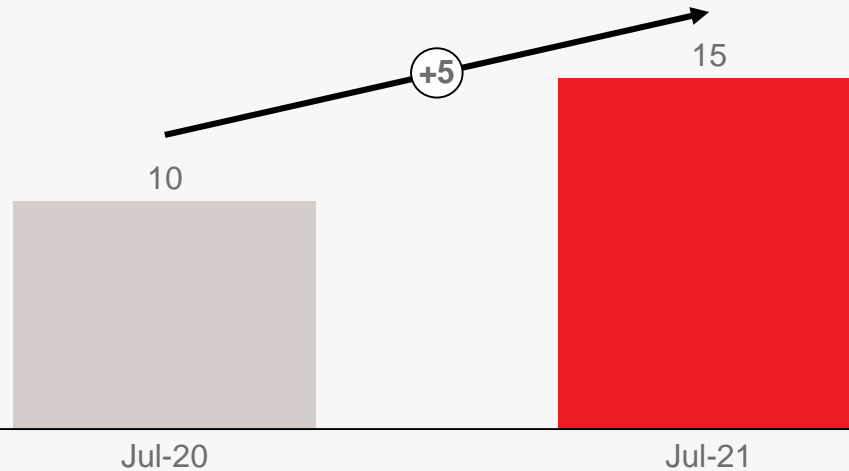
1	<p>WIN MARKET SHARE</p> 	<ul style="list-style-type: none"> ▪ nine acquisitions ▪ focus continues on recruitment of high quality personnel and building new client relationships ▪ increased our points of presence by 23 locations 	5	<p>DEVELOP A SUSTAINABILITY PROGRAM</p> 	<ul style="list-style-type: none"> ▪ interim targets to 2025 and 2030, net zero emissions by 2050 ▪ most trusted agri-business brand ▪ over 40,000 agricultural chemical containers collected ▪ \$2.1m in sponsorships and donations ▪ publication of our first Modern Slavery Statement ▪ progressed alignment of climate-related disclosures
2	<p>CAPTURE MORE GROSS MARGIN IN RURAL PRODUCTS</p> 	<ul style="list-style-type: none"> ▪ backward integration strategy via AIRR and Titan AG businesses ▪ preferred supplier ranging ▪ enhanced pricing and margin management 	6	<p>SYSTEMS MODERNISATION PROGRAM</p> 	<ul style="list-style-type: none"> ▪ \$18.9m wave 1 capital and operating expenditure ▪ enhanced customer experience ▪ cyber security and cloud technologies ▪ mobile and digitally enabled employees ▪ operational efficiency
3	<p>STRENGTHEN AND EXPAND OUR SERVICE OFFERINGS</p> 	<ul style="list-style-type: none"> ▪ new product lines and brands ▪ growth in Financial Services offerings, including livestock funding product and Livestock in Transit delivery warranty ▪ Elders Carbon Farming launched ▪ investment in solutions to improve customer productivity and efficiency 	7	<p>PEOPLE AND SAFETY</p> 	<ul style="list-style-type: none"> ▪ operating safely ▪ \$1.9m investment in safety capex ▪ 256 net additional people to support growth ▪ highly engaged (78%) and enabled (79%) employees ▪ improving diversity
4	<p>OPTIMISE OUR FEED AND PROCESSING BUSINESSES</p> 	<ul style="list-style-type: none"> ▪ developments in technology, innovation and expansion at Killara Feedlot ▪ maintaining a target of 100% occupancy at Killara to drive efficiency and throughput ▪ on track to achieve key safety, environmental and sustainability targets at Killara 	8	<p>COST AND CAPITAL EFFICIENCY</p> 	<ul style="list-style-type: none"> ▪ 22.5% return on capital, up on 15% 8PP target ▪ 69% cost to earn ratio, improved 3% ▪ 1.4 leverage ratio, down 0.6 times ▪ 23.6 interest cover, up 6.1 times

