Elders Limited

FY20 Results Presentation

16 November 2020

DISCLAIMER AND IMPORTANT INFORMATION

Forward looking statements

This presentation is prepared for information 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

Past performance

Past performance should not be relied upon as (and is not) an indication or guarantee of Elders’ future performance or condition

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

Financial data

All dollar values are in Australian dollars ($ or A$), unless otherwise stated

FY20 RESULTS PRESENTATION AGENDA

- COVID-19 Impacts ………………………….……..… 4
- FY20 Key Highlights…………………………….…. 5
- Delivery Against Our FY20 Priorities……………...… 6
- FY20 Financial Performance……………………..….. 7
  - By Product
  - By Geography
  - Capital
  - Cash Flow
  - Net Debt
- AIRR Acquisition………………….……………...… 13
- FY21 Market Outlook……………..…………..…. 14
- Completion of 2nd Eight Point Plan……………..… 15
- Release of 3rd Eight Point Plan…………………... 16
- Strategic Opportunities………………………….... 17
- FY20 Key Highlights…………………………… 18
- Impact of AASB16 Leases................................. 19
- Appendix 21

COVID-19 IMPACTS

No material impacts, so far

Elders continues to monitor the impact of the COVID-19 outbreak on demand for Elders' products and services, customers and supply chains:

- all farm inputs supply chains in which Elders participates are, at present, operating normally
- livestock supply chains experienced a short-term disruption of live export to Vietnam and Indonesia
- wool markets remain soft due to limited Chinese buyer activity and although not material, Elders Fine Foods, was significantly impacted by COVID-19 because of shutdown to restaurants and hotels in China
- Real Estate Services sales have been slightly impacted in parts of the country where COVID-19 has impinged on the ability to conduct inspections and auctions
- none of these impacts above has had a material impact on Elders' financial performance for the year ended 30 September 2020
- Elders has recognised pandemic risk on its risk register and has implemented controls in the business to mitigate COVID-19 impacts. Elders proactively formed a COVID-19 Response Committee and held regular meetings to monitor, track and report business and financial reporting matters relating to COVID-19
- with Elders' critical role in agriculture and rural and regional Australia, the decision was made to not stand down or reduce employment due to COVID-19
- Elders did not access any government support such as JobKeeper during the year ended 30 September 2020

FY20 KEY HIGHLIGHTS

Robust year across the business

Safety

- 2 lost time injuries (LTI), compared to 9 last year, with target of zero
- LTI frequency rate at 0.5, compared to 2.2 last year
- Continued emphasis on employee and community safety, health and wellbeing in COVID-19 environment
- A COVID-19 Response Committee was formed in March with executive and specialist management representation to guide the business effectively and safely responding to the impacts caused by the global pandemic

Financial Performance

- $119.4m Underlying EBIT (+62%)
- $110.5m Operating Cash Flow (+$99.3m)
- 20.2% Return on Capital (ROC) Elders pre-AIRR acquisition (+2.0%); 18.7% ROC post-AIRR acquisition (+0.5%)
- 1.6x Leverage Ratio (+0.8x), at the lower end of our targeted range of 1.5x-2.0x
- 70.7 cents Earnings per Share (+35%)

Strategy

- Successful delivery of the final year of the second Eight Point Plan (EPP)
- AIRR integration and realisation of Year 1 synergies has delivered EBIT uplift
- Maintained growth of Titan AG business in key geographical areas to deliver on backward integration strategy
- Continued to grow our footprint through acquisition of Rural Products and Agency Services businesses and personnel
- Financial Services delivered growth above acquisition case for Livestock in Transit product, and launched a new livestock funding product
- Developed our third Eight Point Plan to guide business priorities through to FY23

Note: This presentation refers to and discusses financial results pre-implementation of the AASB 16 Leases standard, unless otherwise stated. This is to enable a more meaningful comparison between the periods.

DELIVERY AGAINST OUR FY20 PRIORITIES

Final year of second Eight Point Plan

Safety Performance

- Two lost time injuries (LTI), compared to nine last year, with target of zero
- LTI frequency rate at 0.5, down from 2.2 last year
- Continued emphasis on employee and community safety, health and wellbeing in COVID-19 environment
- A COVID-19 Response Committee was formed in March with executive and specialist management representation to guide the business in effectively and safely responding to the impacts caused by the global pandemic

Operational Performance

Target for 3 years to FY20

- 5-10% EBIT growth through the cycles by FY20
- 20% ROC (15% post AIRR)

Delivered

- 62% Underlying EBIT growth in the past 12 months
- 20.2% ROC Elders Rural Services, 18.7% ROC Elders post-AIRR acquisition
- Underlying EPS of 70.7 cents, up 35% from 52.6 cents

Key Relationships

- Implemented hardship relief to clients impacted by bushfires
- Worked closely with industry and clients to ensure continuity of operations and agricultural supply chains during COVID-19
- Identified as Australia's most trusted Agribusiness brand
- Positive progress of diversity plans
- Established a Sustainability function to monitor, report and improve our impact within our community
- Continued engagement with Rural Research and Development Corporations, government and tertiary institutions to enhance our agricultural research, development and extension initiatives through the Thomas Elder Institute
- Provided clients with greater access to market intelligence through the establishment of Thomas Elder Markets

