

FOR AUSTRALIAN AGRICULTURE



Bell Potter
Home Grown Conference

8 June 2022

Presented by
Mark Allison CEO

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 Model

Financial Performance

Eight Point Plan

Growing our Business

Market Outlook







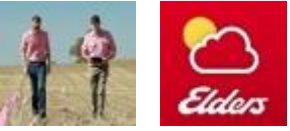
Closing Summary

Questions



Business Model¹

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 \$24m 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)

¹Based on FY21 statistics

1H22 Highlights



PEOPLE

12.6
TRIFR¹

78%
employee
engagement


42%
female workforce
based on Australia headcount

+298
FTE
vs. March 2021



CUSTOMERS

#1
most trusted
agribusiness brand

48 
net promoter
score

+15
additional locations



COMMUNITY

\$0.3m
to RFDS over renewed
three-year sponsorship

\$1.1m
sponsorships and
donations

478
local community
sports teams and
events sponsored



SHAREHOLDERS

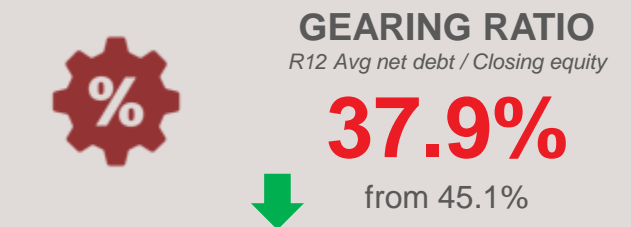
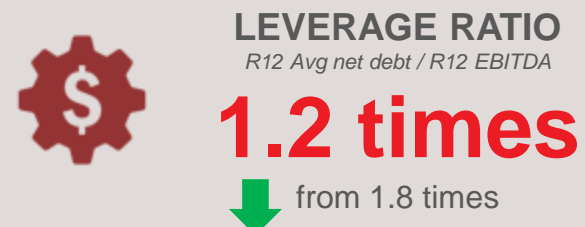
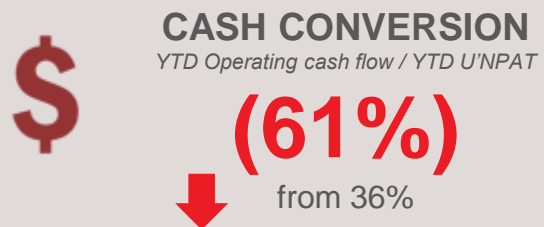
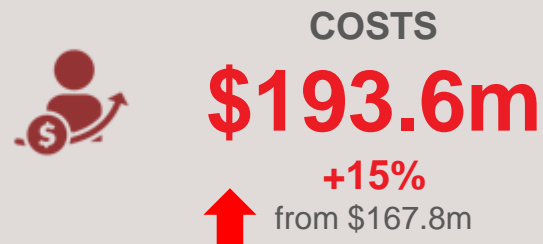
58.3 cents
underlying earnings
per share

28.0 cents
dividends
per share

48%
dividend
payout ratio

¹Total Recordable Injuries Frequency Rate: all fatalities, LTIs and medical treatment injuries multiplied by 1,000,000 then divided by hours worked