Our Ambition

#1 most trusted agri brand and clients who promote us

Elders is the most trusted agribusiness brand in regional Australia

Agribusiness unprompted net trust scores, July 2021 vs. July 2020^{1,2}



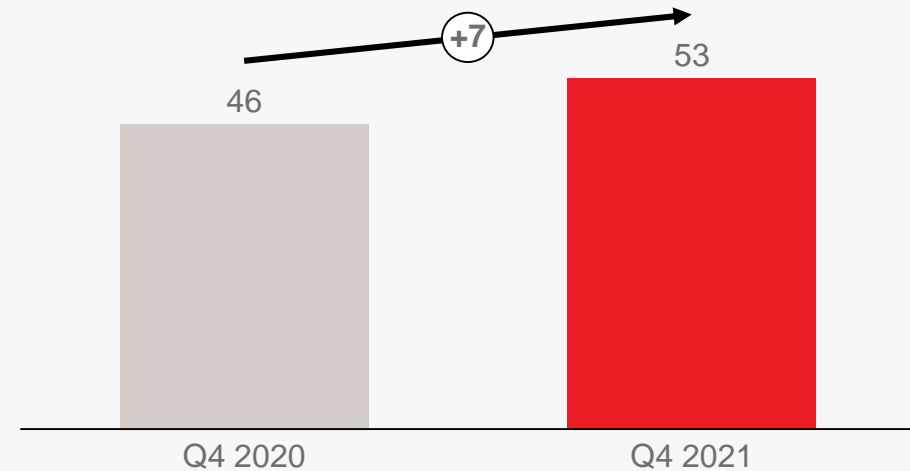
Key findings of our trust scores

Trust score ~3x> than next most trusted brand

Largest improvement vs. peers in 2021

Over half our client base are active promoters of our business

Net promoter score



Key drivers of our NPS – what our promoters are saying

Excellent service

Understand individual needs

Friendly staff

Product range and knowledge

Source: Roy Morgan Elders Brand Trust Research, July 2021 and July 2020; 2021; Internal NPS survey of clients who have transacted with Elders during relevant quarter

¹ Net trust calculated as % of survey respondents who trust brand less % of respondents who distrust brand

² Elders was most trusted brand in the unprompted & prompted trust categories; Unprompted lower than prompted, as it asks respondents to name brands they trust without a prompting list

Brand

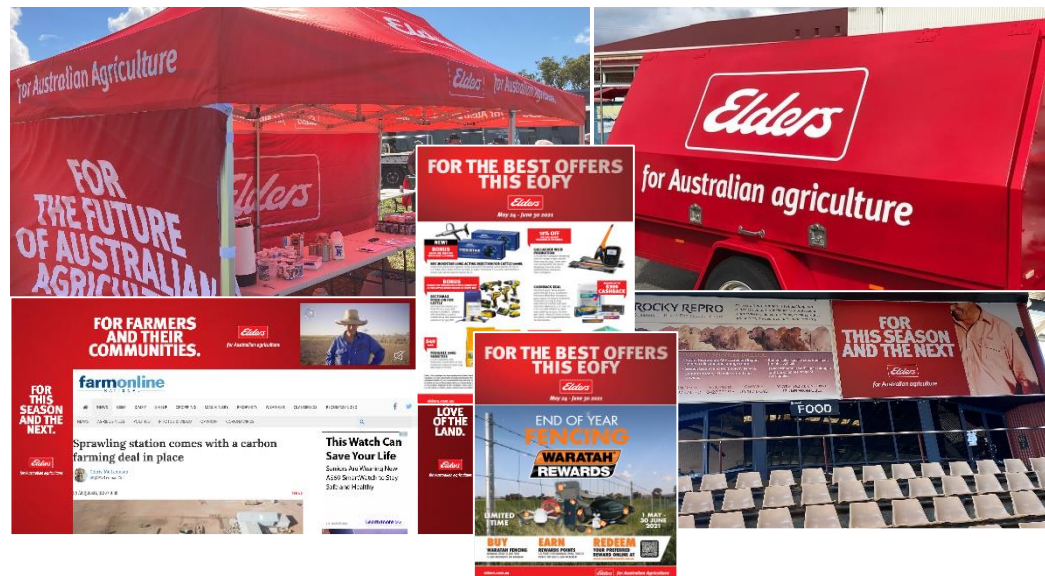
Our renewed investment in the brand supports our improved trust scores and growth, while our clients are becoming more engaged