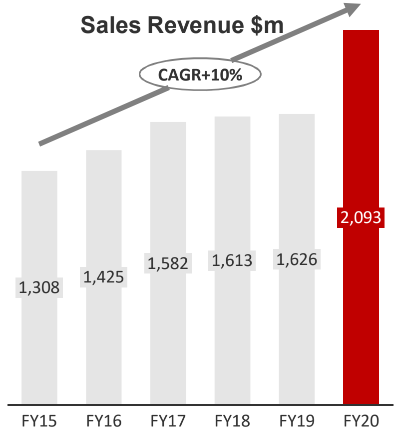
Efficiency and Growth

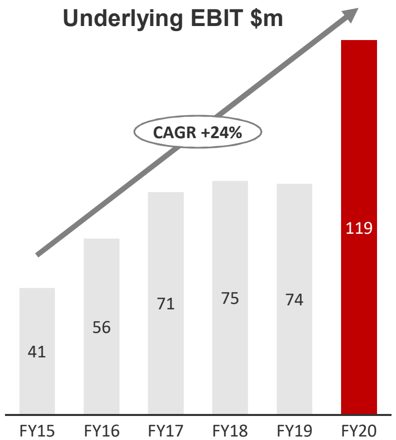
- Acquired new AIRR sites as well as six other stand-alone acquisitions
- Continued integration of AIRR to deliver EBIT growth and acquisition synergies
- Maintained growth of Titan AG business in key geographical areas to deliver on backward integration strategy
- Livestock in Transit delivered well ahead of acquisition business case due to higher opt-ins and continued claims management
- Established new <$100,000 livestock funding offering to fill a gap in the market and complement the existing StockCo offering
- Continued to grow our footprint through acquisition of Rural Products and Agency businesses and personnel which, in part, has benefited from industry consolidation

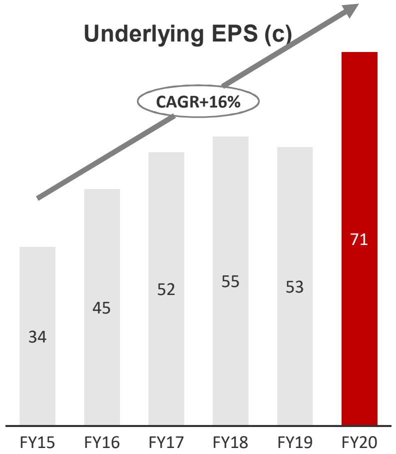
FY20 FINANCIAL PERFORMANCE: SUMMARY

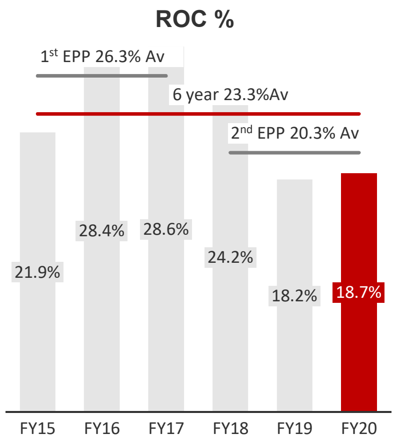
Strong performance across our key metrics

Financial Metric	FY20 Result Pre-AASB 16 ($m)	FY19 Result ($m)	Year-on-Year Change	
			$m	%
Sales revenue	2,092.6	1,626.0	⬆ 466.6	29%
Underlying EBITDA	127.9	78.8	⬆ 49.1	62%
Underlying EBIT	119.4	73.7	⬆ 45.7	62%
Underlying profit after tax	109.0	63.6	⬆ 45.4	71%
Statutory profit after tax	124.2	68.9	⬆ 55.3	80%
Net debt	134.1	94.3	⬆ 39.8	42%
Operating cash flow	110.5	11.2	⬆ 99.3	887%
Total capital (balance date)	704.8	489.6	⬆ 215.2	44%
Underlying return on capital (%)[1]	18.7%	18.2%	⬆ n.a	0.5%
Underlying earnings per share (cents)	70.7	52.6	⬆ 18.2	35%
Leverage ratio (times)	1.6	2.4	⬇ (0.8)	(33%)







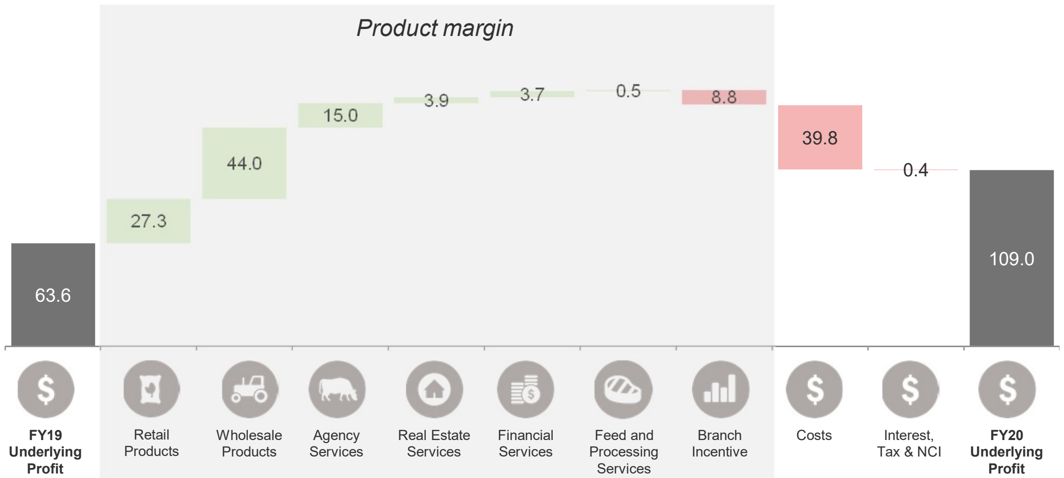


[1] Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + intangibles (excluding brand name) – provisions)

FY20 FINANCIAL PERFORMANCE: PRODUCT

Additional earnings from Wholesale acquisition and outperformance across most products and services

Change in product margin ($m)



Product Margin by Year ($m)

FY20	**179.9**	**44.0**	**131.1**	**38.2**	**37.1**	**15.5**	**(8.2)**
FY19	152.6	nil	116.1	34.3	33.4	15.0	0.6
% change	18%	100%	13%	11%	11%	3%	n.a