1H22 Financial Summary





1H22 Financial Performance: Summary

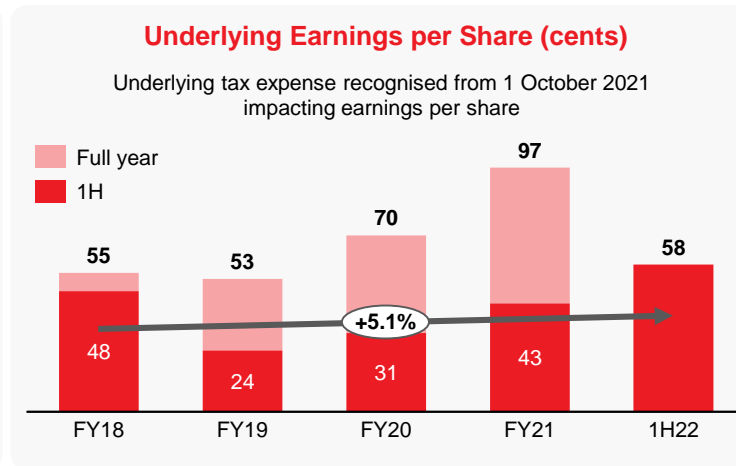
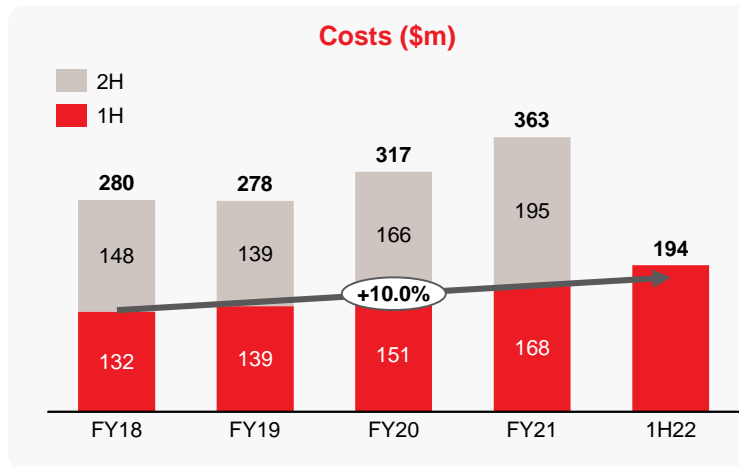
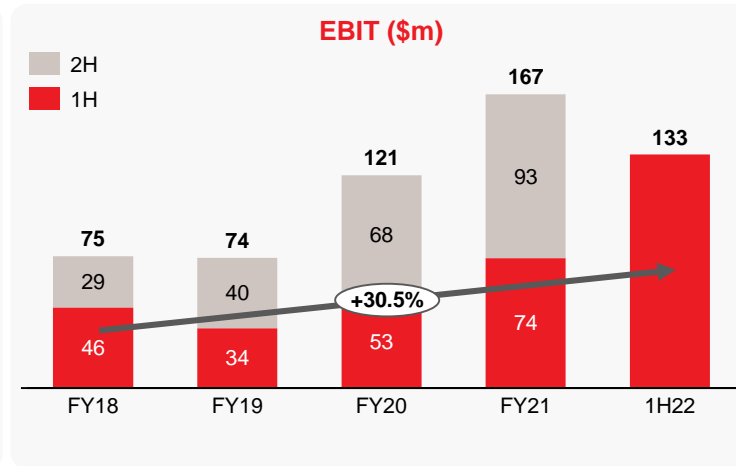
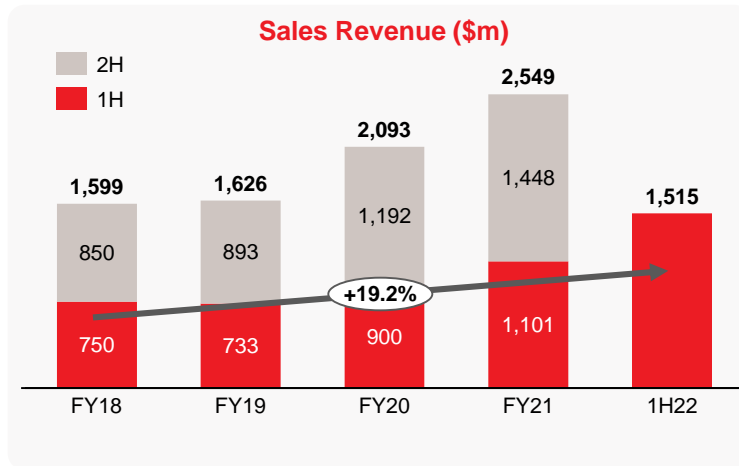
Strong performance across our key metrics

Key metrics (\$m)	1H22	1H21		Var	%
Sales revenue	1,514.8	1,100.5	↑	414.3	38%
Gross margin	326.5	241.6	↑	84.9	35%
Costs	193.6	167.8	↑	25.8	15%
Earnings before interest and tax	132.8	73.8	↑	59.0	80%
Net profit after tax	91.2	68.2	↑	23.0	34%
Return on capital (%)*	27.8%	20.1%	↑	7.7%	n/a
Net debt	384.5	263.9	↑	120.6	46%
Leverage ratio (times)	1.2	1.8	↓	(0.6)	(33%)
Operating cash flow	(55.4)	23.9	↓	(79.3)	(332%)
Underlying earnings per share (cents)	58.3	42.9	↑	15.4	36%
Dividend per share (cents)	28.0	20.0	↑	8.0	40%

*Return 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)

1H22 Financial Performance: Summary

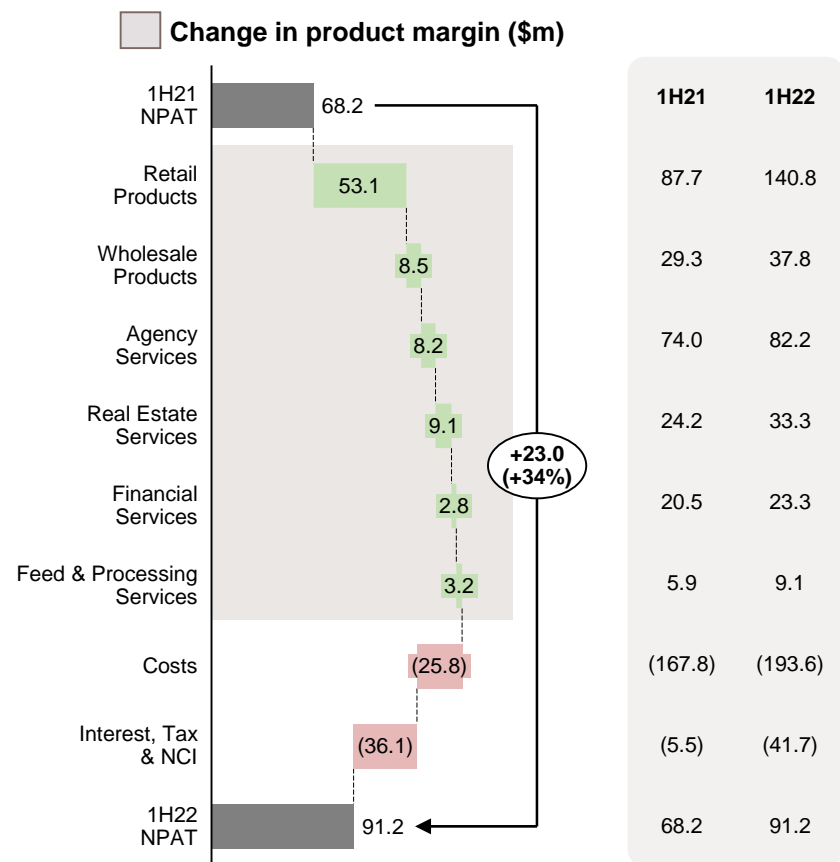
Consistent 1H growth over the last five years