For Australian Agriculture

Launched new campaign anchored by four key pillars



Activated across physical field days, social and paid media including TV



Digital Interactions

Increase across our websites & social media platforms



~700k

Users of Eldersrural.com.au in FY21

↑ +18% vs. last year



68.6k

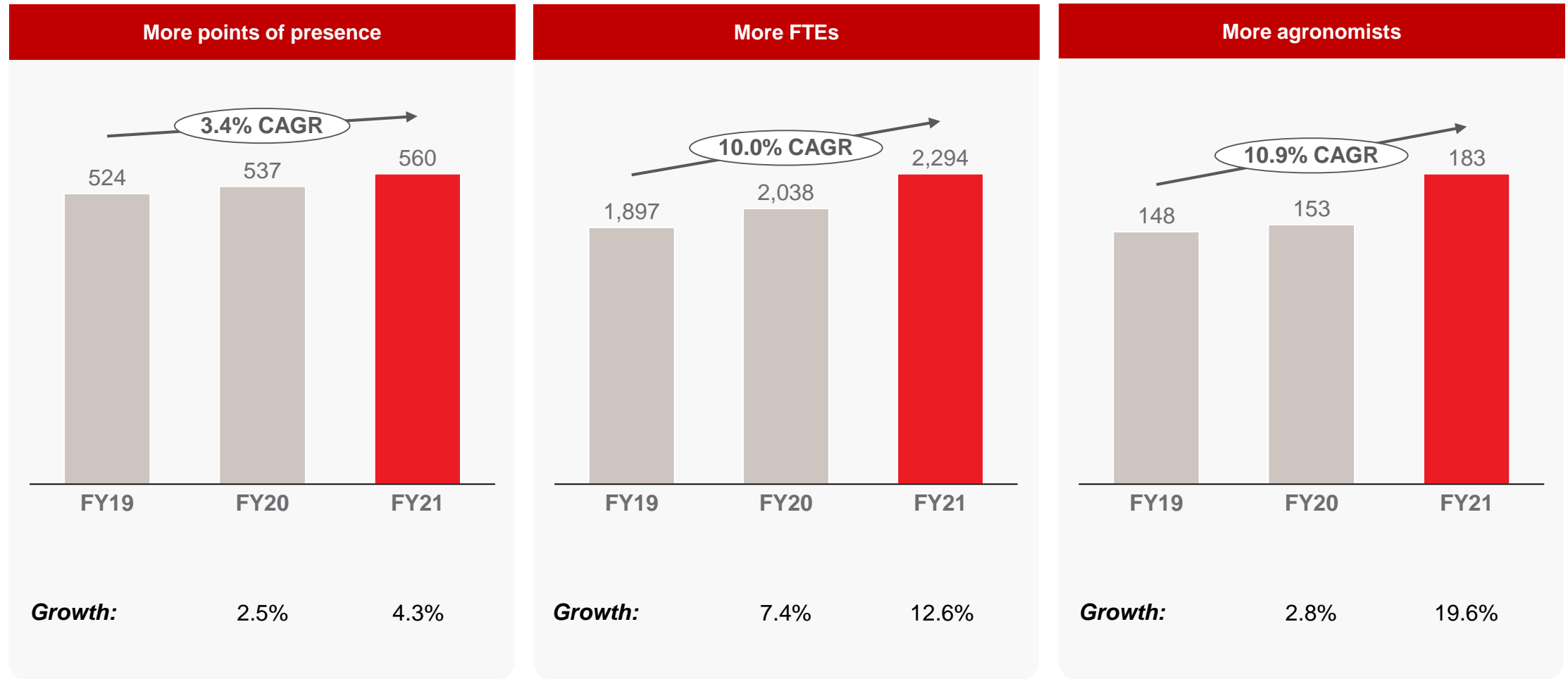
Followers across social media Platforms

↑ +13% vs. last year



Strengthening our Service Offerings

More branches, more people, more agronomists supporting our clients



Points of presence: Includes Elders Owned Branches, branded operating facilities (e.g. saleyards, warehouses, depots) AIRR Owned Branches, Elders Owned Real Estate and Real Estate / Insurance franchises, wool handling centres, Feed & Processing Services locations, head offices (including states)

FTE: includes permanent and fixed-term employees and China and Indonesia; excludes casuals and contractors

Agronomists: includes Graduate Agronomists, Agronomists and Senior Agronomists

Strengthening our Service Offerings

Ongoing investment in innovative solutions to improve customer productivity and efficiency



Innovation

- Elders' new **Carbon Farming Program** launched in 2021
- **Launch of new products** and brands via Titan AG, Pastoral AG and Hunter River, and new Optifert speciality fertiliser product range
- Expansion of seed genetics business, **EPG Seeds**, formerly known as Elders Plant Genetics

Digital

- Launch of the Struan and Kybybolite **Best Practice Demonstration Farm virtual tour**
- Demand and adoption of **AgTech**
- Growth in online livestock selling via **AuctionsPlus**
 - **37%** and **27%** growth in sheep and cattle sales
 - **48%** increase in user registrations and **78%** increase in website audience
 - range of new features including livestreaming, enhanced filters, search functionality and real-time estimates

