

15 December 2022

Chair's Address: 2022 Annual General Meeting

Australian agriculture has experienced another year of solid growth, on the back of good seasonal conditions, strong commodity prices, and record demand for Australian produce.

Elders – with its expanding national network - has played an integral part in this growth.

This time last year we were working through a period of unprecedented challenges and disruptions which included the impact of the Covid-19 pandemic and supply chain disruptions.

I am pleased to note, Elders has been able to manage these challenges to our people and supply chains, allowing us to continue to serve our customers successfully.

Although many of these challenges have lessened in their impact, we continue to maintain a safety-first approach to protecting both our customers and employees as we continue to reconnect with customers and industry.

Our commitment to supporting and driving the growth of agricultural production across the country has allowed Elders to record an exceptional financial result.

For the year ended 30 September 2022 we recorded an underlying profit before tax of \$223.5 million, up 42% on FY21, and declared a total dividend for the year of 56 cents – a 33% increase from the 42 cents paid in respect of the previous year.

Our Managing Director and CEO, Mark Allison, will speak further on the company's operational achievements in his address. However, from the Board's perspective, the results demonstrate Elders' ability to leverage excellent seasonal and market conditions, in accordance with the Eight Point Plan, to create value for shareholders.

Reinvestment plays an important role in Elders' growth strategy.

Earlier in the year, Elders announced its new wool handling business, which will be launched mid-next year.

In making this \$25 million investment in Australian wool - which is the largest single investment in wool handling this century - we stand with our customers to deliver the best sustainable wool supply globally.

This is a long-term commitment to Australian wool growers and a clear demonstration of our confidence in the future of the sheep and wool sector. We are continuing a legacy for the next generation to come.

Also, during the course of the financial year, we acquired 13 businesses in 10 new locations with 115 new employees, improving our geographic spread to service more customers.

The business development pipeline for the coming year, is encouraging with numerous successful businesses expected to join Elders in the next 12 months and furthering our growth.

As announced yesterday, to further our geographic diversification, we have also taken an 11.3% interest in PGG Wrightson Limited, the New Zealand based rural services business, which was acquired by private sale.

Elders does not intend to initiate a proposal to acquire control of PGW, however it does support our diversification strategy as part of our pureplay agribusiness.

We continue to invest in our people. In a challenging labour market where demand for talent is increasing and organisations across most sectors are facing difficulties in acquiring quality employees, I commend our leadership team for their ongoing commitment to attracting and developing the very best people in our business.

Our people represent our most important assets, so it was very pleasing that Elders achieved all-time high results in our employee effectiveness survey, well above the global high performing benchmark. In addition, adherence to our One Elders values – integrity, accountability, teamwork, innovation, and customer focus has led to Elders again being ranked as the most trusted agribusiness brand in Australia, according to independent research.

I would like to thank all Elders people for their contribution to making Elders a great place to work, and for your tireless efforts supporting our clients throughout the year.

Elders also made considerable investments in the sustainability of the business this year, as reported in our third Sustainability Report, now available online at the Investor Centre.

We continue to make progress on our ambitions to be a leader in sustainability for Australian agriculture and an adopter of the best governance and sustainability standards practised in corporate Australia.

I now turn to the recent announcement of Mark Allison's planned retirement. This will occur on or before November next year. The Board is overseeing the search and evaluation process of both internal and external candidates for his replacement.

Mark's retirement will conclude many years of outstanding leadership at Elders. He originally joined Elders as a Non-Executive Director in December 2009. Between July 2013 and April 2014, he served as Elders' Chairman, then Executive Chairman, before being appointed Managing Director and Chief Executive Officer in May 2014 at a time when Elders was in significant financial distress.

His outstanding leadership brought purpose and direction to both the senior management team and the company as a whole and drove the creation and execution of the first Eight Point Plan in 2014, which has been instrumental in returning Elders to a pureplay agribusiness. Since 2014 Elders has grown from a market capitalisation of \$50 million to where it is today.

By bringing the business back to its roots in agribusiness, implementing strict financial discipline, and reinstating a customer and safety focused culture within the business, Elders has grown to what it is today – a company delivering excellent shareholder returns and proudly representing agriculture as the safe and profitable investment asset class that it can be, through all seasons.

He has ensured the business has the foundations of a strong and capable leadership team, more recently augmenting the team with outstanding individuals, equipped to carry on the Elders legacy and take it into the future through a new and exciting phase of growth. He will leave an indelible mark on this iconic Australian business.

On behalf of all shareholders, I would like to thank Mark wholeheartedly for his leadership and dedication and to wish him every success for the future once he leaves us next year.

I would also like to say thank you to my fellow Directors for their contribution and all our shareholders for your continuing support.

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