Note: CAGR calculated on 1H performance

1H22 Financial Performance: Product

Favourable performance across all products

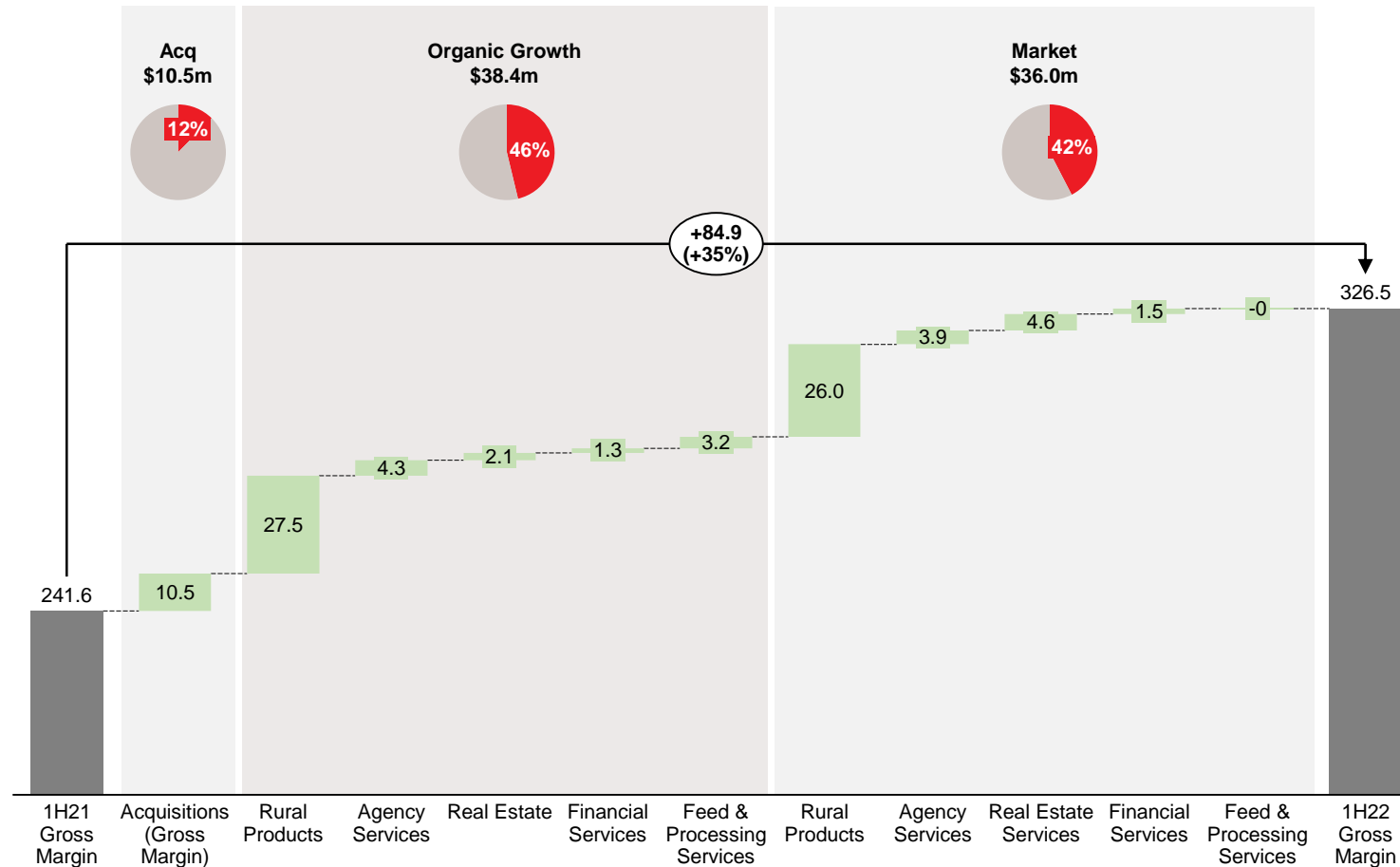


RETAIL PRODUCTS 	<ul style="list-style-type: none"> sales activity +47% strong demand for fertiliser and crop protection chemicals price inflation on cropping inputs forward purchasing to secure supply backward integration strategy 	FINANCIAL SERVICES 	<ul style="list-style-type: none"> +9% in gross written premiums improved Livestock in Transit penetration rates (+0.9%), supported by high livestock activity
WHOLESALE PRODUCTS 	<ul style="list-style-type: none"> sales activity +27% improved seasonal conditions strong demand amidst supply chain concerns additional AIRR warehouse opened 	FEED & PROCESSING SERVICES 	<ul style="list-style-type: none"> strong demand from domestic and export customers at Killara high feedlot residency levels (+8%) improved cattle performance efficiencies at Killara
AGENCY SERVICES 	<ul style="list-style-type: none"> high livestock prices (cattle +32%, sheep +9%) reduced volumes due to rebuild (cattle -12%, sheep -5%) wool market recoveries and re-emerging global demand 	COSTS 	<ul style="list-style-type: none"> more people +298 FTE (+123 acquisition-related) increased performance incentives five acquisitions in 1H22 investment in systems modernisation, cyber and data lake
REAL ESTATE SERVICES 	<ul style="list-style-type: none"> +15% number of farmland properties sold +7% number of residential properties sold favourable market conditions two acquisitions during 1H22 in key geographical locations 	INTEREST, TAX & NCI¹ 	<ul style="list-style-type: none"> historically low interest rates recognition of underlying tax expense, commencing FY22 B&W Rural EBIT outperformance (+\$8.6m and +354%)