Research

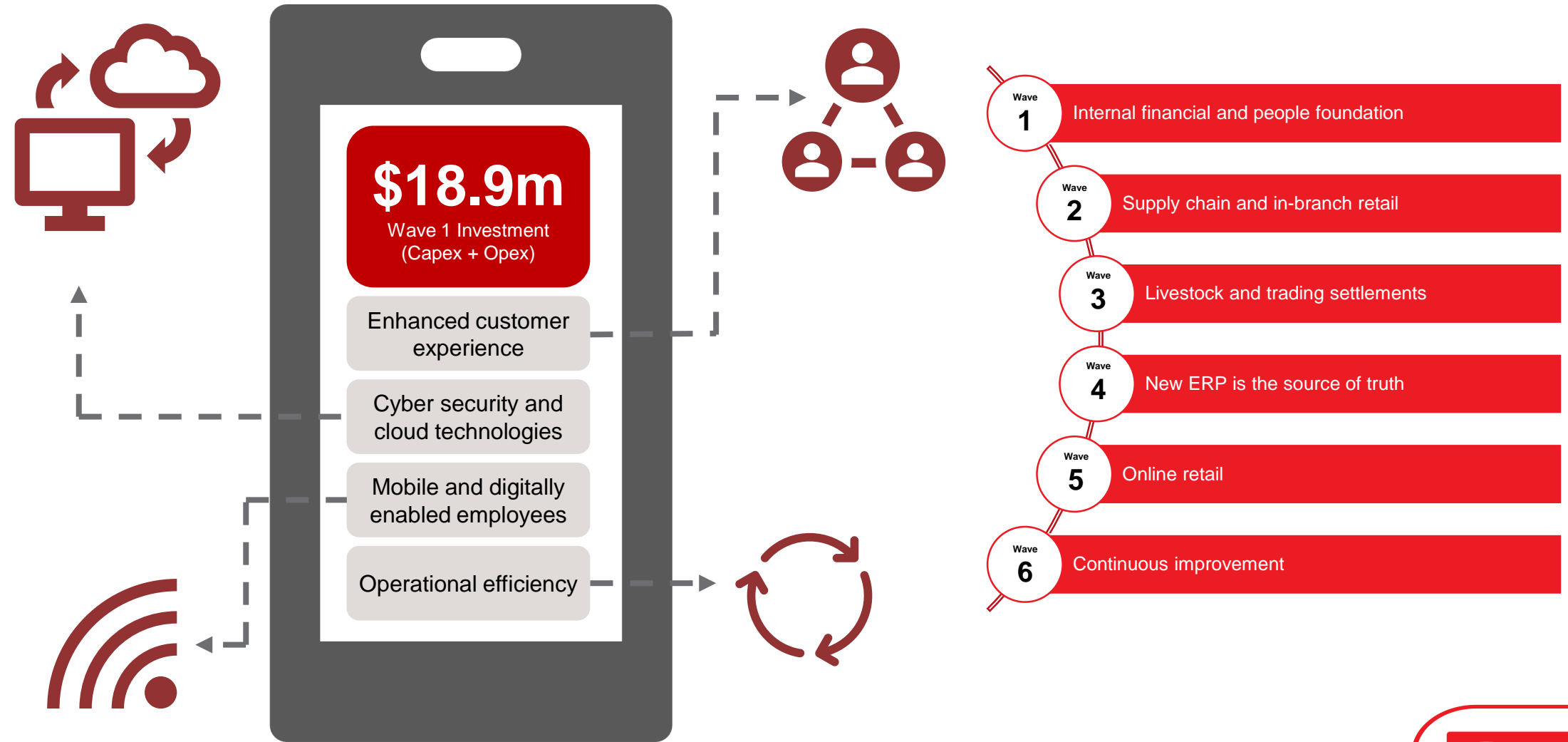
- Genomics
- Machine learning and crop management
- Meat and Livestock Australia Co-Innovation
- De-risking broadacre cropping options for Northern Queensland
- Deep ripping to improve lentil production in acid soils
- Faba bean nutrient omission trial

Strategic Partnerships

- **Charles Sturt University** sponsored tertiary training
- **Australian Research Council (ARC)** Research Hub for **Smart Fertiliser**
- **University of Adelaide** on research and extension opportunities

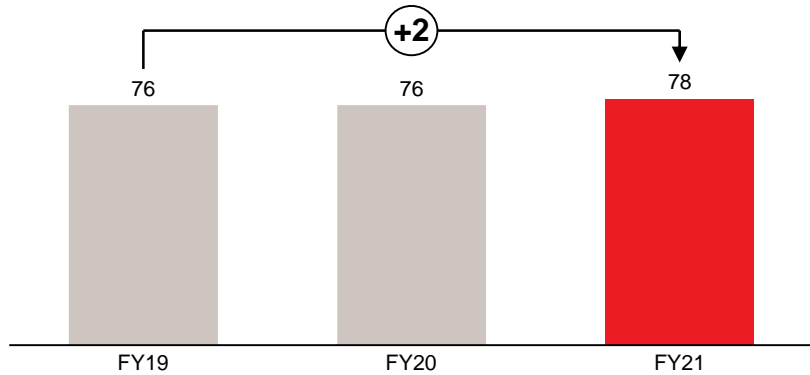
Systems Modernisation Program

Embarking on a Systems Modernisation program aimed at delivering a more customer centric, cost efficient and enabled team