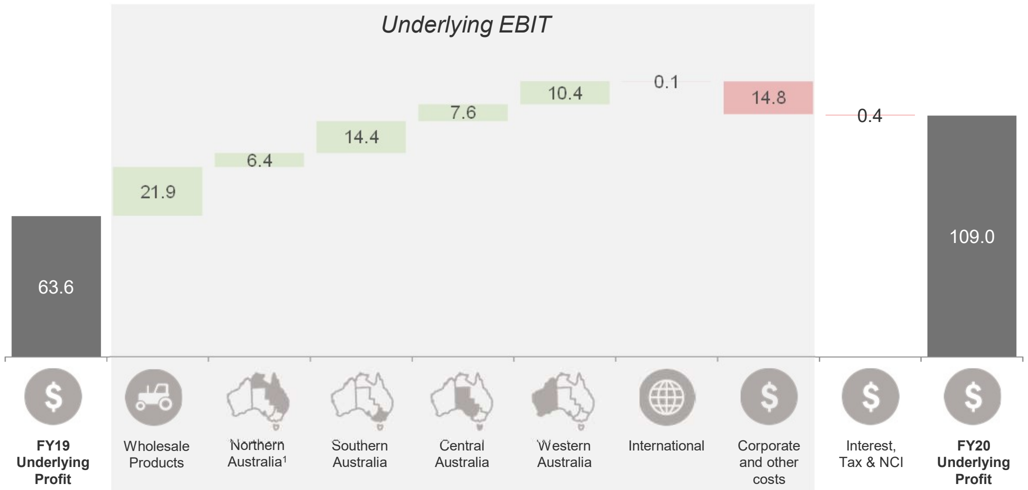
FY19 $63.6m → Acq +$26.4m → Organic +$26.7m → Market +$7.8m → Other ($15.5m) → FY20 $109.0m

- Retail Products benefitted from a strong winter cropping season and continued backward integration, which offset poor summer crop and dry conditions in the first half
- Addition of Wholesale Products through acquisition of AIRR contributing $44.0 million in gross margin
- Agency Services upside mostly in Livestock, primarily driven by high prices for both cattle and sheep
- Real Estate Services favourable predominantly due to increased broadacre and residential turnover
- Financial Services increase is due to the acquisition and growth of Livestock in Transit delivery warranty products
- Branch Incentive includes the accrual of the new program, which commenced this financial year
- Costs up on last year due to acquisitions, geographical footprint growth and additional corporate initiatives, offset by savings from new Rural Bank distribution agreement

FY20 FINANCIAL PERFORMANCE: GEOGRAPHY

Improvement across all areas with increased investment in Group initiatives

Change in underlying profit by geography ($m)



Underlying profit by geography by year ($m)

FY20	**21.9**	**32.6**	**54.3**	**31.2**	**39.2**	**(1.2)**	**(58.5)**
FY19	Nil	26.2	39.9	23.6	28.8	(1.1)	(43.7)
% change	100%	24%	36%	32%	36%	(9%)	(34%)

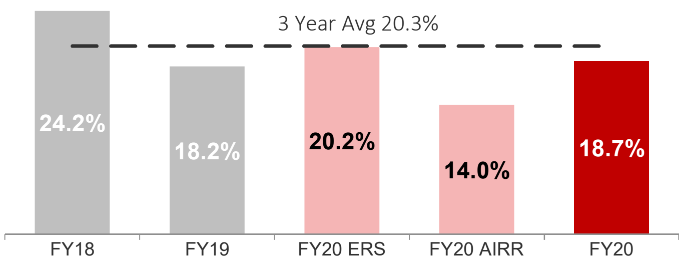
- Addition of Wholesale Products through acquisition of AIRR contributing $21.9 million of EBIT, outperforming expectations and delivering synergies
- Northern Australian increase driven by higher cattle prices with improved winter cropping conditions leading to higher Retail Products sales
- Southern Australia benefited from a strong Livestock business (high prices and cattle turnover), plus increased Retail Products sales, and margin improvement from continued growth in our backward integration initiative
- Central Australia was favourable across most products and services, with higher Real Estate Services turnover, Livestock profiting from higher prices and volumes, and improved Retail Products sales
- Western Australia positive due to increased Retail Products sales, benefits of backward integration through Titan AG and continued higher Livestock prices and volumes
- Corporate and other costs increased due to investment in strategic areas and performance incentive accruals

[1] Northern Australia includes Killara Feedlot

FY20 FINANCIAL PERFORMANCE: CAPITAL

Return on Capital (ROC) 3-year average at 20.3% has outperformed 20% second EPP target

Underlying Return on Capital[1]



$ m[2]	FY20	FY19	Change
Retail Products	241.7	207.8	33.9
Wholesale Products	60.6	0.0	60.6
Agency Services	50.6	43.2	7.4
Real Estate Services	1.2	1.3	(0.2)
Financial Services	28.1	18.9	9.2
Feed and Processing Services	51.6	45.1	6.5
Other	(31.3)	(27.7)	(3.6)
Working capital (average)	**402.4**	**288.6**	**113.8**
Other capital	235.8	118.7	117.1
Total capital (average)	**638.2**	**407.3**	**230.9**

Elders Rural Services' underlying ROC increased to 20.2% (up 2.0%). This was achieved by:

- Higher Retail Products return in part due to expansion of our backward integration initiative and improving stock turns
- Improved earnings in Agency Services and Real Estate Services on similar capital; while Feed and Processing has consistent earnings on increased inventory

The Wholesale acquisition delivered a ROC of 14.0% (15.9% excluding amortisation of intangibles)

We achieved a 3-year average ROC of 20.3%, which is above our 20% target for the completion of the second Eight Point Plan period

Average working capital rose by $113.8 million to $402.4 million for the year, attributable to:

- Retail Products increases due to debtors in line with higher sales activity
- Wholesale Products working capital of $60.6 million due to Wholesale acquisition
- Feed & Processing Services increases from higher costs of cattle in our feedlot

[1] Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + intangibles (excluding brand name) – provisions)
[2] Excludes Elders brand name only