¹NCI – Non controlling interests

1H22 Financial Performance: Gross Margin Growth

Steady contribution from acquisition, organic growth and market



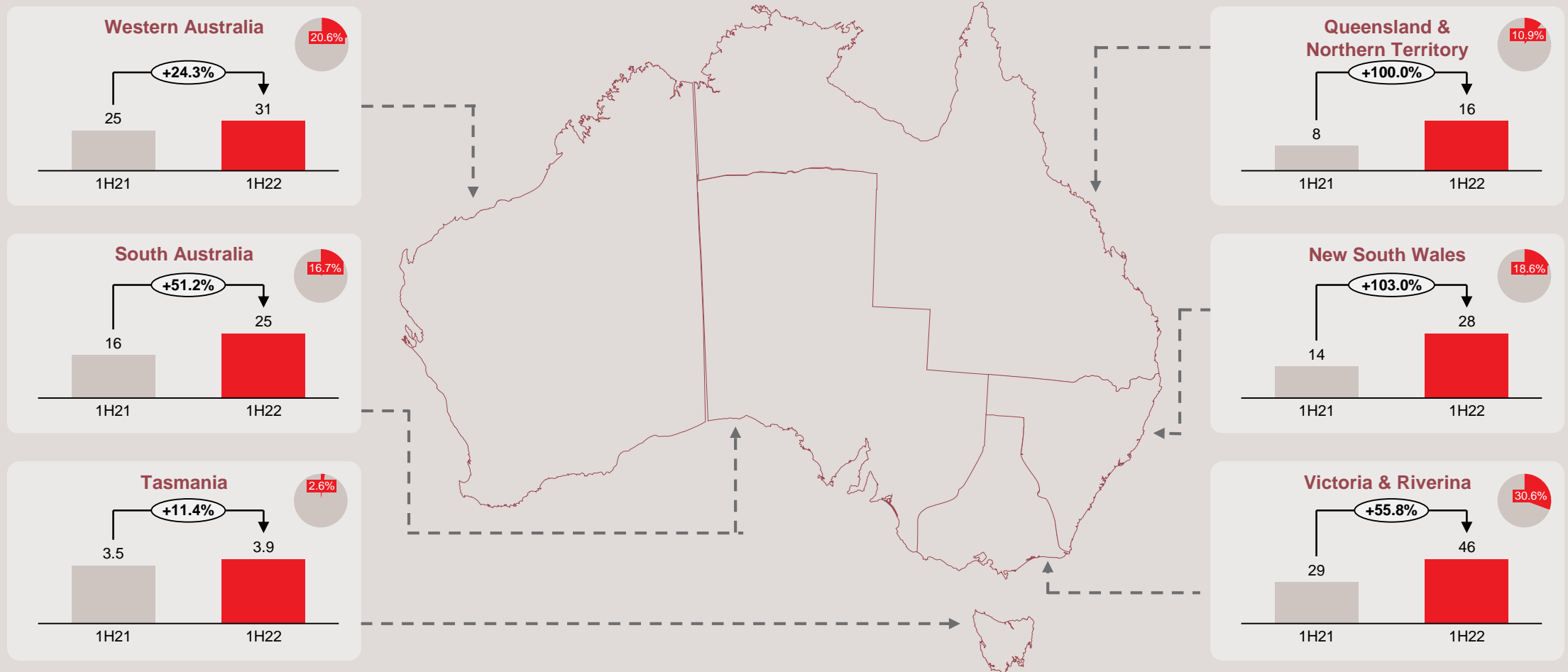
RURAL PRODUCTS 	<ul style="list-style-type: none"> organic growth: market share movements and margin improvement (+1.2%) market growth: based on ABARES area planted (+10.6% vs LY) and price inflation
AGENCY SERVICES 	<ul style="list-style-type: none"> organic growth: market share growth market growth: price increase and volume decline due to restocking
REAL ESTATE SERVICES 	<ul style="list-style-type: none"> organic growth: volume movement market growth: increase sales price per unit and competitive pressures on commission
FINANCIAL SERVICES 	<ul style="list-style-type: none"> organic growth: LIT¹, livestock funding, increased volume of insurance policies market growth: Rural Bank, StockCo, Elders Insurance GWP² price movement
FEED & PROCESSING 	<ul style="list-style-type: none"> organic growth: total gross margin uplift