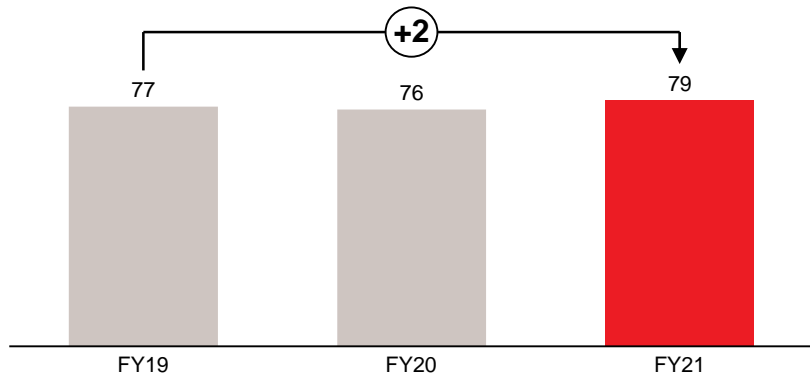


A Highly Engaged & Diverse Workforce

Engagement¹ (%)



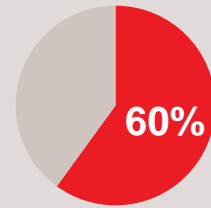
Enablement¹ (%)



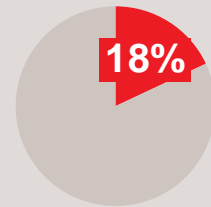
¹2021 Korn Ferry Elders Employee Effectiveness Survey

²Excludes China, Indonesia and casuals

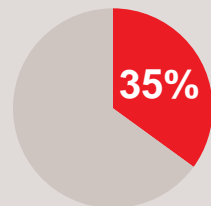
Female non-executive Directors



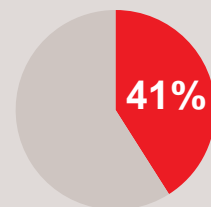
Women in management positions



Female team leaders



Female diversity²



KAREL WALKER
Rural Products Sales Manager

Karel has never forgotten how tough it was when she took on her first merchandise sales job at Elders in Lake Grace back in 2005.

“Back then, I was a young mother from a farming background with experience in banking, so I saw Elders as a good career opportunity and quickly learned how important the company was to the local community.

“18 months later, I took on the very challenging role of branch manager, adding the livestock agency, insurance, real estate, banking in those days to the merchandise functions and a much bigger area to look after.

“I was also responsible for eight staff at Lake Grace and two more employees at a satellite branch at Newdegate.

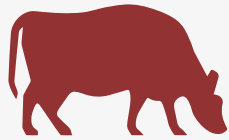
“**And despite all the change at Elders in those days, the training was excellent and I had a lot of opportunities to develop my career.**”

Market Outlook



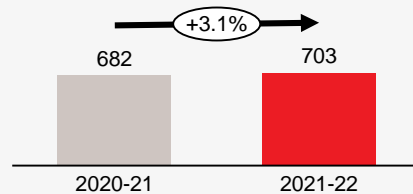
ABARES September Outlook Update

Improved summer cropping expected in 2021-22 to support Rural Products margin growth; livestock prices remain high as rebuild continues

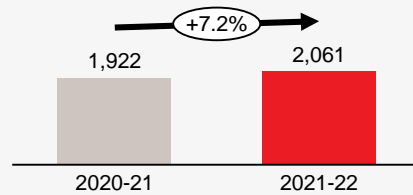


Beef & Veal

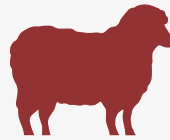
Average saleyard prices (c/kg)



Production (kt)

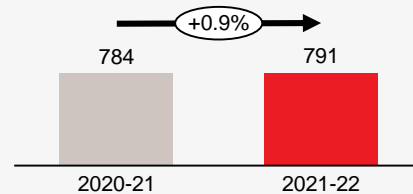


Favourable weather conditions expected to support continued herd rebuilding, with strong prices to put pressure on our Killara Feedlot business