FY20 FINANCIAL PERFORMANCE: OPERATING CASH FLOW

Cash conversion at 101% on underlying profit after tax

$million	FY20	FY19	Change
Operating cash flow	110.5	11.2	99.3
Investing cash flow	(123.1)	(42.5)	(80.6)
Financing cash flow	56.0	26.9	29.1
Total cash flow	**43.4**	**(4.4)**	**47.8**

Operating cashflow of $110.5 million

EBITDA of $121.4 million, offset by:

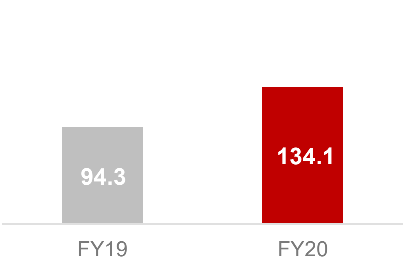
Increase in assets and liabilities of $28.6 million. Key drivers include:

- Growth related increase of $45.0 million in Retail Products with:
  - debtors up on higher 4th quarter sales
  - increase in Titan AG inventory, offset by higher creditors
- Lower Agency Services working capital of $31.0 million from lower receivables from improved year end debtor collection and increased payables, in part due to timing
- Higher cattle inventory in Feed and Processing Services due to increase in cattle prices and year end impact of supply chain disruption in China

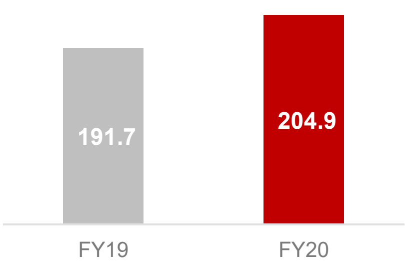
FY20 FINANCIAL PERFORMANCE: NET DEBT

Net Debt up supporting growth, significant improvement across key ratios

Net debt, at balance date
$m



Net debt, YTD average
$m



Key Ratios	FY20	FY19	Change
Leverage (average net debt to EBITDA)	1.6	2.4 ⬇	(0.8)
Interest cover (EBITDA to net interest)	19.4	11.6 ⬆	7.8
Gearing (average net debt to closing equity)	30.4%	38.9% ⬇	(8.5%)

Net debt

Net debt is up $39.8 million to $134.1 million at September 2020, mainly due to the acquisition of AIRR for which capital raising proceeds were held at balance date last year

Average net debt of $204.9 million was up slightly on last year, with increased working capital supporting growth in the business

Key ratios

All our key ratios have improved on last year

Financial covenants[1]

Undrawn facilities at balance date were $258 million and significant headroom in our financial covenants:

- leverage is 0.1 (covenant < 3.5 times)
- interest cover is 27.9 (covenant > 3.5 times)
- net worth is $672.3 million (covenant > $250 million)

[1] Calculated pursuant to definitions in group syndicated facilities

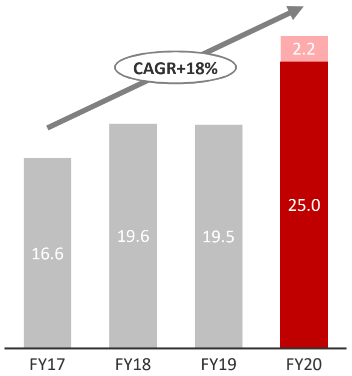
AIRR ACQUISITION

Operational performance, progress on synergies and initiatives

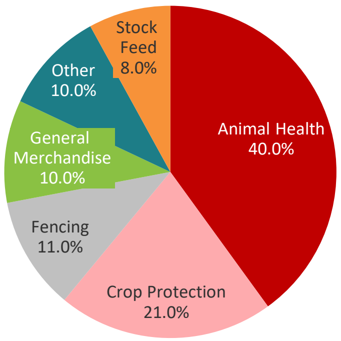
Operational Performance

- Acquisition of Wholesale Products has integrated AIRR and Tuckers retailer brands plus 8 warehouses and 5 retail locations into Elders results
- Financial performance of $21.9m EBIT, has exceeded business case expectations (10.5 months under Elders ownership)
- Strong performance specifically in animal health and crop protection categories
- Stable working capital with active management of debtors, inventory levels and creditors. Achieved ROC of 14.0%*

Underlying EBITA[2] $m



FY20 Sales by Product Category



On track for delivery of acquisition synergies

This has been achieved through:

- Centralisation of inventory into AIRR warehouses to better manage working capital in Elders Branch Network
- Consolidating and streamlining procurement of products across both businesses
- Enhanced margin management and marketing across brands and product portfolio

Implementation of other initiatives

- Maintain loyal member base
- Own label expansion in animal health and merchandise
- Promote digital strategy through launch of Tucker Click and Collect across member stores

[1] EBITA ROC of 15.9%
[2] EBITA for FY17-FY19 has been adjusted to reflect September year end. FY20 proforma result includes $2.2m EBITA in the 6 weeks prior to acquisition