¹Livestock in Transit delivery warranty

²Gross written premiums

1H22 Financial Performance: Geography













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






Excludes Wholesale Products, International and Corporate Overheads

8 ELDERS EIGHT POINT PLAN



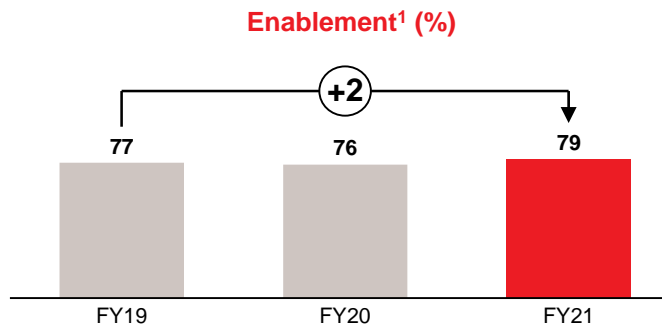
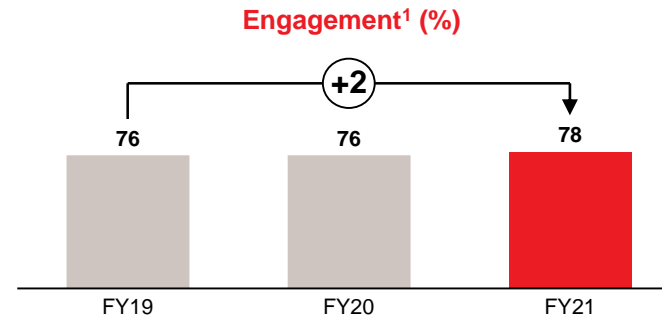
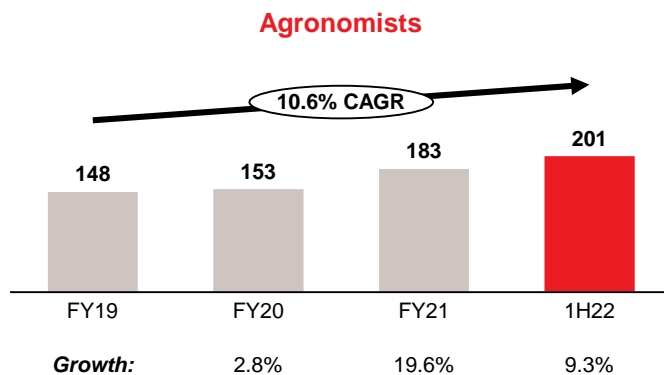
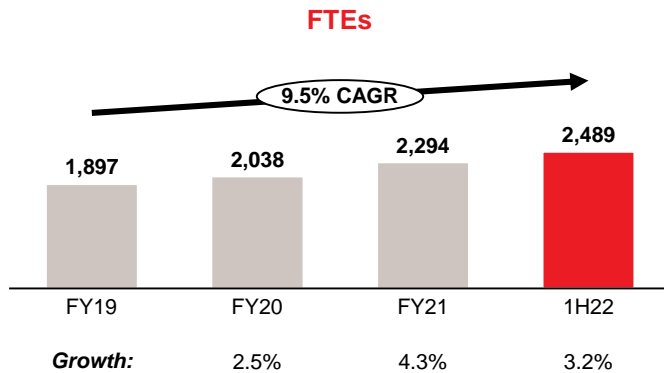
<p>OUR 2023 AMBITION</p>	<p>P Compelling shareholder returns 5-10% EBIT and EPS growth through the cycles at 15% ROC</p>	<p>Industry leading sustainability outcomes across health and safety, community, environment and governance</p>	<p>Most trusted Agribusiness brand in rural and regional Australia</p>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

We are Delivering on our Eight Point Plan Commitment

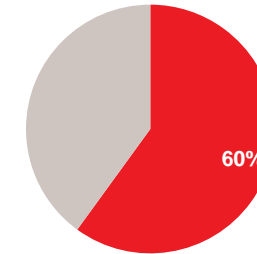
1	<p>WIN MARKET SHARE</p> 	<ul style="list-style-type: none"> ▪ five acquisitions ▪ focus continues on recruitment of high quality personnel and investment in training ▪ building new client relationships ▪ increased our points of presence by 15 locations ▪ additional AIRR warehouse opened 	5	<p>DEVELOP A SUSTAINABILITY PROGRAM</p> 	<ul style="list-style-type: none"> ▪ interim targets to 2025 and 2030, net zero emissions by 2050 ▪ solar and LED lighting site upgrades to reduce emissions ▪ \$1.1m in sponsorships and donations ▪ members of the Australian Packaging Covenant Organisation ▪ publication of our second 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"> ▪ expanding own brand portfolio across crop protection, animal health, seed and specialty fertiliser ▪ launched two new Titan herbicide products ▪ leveraging our increased scale to negotiate stronger preferred supplier partnerships across the group ▪ enhanced pricing and margin management through development of new tools, controls and training for frontline staff 	6	<p>SYSTEMS MODERNISATION PROGRAM</p> 	<ul style="list-style-type: none"> ▪ five software platforms selected ▪ two system integrators selected ▪ dedicated 30+ team assembled ▪ on time and on budget (\$1.7m spend YTD)
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 ▪ uptake in new Elders Carbon Farming service 	7	<p>PEOPLE AND SAFETY</p> 	<ul style="list-style-type: none"> ▪ TRIFR improving to 12.6, falling 2.4 since September 2021 ▪ \$1.0m investment in safety capex ▪ 298 additional FTE to support growth ▪ highly engaged (78%) and enabled (79%) employees ▪ 42% of women in the workforce
4	<p>OPTIMISE OUR FEED & PROCESSING BUSINESSES</p> 	<ul style="list-style-type: none"> ▪ developing irrigation better utilising the available water and maximising crop production for downstream use in feedlot operations ▪ strengthened our supply chain through expanding backgrounding operations and increased market share with key customers ▪ maintaining a target of 100% occupancy at Killara to drive efficiency and throughput 	8	<p>COST AND CAPITAL EFFICIENCY</p> 	<ul style="list-style-type: none"> ▪ 27.8% return on capital, exceeding 15% hurdle ▪ 59% cost to earn ratio, improved 10% ▪ 1.2 leverage ratio, down 0.6 times ▪ 35.0 interest cover, up 15.4 times