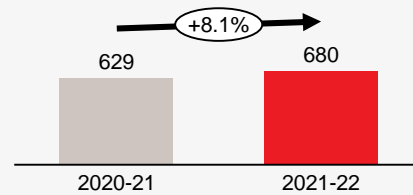


Sheep

Average saleyard prices (c/kg)



Production (kt)

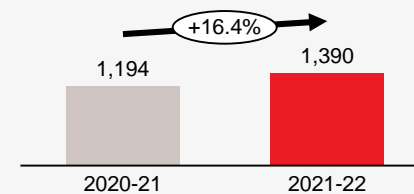


Flock rebuild in eastern states expected to continue, following high rainfall in sheep-producing regions

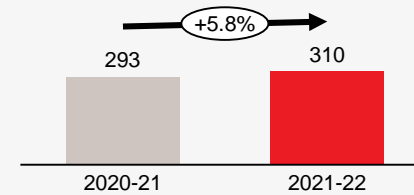


Wool

Eastern Market Indicator (c/kg)



Sheep shorn for wool production (kt)

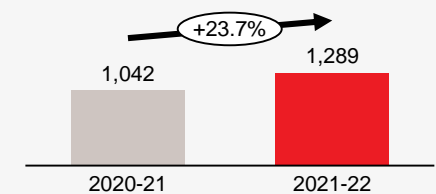


Favourable climatic conditions across Australia will promote sheep flock rebuilding as global economic recovery drives increased retail activity and demand for natural fibres

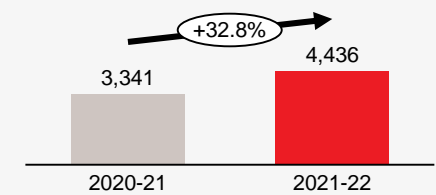


Cropping

Area planted to summer crop ('000 ha)









Area planted to summer crop (kt)



Favourable spring outlook, high expected returns and availability of irrigation water support positive cropping outlook

Market Outlook

FY22 has started positively with livestock prices remaining elevated and favourable summer crop outlook

 <p>RURAL PRODUCTS</p>	<ul style="list-style-type: none"> positive summer crop outlook, with area planted forecast to rise 24% to 1.3 million hectares¹ current 2021-22 winter crop expected to produce 54.8 million tonnes¹, which supports continued optimism for the following winter crop season next year active management underway to mitigate global supply chain constraints completion of Sunfam acquisition to grow presence in the Bundaberg region, as well as expanding our operations around irrigation design and fabrication 	 <p>FINANCIAL SERVICES</p>	<ul style="list-style-type: none"> second year of earnings and continued uptake of our livestock funding product forecasted to provide margin upsides continued growth in our Livestock in Transit product, promoted by further customer opt ins to the add-on product favourable market conditions to support demand for our Insurance and other Agri Finance offerings
 <p>AGENCY SERVICES</p>	<ul style="list-style-type: none"> prices for beef and lamb in 2021-22 are anticipated to remain high in the medium term (up year on year 3% to 703c/kg and 1% to 791c/kg respectively²) driven by limited supply and strong domestic re-stocker demand continued wool market recovery expected in 2021-22, with a 16% increase year on year in EMI to 1,390c/kg², driven by increased demand in China and Europe, which is supported by favourable conditions for production 	 <p>FEED AND PROCESSING SERVICES</p>	<ul style="list-style-type: none"> positive start and strong demand from customers with increases in margins for both domestic and export supply chains despite ongoing high feeder cattle prices backgrounding and irrigated farming operations are expected to support the Killara supply chain to ensure high utilisation and throughput at the feedlot investment in environmentally sustainable and growth initiatives to drive efficiencies at Killara
 <p>REAL ESTATE SERVICES</p>	<ul style="list-style-type: none"> high levels of demand for farmland is expected to continue, fuelled by favourable commodity price outlook, low interest rates and good seasonal conditions significant price appreciation in the residential property market across Australia and strong demand for rental properties anticipated to continue³ 	 <p>COSTS & CAPITAL</p>	<ul style="list-style-type: none"> costs are expected to increase in line with sales growth while maintaining a stable cost to earn ratio footprint and acquisition growth, continued investment in our Eight Point Plan and the first phases of our Systems Modernisation program continued low interest rate environment

¹Department of Agriculture, Water and the Environment, ABARES Australian Crop Report: September edition

²Department of Agriculture, Water and the Environment, ABARES Agricultural Outlook: September quarter 2021