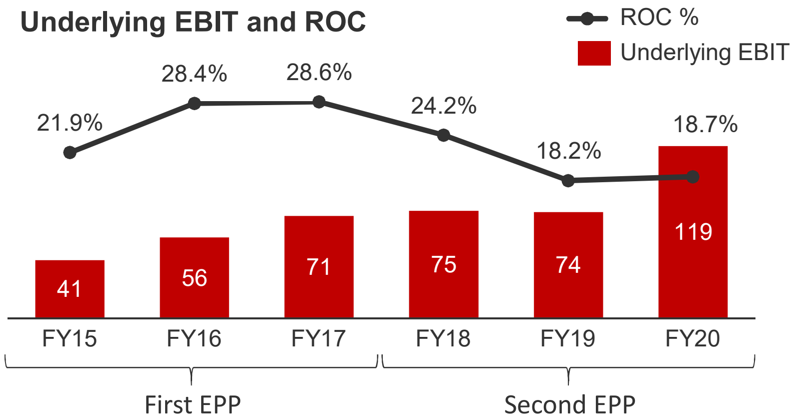
FY21 MARKET OUTLOOK

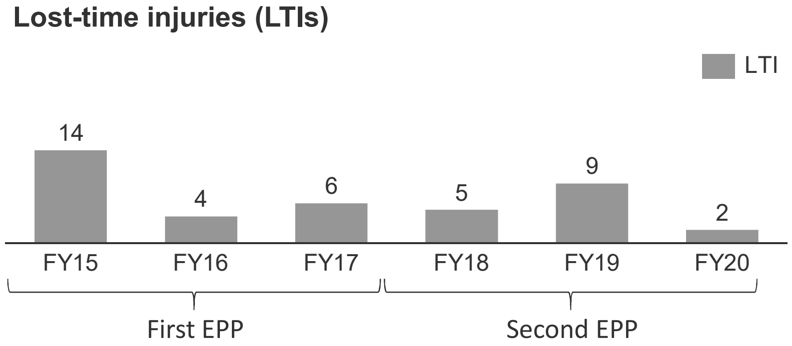
The agricultural sector remains on track for a recovery after successive years of drought-affected seasons in eastern Australia. Production is forecast to grow but the value of production is expected to remain steady due to reduced prices. COVID-19 continues to disrupt the agricultural sector, however the business and broader industry has remained adaptable. Continuing uncertainty also remains in export markets

Rural Products	▪ Area planted for summer crop is expected to rebound from historically low levels last year, resulting in recoveries in demand for crop protection and fertiliser ▪ COVID-19 has had minimal impact overall on key inputs across the industry, Elders continues to adapt to these challenges ▪ Contribution margin improvement to be achieved through optimised pricing and continued delivery of synergies and backward integration from AIRR and Titan AG ▪ Continued investment in Rural Products acquisitions and working capital to support business growth and performance
Agency Services	▪ Cattle prices to ease from record prices, but expected to remain within a historically high range ▪ Sheep prices are forecast to fall due to reduced international and domestic demand for sheep meat, and a shift to more affordable cuts ▪ Reduced consumer demand for apparel and disrupted clothing supply chains has raised the levels of unsold textiles and raw fibres, which will likely constrain demand and keep wool prices under pressure in the near-term
Real Estate Services	▪ High levels of demand for farmland is expected to continue while potential farmland sellers are deferring selling decisions due to uncertainty created by COVID-19; this is expected to deliver ongoing strong farmland values ▪ Regional residential property markets continue to outperform city markets and are expected to continue into FY21 as buyers seek better returns
Financial Services	▪ Livestock financing expected to grow with the launch of new <$100,000 livestock funding product to complement the existing StockCo offer ▪ Significant room for continued growth in Livestock in Transit product with less than half of livestock clients opted in to the add-on product ▪ Continued growth in Insurance and Agri-Finance offerings through marketing and promotion with partners QBE and Rural Bank
Feed & Processing	▪ A challenging year for Killara Feedlot may see difficulty sourcing animals at reasonable prices and volumes to service major export markets; this however will be partially offset by easing feed costs ▪ Elders Fine Foods trading profitably under renewed multichannel strategy
Costs and Capital	▪ Costs are expected to increase in line with footprint growth, continued investment in our Eight Point Plan and the first phases of our System Modernisation program

COMPLETION OF SECOND EIGHT POINT PLAN

FY20 completes our second EPP, which was built on the foundations of our first EPP. Over the past 6 years, EBIT has grown 24% p.a., exceeding target of 5 to 10% year on year and LTIs have reduced to 2





	Strategic Focus	Outcomes
First EPP 	**Focus Areas** • Safety • Back to basics agri. focus • Capital restructure • Capital light operating model • Leadership refresh **Financial Targets** • $60m EBIT by FY17 • 20% ROC by FY17	✓ LTI reduced to 6 in FY17 ✓ $70.4m EBIT in FY17 ✓ CAGR 32% ✓ 27% ROC in FY17 ✓ Average ROC 26.3%
Second EPP 	**Focus Areas** • Safety • 50% organic growth • 50% inorganic growth • Maintain cost base **Financial Targets** • 5-10% EBIT growth, $82m-$94m EBIT (plus $19m AIRR EBIT) by FY20 • 20% ROC (15% post AIRR)	✓ LTI reduced to 2 in FY20 ✓ $119.4m EBIT in FY20; $97.5m plus $21.9m AIRR, exceeded stretch target of $113m by $6.4m ✓ CAGR 27% ✓ 18.7% ROC in FY20 ✓ Average ROC 20.3% ✓ Successful growth via inorganic opportunities (e.g. Titan AG, AIRR, LIT, Insurance, etc)

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** in agriculture 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

8 POINT PLAN 2023

STRATEGIC OPPORTUNITIES

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

We continue to focus on opportunities that allow us to win new customers and a greater share of existing customers across our diversified business

Rural Products

- There is opportunity to increase market share and presence in high value areas, including Western Victoria, South Coast (WA), Northern Queensland, central NSW and the Yorke Region in SA

Agency Services

- Footprint expansion and personnel acquisitions will deliver growth in targeted locations to expand our Agency business

Real Estate Services

- Growth through expansion of owned sites and franchise locations, particularly in South West WA and regional Victoria

Financial Services

- Livestock funding and insurance products, alongside our general insurance partnership will be focused on growth across all regions

Feed and Processing Services

- Opportunities to expand offerings in central NSW region

FY20 KEY HIGHLIGHTS

Robust year across the business

Safety

- 2 lost time injuries (LTI), compared to 9 last year, with target of zero
- LTI frequency rate at 0.5, compared to 2.2 last year
- Continued emphasis on employee and community safety, health and wellbeing in COVID-19 environment
- A COVID-19 Response Committee was formed in March with executive and specialist management representation to guide the business effectively and safely responding to the impacts caused by the global pandemic