We Are Committed To Attracting & Retaining The Best People

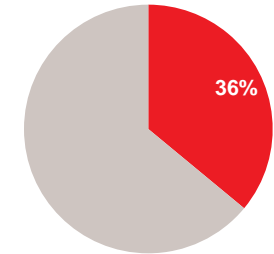
More people, highly skilled, engaged and diverse



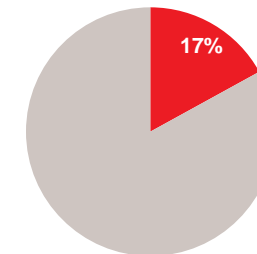
Female non-executive directors



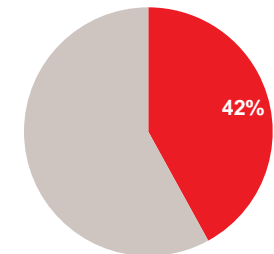
Women in senior executive positions



Women in leadership positions



Female workforce²



¹2021 Korn Ferry Elders Employee Effectiveness Survey

²Excludes China, Indonesia and casuals

We Continue To Invest In Innovative Solutions

Innovation is an important investment for future growth

WE HAVE EMBARKED ON SYSTEMS MODERNISATION AND DEVELOPED NEW PRODUCTS, BRANDS, INNOVATIVE SOLUTIONS TO IMPROVE CUSTOMER EXPERIENCE

WE ARE ALSO BUILDING OUR PORTFOLIO OF OWN BRAND PRODUCTS...

SysMod on budget, on time

5

software platforms selected



2

systems integrators selected



New products, brands and innovation

Titan Besuto

new Titan crop protection product

(liquid herbicide; containing 480g/L Pyroxasulfone)



Titan Immense

new Titan crop protection product

(liquid herbicide containing 33 g/L Imazamox + 15 g/L Imazapyr)



“Innovation at work”

pilot extension project with Hort Innovation commenced

200+

Carbon Farming expressions of interest

	Crop Protection	Animal Health	Crop Nutrition	Seed
Brands				
Products ¹ sold in FY21	~140 ²	43	12	38
New products in development ³	28	n/a ⁴	12	951
New products for launch in 1-3 years ⁵	10	5	12	10

...AND INVESTING IN OWNERSHIP OF FORMULATION PLANTS



- 33% equity investment in AgCrest, a greenfield agricultural chemical formulation plant in Toowoomba - production to commence ~Q3 2023
- Exploring formulation investment options in other states to further support increased margins and security of supply via backward integration

Notes:

¹Products sold in FY21, different pack sizes, brands or SKUs of the same underlying product are counted as 1 product; ²Includes Titan products sold at Elders network only; ³Note that not all products will reach commercial launch; ⁴Included within the 5 between 1-3 years; ⁵Unlikely to launch any products within the next 2 years unless they have already been approved for registration by the APVMA. 10 products in our pipeline have been approved, while the remaining products are still in the data generation or APVMA evaluation phase

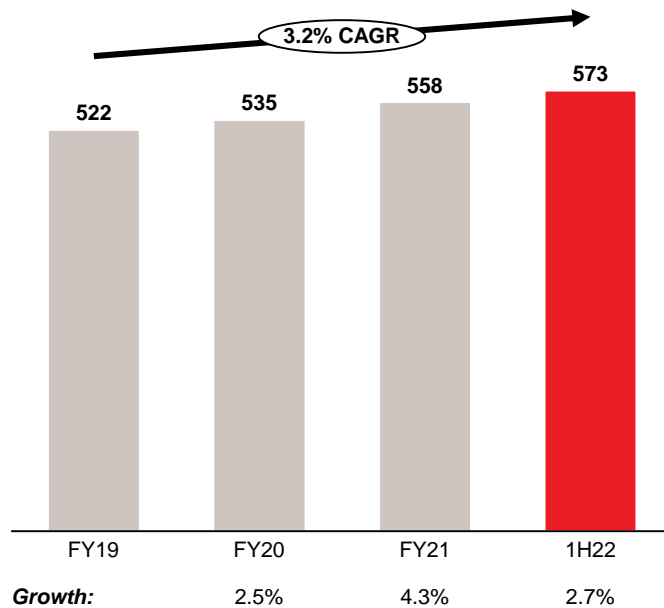
There Are Still Plenty Of Opportunities to Grow