³Core Logic Residential Real Estate Property Data: September 2021

Appendix



FY21 Business Model

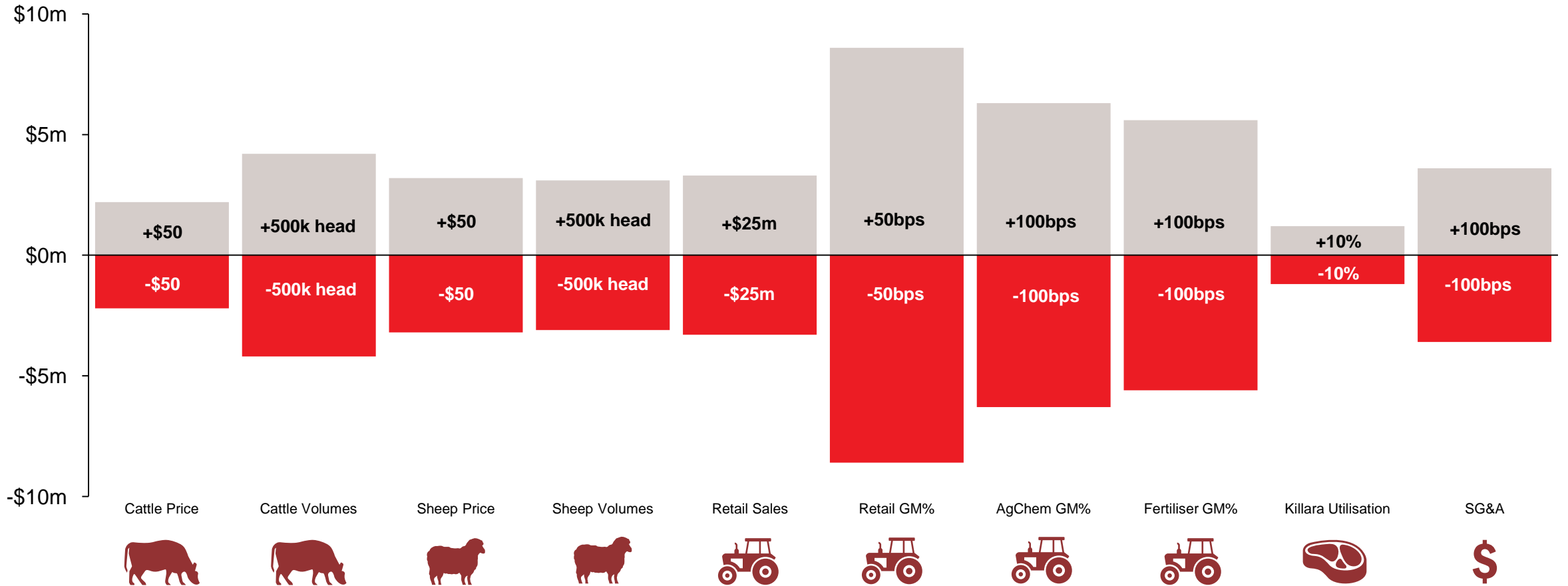
Diversification by product, service, market segment and geography

RURAL PRODUCTS		AGENCY SERVICES	REAL ESTATE SERVICES	FINANCIAL SERVICES	FEED & PROCESSING SERVICES	DIGITAL AND TECHNICAL SERVICES
RETAIL PRODUCTS	WHOLESALE PRODUCTS					
						
Rural Products	Rural Products	Livestock	Farmland	Agri Finance	Killara Feedlot	Fee for Service (170+ agronomists)
Fertiliser	Pet Supplies	Wool	Residential	StockCo (30%)	Elders Fine Foods	AuctionsPlus (50%)
		Grain	Property Management	Elders Insurance (20%)		Elders Weather
			Franchise	LIT & WIT Delivery Warranty		Clear Grain Exchange (30%)

Key metrics						
\$1.7b retail sales	\$0.3b wholesale sales	9.4m head sheep	\$1.6b farmland sales	\$3.0b loan book \$1.6b deposit book \$17m livestock funding \$98.0m StockCo book	60k Killara cattle head	AuctionsPlus 144k head cattle 1.2m head sheep
223 stores	372 member stores	1.6m head cattle	\$1.5b residential sales	\$0.9b GWP	\$18m China sales	7.6m Elders Weather users
424 APVMA registrations		371k wool bales	10.5k properties under management	41% LIT penetration rate		CGX 0.2m tonnes
978 tonnes fertiliser						
Gross margin						
\$223.6m	\$61.2m	\$140.0m	\$50.7m	\$41.3m	\$12.6m	Included in products
Working capital						
\$246.1m	\$83.8m	\$53.8m	\$4.1m	\$32.3m	\$59.7m	Other – (\$34.6m)