Financial Performance

- $119.4m Underlying EBIT (+62%)
- $110.5m Operating Cash Flow (+$98.8m)
- 20.2% ROC Elders pre-AIRR acquisition (+2.0%); 18.7% ROC post-AIRR acquisition (+0.5%);
- 1.6x Leverage Ratio (+0.8x), at the lower end of our targeted range of 1.5x-2.0x
- 70.7 cents Earnings per Share (+35%)

Strategy

- Successful delivery of the final year of the second Eight Point Plan (EPP)
- AIRR integration and realisation of Year 1 synergies has delivered EBIT uplift
- Maintained growth of Titan AG business in key geographical areas to deliver on backward integration strategy
- Continued to grow our footprint through acquisition of Rural Products and Agency Services businesses and personnel
- Financial Services delivered growth above acquisition case for Livestock in Transit product, and launched a new livestock funding product
- Developed our third Eight Point Plan to guide business priorities through to FY23

IMPACT OF AASB 16 LEASES

Adopted 1 October 2019

Profit & Loss[1]	Operating expenses	↓	$34.5m
	Depreciation	↑	$33.2m
	Interest Expense	↑	$2.6m
	EBIT Impact	↑	$1.2m
Balance Sheet	Right of Use Assets	↑	$100.8m
	Lease Liability	↑	$104.5m
Cash Flow[1]	Operating Cash Flow	↓	$31.8m
	Financing Cash Flow	↑	$31.8m
	Net Cash Flow		$nil
Key Metrics	Basic EPS*	↓	0.8 cents
	Return on Capital^	↑	0.2%
	Leverage#	↑	0.4x
	Net Debt	↑	$104.5m

Using the 'modified retrospective approach', whereby no comparative period information is restated

Recognised Right of Use Asset as equal to the calculated Lease Liabilities

P&L Impact:

- Previously leased premises and motor vehicle expenses included in Operating Expenses $34.5m
- Replaced by Depreciation on Right of Use Assets $33.2m and Interest Expense on Lease Liabilities $2.6m
- Elders expects the net impact on EBIT over the life of each lease assessed under AASB 16 to be immaterial

Elders held the following balances at 30 September 2020:

- Right of Use Asset: $100.8m
- Lease Liability: $104.5m

Net debt increases, however not included in banking covenant ratios

No net cashflow impact as cash flows are reallocated in the Cash Flow Statement from operating activities to financing activities, reflecting repayment of the Lease Liabilities

[1] Figures exclude impact of previously held finance leases
* Calculated on 12 months of Reported NPAT
^ Capital employed includes right of use assets and lease liabilities
# Based on an annualised FY20 EBITDA

FY20 FINANCIAL PERFORMANCE (INCL. AASB 16)

Minimal impact on earnings; primarily impacts net debt

Financial Metric	FY20 Statutory	FY20 AASB 16 Impact	FY20 Pre-AASB 16	FY19 Statutory
Sales revenue	2,092.6	-	2,092.6	1,626.0
Underlying EBITDA	162.4	34.5	127.9	78.8
Underlying EBIT	120.6	1.2	119.4	73.7
Underlying profit after tax	107.7	(1.3)	109.0	63.6
Statutory profit after tax	122.9	(1.3)	124.2	68.9
Net debt	237.5	103.4	134.1	94.3
Operating cash flow	142.3	31.8	110.5	11.2
Total capital (balance date)	806.9	102.1	704.8	489.6
Underlying return on capital (%)[1,2]	18.9%	0.2%	18.7%	18.2%
Underlying earnings per share (cents)	69.9	(0.8)	70.7	52.6
Leverage ratio (times)	2.0	0.4	1.6	2.4

[1] Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + intangibles (excluding brand name) – provisions)
[2] Capital employed includes right of use assets and lease liabilities

APPENDIX

BUSINESS MODEL*

Diversification by product, service, market segment and geography

Rural Products		Agency Services	Real Estate Services	Financial Services	Digital and Technical Services	Feed and Processing Services
Retail Products	Wholesale Products					
		 	 	 		 
Farm Supplies	Farm Supplies	Livestock	Farmland	Agri Finance	Fee for Service (170+ agronomists)	Killara Feedlot
Fertiliser	Pet Supplies	Wool	Residential	StockCo (30%)	Auctions Plus (50%)	Elders Fine Foods
		Grain	Property Management	Elders Insurance (20%)	Elders Weather	
			Franchise	LIT & WIT Delivery Warranty	Clear Grain Exchange (30%)	

$1.4b retail sales	$0.2b wholesale sales	9.6m head sheep	$1.3b farmland sales	$3.0b loan book[1]	Auctions Plus: 865k head sheep	Killara: 65k head
219 stores	370 member stores	1.8m head cattle	$0.9b residential sales	$1.7b deposit book[1]	Auctions Plus: 113k head cattle	China: $14.4m sales
419 APVMA registrations		145k wool bales	111 franchises	$76.2m StockCo book[1]	Elders Weather: 1.2m active users	
809k tonnes fertiliser			9,371 properties under management	$727.6m gross written premium[2]	Clear Grain Exchange: 51k grain tonnes	

FY20 gross margin contribution

40%	10%[4]	29%	9%	8%	n/a[2]	3%

*Based on FY20 full year statistics

[1]Principal positions are held by Rural Bank, StockCo and Elders Insurance (QBE subsidiary) respectively
[2]Existing agronomic activity presented within Retail margin, Elders Weather in Other margin, and Auctions Plus and Clear Grain Exchange in Agency margin
[3]AIRR acquisition settled 13 November 2019 with over 10 months earnings in FY20