Points of presence increased by 15 locations

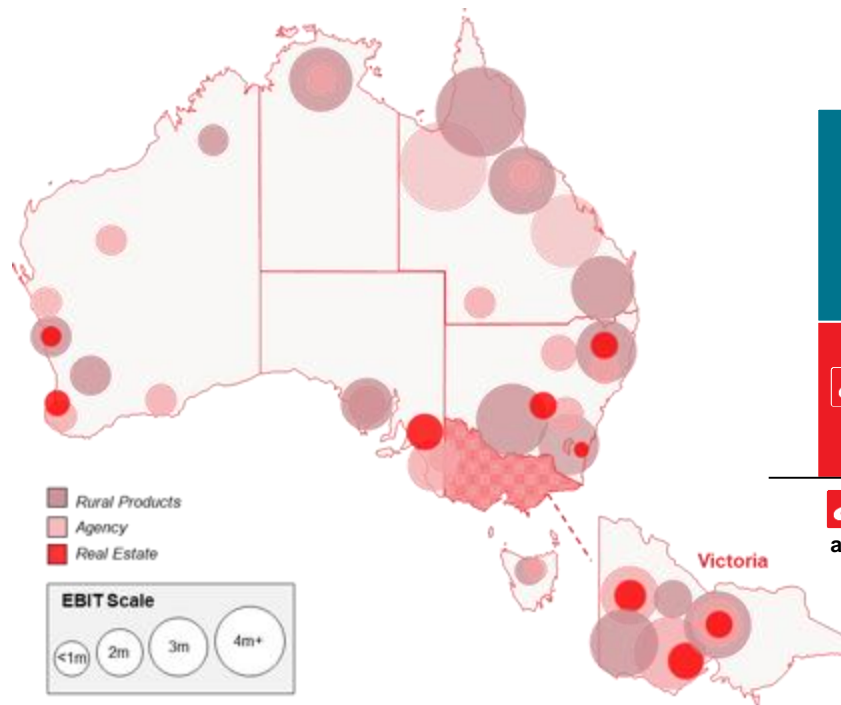
+15 NEW LOCATIONS SINCE SEPTEMBER 2021

GROWTH OPPORTUNITIES TO GAIN MARKET SHARE AND GROW MEMBER BASE IN NEW GEOGRAPHIES

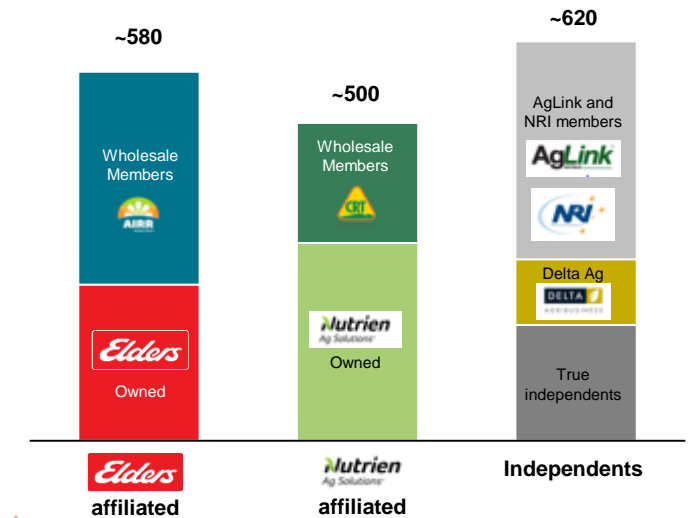
Elders' Points of Presence



Strategic Geographic Locations



Rural Products competitive landscape (stores)



Sustainability



OUR PRINCIPLES

- We provide our customers and clients with the goods and services they need
- We support our people and the industries and communities in which we operate
- We do our part to look after the environment and animals in our care
- We operate ethically and to the highest standard

CLIMATE TARGETS¹

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

- **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 2050²

OUR PROGRESS

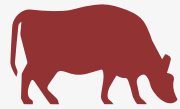
- Targeting solar and LED lighting site upgrades to reduce emissions
- Solar farm development at Killara Feedlot
- Second Modern Slavery Statement published
- Joined the Australian Packaging Covenant Organisation; waste reduction strategy in development

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

²Targets based on Elders' financial year ending 30 September

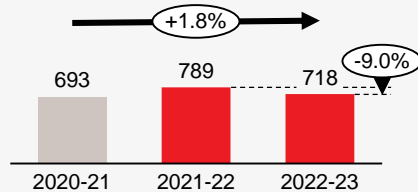
ABARES March Outlook Update

Improved winter cropping; decline in cattle price as rebuild continues, however remains historically high

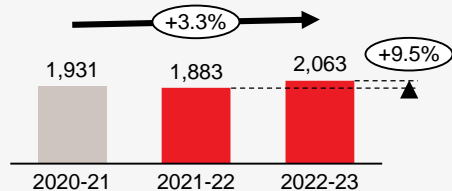


Beef & Veal

Average saleyard prices (c/kg)



Production (kt)

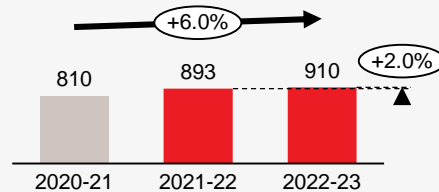


- Easing rebuilding see prices fall, but remain historically high
- Gross value is forecast to increase 8% to a record \$15.7 billion in 2021–22
- Global beef prices are forecast to stay high throughout the outlook period