Profit Sensitivity

Movements in market factors are mostly mitigated by our diversified portfolio

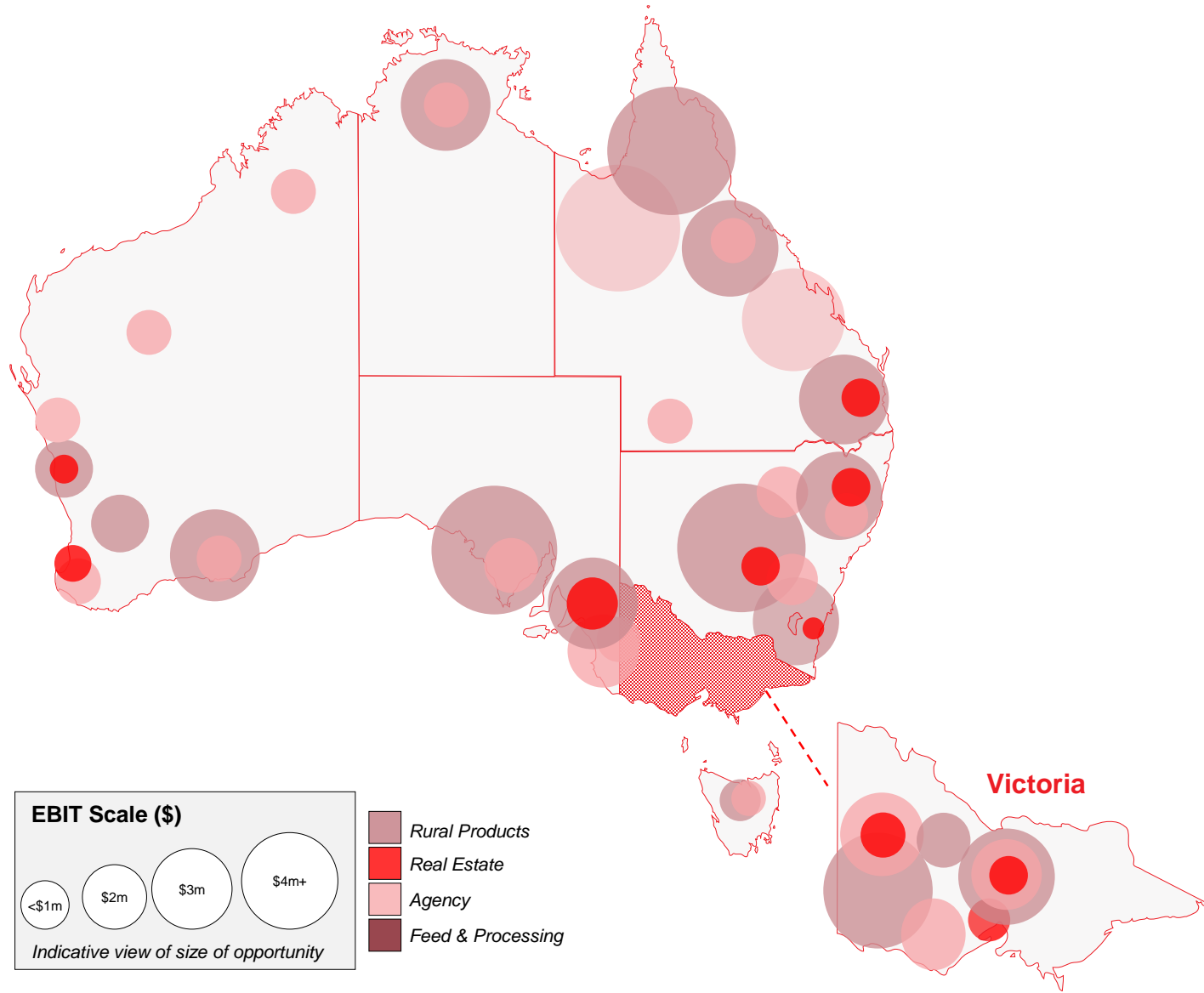


Based on FY21 statistics

Strategic Opportunities

Significant growth opportunities to gain market share in new geographies, with our multiple product and service portfolio

	Retail Products	Focus on increasing market share and presence in high value areas, including Western Victoria, South Coast WA, Northern Queensland and Central NSW
	Agency Services	Growth in targeted locations through footprint expansion and personnel gains
	Real Estate Services	Expansion of owned sites and franchise locations in key regional centres across Australia
	Financial Services	Expand livestock in transit and finance products, alongside our general insurance partnership in all regions
	Feed & Processing Services	Opportunities to expand offerings in central NSW region



Elders



Elders