FY20 RESULTS BY BUSINESS SEGMENTATION

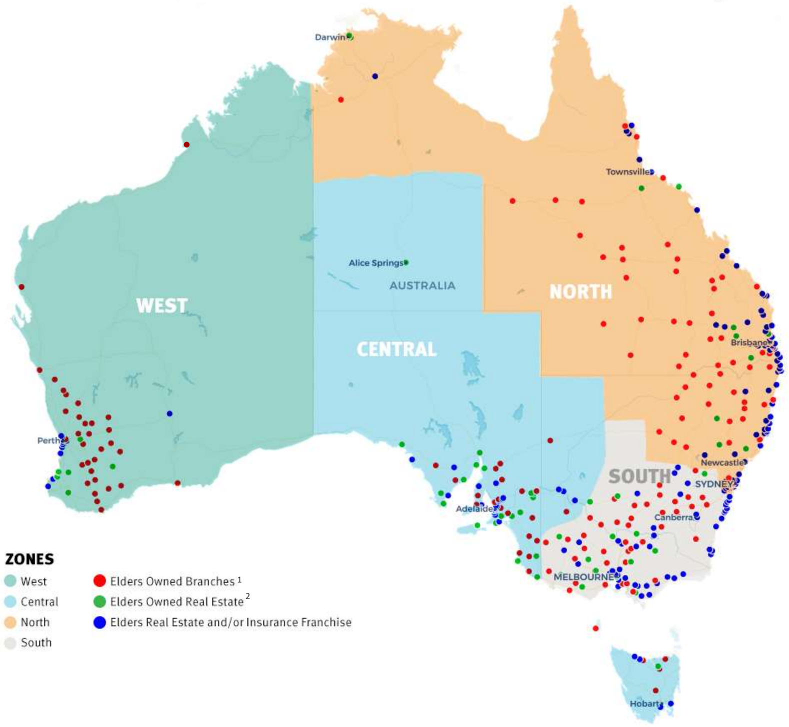
Retail and Wholesale Products plus Agency Services have the largest influence on Elders margin

	Northern Australia	Southern Australia	Central	Western Australia	International Geographies	Other	FY20 Margin ($m)	Avg. Working Capital ($m)
Retail Products	Farm Supplies and Fertiliser						179.9	230.9
Wholesale Products	Farm and Pet Supplies						44.0	48.5
Agency Services	Livestock, Wool, and Grain						131.1	54.2
Real Estate Services	Farmland, Residential, Property Management, Franchise						38.2	1.5
Financial Services	Agri Finance and Insurance						37.1	30.2
Feed & Processing Services	Killara Feedlot				China		15.5	49.4
Other							(8.2)	
FY20 Margin ($m)	128.0	135.8	88.4	93.4	0.2	(8.2)	437.6	

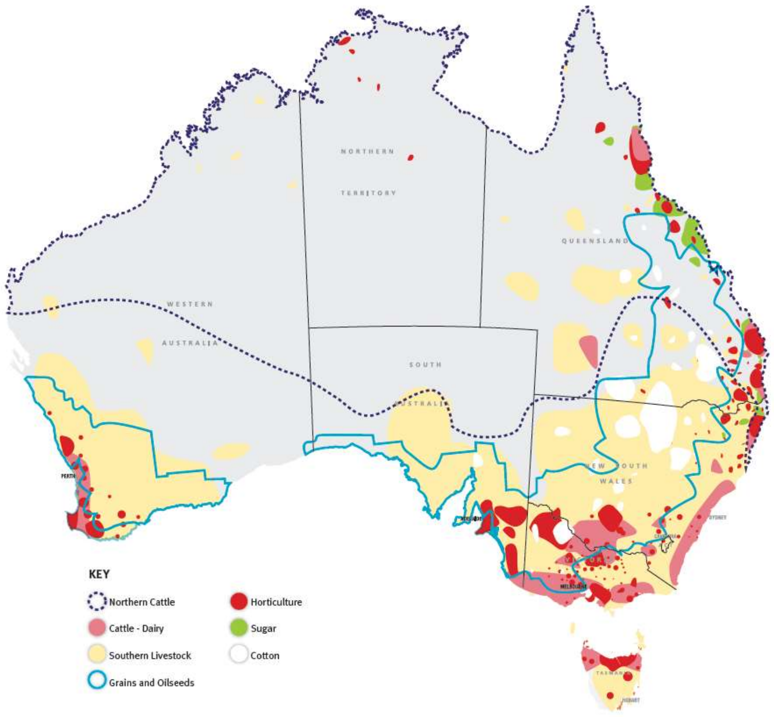
POINTS OF PRESENCE

We have approx. 500 points of presence in Australia, catering to the needs of a variety of agricultural regions. We also supply a further 350+ sites with product through our wholesale members