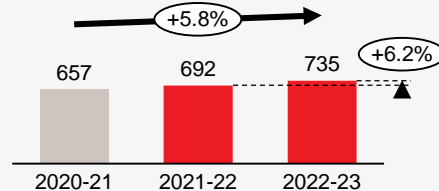


Sheep

Average saleyard prices (c/kg)



Production (kt)

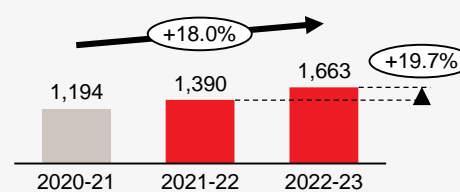


- Strong export demand in the US is expected to support high lamb prices
- The value of the sheep meat industry is expected to surpass \$5 billion in 2021–22
- Rising supply of sheep meat will allow Australia to respond to growing global demand

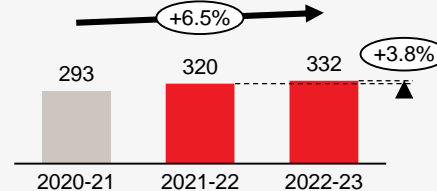


Wool

Eastern Market Indicator (c/kg)



Sheep shorn for wool production (kt)

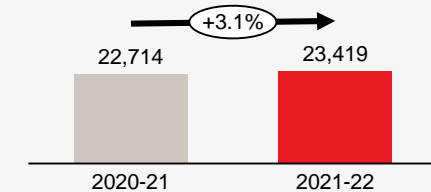


- Strong economic growth in advanced economies to lift wool prices
- Value of the Australian wool clip to grow strongly as flock rebuilding continues
- Demand for fine and super-fine wool will lift the Eastern Market Indicator higher

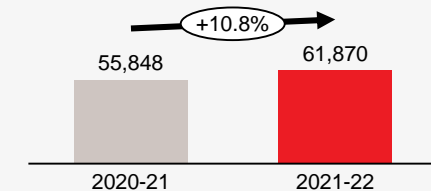


Cropping

Area planted to winter crop ('000 ha)









Winter crop production (kt)



- Winter crop production in 2021–22 has been revised to an even higher national record of 61.9 million tonnes.
- This represents an upward revision of 6% from the December 2021 update and 11% on prior year

Market Outlook

FY22 expected to finish positively with livestock prices remaining elevated and favourable cropping outlook

 <p>RURAL PRODUCTS</p>	<ul style="list-style-type: none"> positive winter crop outlook, with area planted forecast to rise 3% to 23.4 million hectares¹, expected to drive strong demand in the second half for cropping inputs, particularly agricultural chemicals, fertiliser and seed supply chain pressures are expected to support continued elevated prices for agricultural chemicals with potential for margin pressure on some product lines benefits from acquisitions to provide further margin upsides in the second half 	 <p>FINANCIAL SERVICES</p>	<ul style="list-style-type: none"> continued uptake of our livestock funding product forecast to provide margin upsides our Livestock in Transit (LIT) delivery warranty products expected to continue to grow in line with higher livestock turnover 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 are expected to remain firm in 2022, underpinned by domestic re-stocker demand, however set to decline as this demand wanes into 2023 lamb and mutton prices forecast to also remain high, due to strong export demand from the United States and improved exports into China continued wool market recovery as demand grows, particularly in advanced economies, with the Eastern Market Indicator set to increase further into 2022/23 	 <p>FEED & PROCESSING SERVICES</p>	<ul style="list-style-type: none"> strong demand expected to continue from customers with increases in margins for both domestic and export supply chains despite ongoing high feeder cattle prices supply chain continues to be supported by our backgrounding and irrigated farming operations to ensure high utilisation and throughput at the feedlot investment in environmentally sustainable and growth initiatives to drive further efficiencies at Killara
 <p>REAL ESTATE SERVICES</p>	<ul style="list-style-type: none"> despite looming interest rate increases, favourable commodity price outlook and good seasonal conditions will continue to drive high levels of demand for farmland properties strong demand for residential and rental properties likely to continue, with the continued lifting of COVID-19 restrictions increasing activity property management earnings to increase, supported by additional rent roll portfolios acquired during the first half 	 <p>COSTS & CAPITAL</p>	<ul style="list-style-type: none"> maintain a stable cost to earn ratio footprint and acquisition growth, continued investment in our Eight Point Plan and the first phases of our System Modernisation program will increase our cost base despite ongoing low interest rate environment, interest rates are expected to increase throughout 2022

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

²Department of Agriculture, Water and the Environment, ABARES Agricultural Outlook: March edition

Closing Summary



Strong financial performance in 1H22 expected to continue in 2H22, with full year EBIT guidance in the range of 30 to 40% above FY21 underlying EBIT and a target of 90% cash conversion



Supply chain challenges have been mitigated by holding higher inventory levels, but residual risk of margin squeeze due to pricing volatility of some products



Our brand is strong with high customer trust and net promoter score



Continued focus on improving safety and sustainability outcomes

Optimistic about growth in FY23 :



- strong bolt on acquisition pipeline
- capturing market share via expanding points of presence and serving our customers well via a highly engaged, enabled and diverse workforce
- expanding own brand product range to leverage success of backward integration strategy
- systems modernisation program will start to deliver benefits
- mid-term market and ag commodity outlook remains positive



Elders



Elders