Elders Zones and Points of Presence

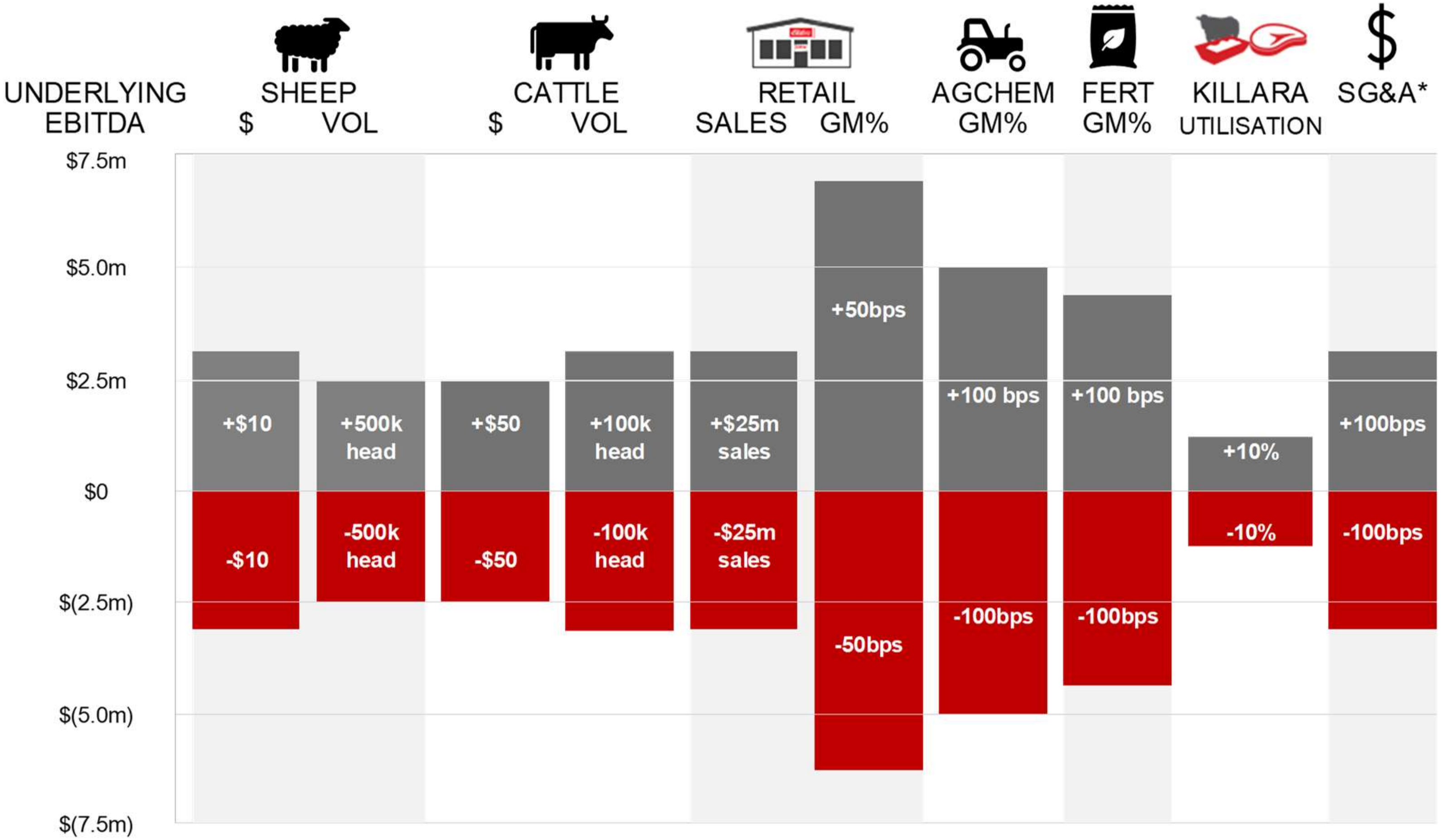


Agricultural Land Use in Australia



[1] Elders Owned Branches refers to sites that offer Rural Supplies. Many of these sites will also offer Real Estate services (company owned or franchise) and Insurance services (franchise only)
[2] Elders Owned Real Estate locations may also have Elders Insurance franchise located at the same premises

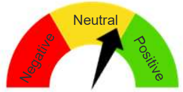
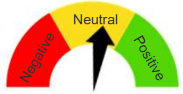
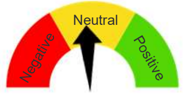
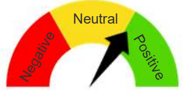
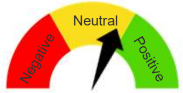
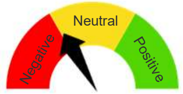
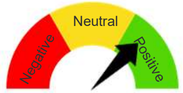
PROFIT SENSITIVITY



*SG&A excludes depreciation & amortisation

Based on FY20 full year statistics

INDUSTRY AND MARKET OUTLOOK (LONG TERM)

Market	*Summary of Outlook*	*Long Term Market Outlook*	*Relevance to Elders*
Agricultural production & exports	▪ The value of Australian agricultural production has increased steadily over recent years. It is estimated to be $61b in 2020-21, and remain constant until 2024-25 ▪ Farm exports are expected to decrease to $44m and remain at these levels until 2025		*High*
Cattle	▪ Australian beef production is projected to decrease with lower slaughter rates and a rebuild of the national herd, weaker demand outlook will cause prices to decrease in 2020-21 ▪ Live export volumes are expected to decrease in 2020-21 due to lower than forecast production and global demand from China, this will also gradually decrease in the medium term due to global competition		*High*
Sheep & Wool	▪ The Australian sheep flock is expected to increase due to return to normal seasonal conditions. The flock is expected to rebuild in the medium term. Sheep prices are expected to remain higher than the 5 year historical average ▪ In the short term shorn wool is expected to remain steady due to increase in wool cuts and increase in the medium term. Wool prices are forecast to fall in 2020-21 due to consumer demand, however will recover in the medium term as demand quality improves		*High*
Dairy	▪ The Australian dairy herd will increase in the short term in part due to favourable season conditions. Global butter prices are expected to fall in 2020-21 following increases in milk production in key exporting regions ▪ Dairy exports will decrease as higher domestic consumption is projected to reduce supplies		*Low*
Grains & Oilseeds	▪ Area planted to grains is expected to increase in 2020-21 on the back of drought affected levels of 2019-20, and will remain flat for the medium term assuming favourable conditions ▪ Wheat and barley prices will ease, as productivity improvements increase yields at a level that outweighs demand. Uncertain barley outlook for China ▪ Oilseed plantings will remain largely unchanged in the medium term with world supply aligning with demand		*High*
Sugar & Cotton	▪ In the short term, cotton production is expected to increase reflecting recovery from drought affected levels, this is expected to continue for the medium term. Returns to cotton growers are projected to increase to $661/bale in 2024-25 ▪ Sugar production & area planted will remain relatively unchanged due to increasing interest in horticulture. Sugar prices will rise in 2019-20 due to production levels and remain largely unchanged in the medium term as increased health awareness reduces per person sugar consumption		*Medium*
Horticulture	▪ Gross value of Australian horticulture is projected to increase to $12.8b in 2024-25 (2018-19: $11b), largely driven by increased fruit and nut production due to rising demand in China ▪ Domestic prices are forecast to increase as production levels recover		*Medium*

Source: ABARES Agricultural Commodities Outlook, March and September 2020