



ASX ANNOUNCEMENT

28 August 2020

SunRice Group 2020 Annual General Meeting and B Class Meeting – Chairman and Group CEO addresses and presentations

Please find **attached** the following documents to be presented at the SunRice Group's 2020 Annual General Meeting and separate B Class Meeting, both of which are being held virtually today:

1. Chairman's address
2. Group Chief Executive Officer's address
3. Annual General Meeting presentation slides
4. B Class Meeting presentation slides.

Information on how Shareholders can attend the 2020 Annual General Meeting (due to commence at 10.30am), and separate B Class Meeting (due to commence at 12.20pm, or immediately following the Annual General Meeting), is available on the SunRice website:

www.investors.sunrice.com.au/AGM.

The Notices of Meeting issued on 23 July 2020 on the ASX also contained detailed information on how to log in for each Meeting and vote. If Shareholders require any support, they can contact Link Market Services (which provides share registry services for the SunRice Group) on 1800 237 764.

The results of the Annual General Meeting and B Class Meeting will be communicated to the ASX following the conclusion of both meetings, along with a separate ASX Announcement from the SunRice Group.

Authorised by Kate Cooper, Company Secretary, SunRice Group.

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About SunRice's structure

The structure of Ricegrowers Limited (SunRice) contains non-standard elements including its dual class share structure comprising A Class Shares and B Class Shares.

A Class Shares confer on their holders the right to vote at general meetings but no right to dividends. A Class Shares are not quoted on ASX and may only be held by Active Growers. The right to vote is based on one member, one vote and no person may hold more than 5 A Class Shares. In practical terms the voting rights held by A Class Shareholders give those shareholders the right to control the election of directors and any changes to SunRice's constitution.

B Class Shares are quoted on ASX and confer on their holders the right to receive dividends, as determined by the directors from time to time. Holders of B Class Shares do not have the right to vote at general meetings of SunRice and may only vote on proposals involving a variation to their class rights or if required for the purposes of the ASX Listing Rules. This means B Class Shareholders have no right to vote on the election of directors of SunRice. No person may hold more than 10% of the total number of B Class Shares on issue.

For more details of the non-standard elements of SunRice's structure see <https://corporate.sunrice.com.au/investors/>



1. CHAIRMAN'S ADDRESS – LAURIE ARTHUR, CHAIRMAN

As we celebrate 70 years of SunRice, I acknowledge that Financial Year 2020 was a challenging year.

The Board was clear from the outset that it would be difficult 12 months given the impacts of successive years of low water availability and high water prices on Australian rice production.

However, as Rob will speak to, FY2020 also brought with it deteriorating conditions in key global markets and a series of unexpected impacts on the Group, not least of which was COVID-19.

There would be few companies in Australia that would be able to retain their profitability when faced with a 91% reduction in the availability of their core input, even before the other challenges we faced are factored in.

As Chairman, this is a clear demonstration of the underlying resilience of our company and the performance of our management team, led by our CEO. As you will hear later, we were pleased to see our management team exceed almost all of the KPIs we set for them and deliver what was a creditable result in a challenging context.

The Board has had a strong focus on the Riverina cyclical downturn; but also, for the past three years, the execution of the Group's 2022 Growth Strategy. This is designed to strengthen and grow the company to provide sufficient scale to navigate challenges and meet the needs of customers in a dynamic global environment.

In FY2020, we continued to leverage the Group's strong balance sheet to pursue strategic growth and build value for our growers and investors following our listing on the ASX in 2019. Despite the operational challenges of the past 12 months, we were pleased to declare a fully franked dividend of 33 cents per B Class Share, representing a dividend yield of 6.4 per cent.

This was largely made possible due to the diversification of earnings across the Group's portfolio and our global sourcing capabilities in a year in which Australian crop was scarce.

We remain focused on delivering value for our B Class Shareholders, particularly in the context of lower volumes of Australian rice, which impact on our Profit Businesses in the form of underutilised milling and storage assets.

While our stated revenue goal of \$2 billion under the 2022 Growth Strategy will now take longer to achieve, our innovation pipeline remains strong and we have the balance sheet strength to continue to pursue and integrate value accretive merger and acquisition opportunities.

We have also taken the decision to cancel the Share Buy Back Scheme, which we announced in December 2019. The scheme was launched as part of our commitment to efficiently manage capital, while maintaining balance sheet flexibility to pursue future growth and investment opportunities. However, the recent improvement in B Class Share price meant it had not been necessary for us to participate in the market.

Understanding the impact of low water availability and high water prices on our A Class grower shareholders, as a Board we exercised our discretion to defer the redemption of A Class Shares during the year.

In order to incentivise production to maintain baseline Riverina operations, our growers were offered fixed price contracts of \$500 per paddy tonne for medium grain Reiziq and up to \$1,350 per paddy tonne for organic varieties in Crop Year 19.

However, only 54,000 paddy tonnes were harvested, which as I mentioned earlier, was a 91 per cent reduction on the 623,000 tonnes harvested the prior year.

In August 2019, the Board took the decision to offer record fixed price contracts to stimulate C20 plantings. This crop, harvested in mid-2020 and being marketed in Financial Year 2021, was smaller again, at approximately 45,000 tonnes.

The Board is cognisant that the impact of low production is not only felt by our growers, but across our NSW rice growing regions.

In crop years of around 600,000 tonnes, SunRice directly contributes close to \$400 million to the Riverina economy in the form of payments to growers, shareholders, employees and other suppliers. In contrast, in crop years such as those we are currently experiencing, our direct contribution is significantly smaller.

While there have been ongoing drought conditions, there is growing evidence that the allocation yield of NSW General Security water entitlements has been significantly eroded as a by-product of Australian water reform.

Despite assurances contained in the 2004 National Water Initiative, the burden of these NSW and Federal reforms are not being shared equally. This, combined with the complexity and lack of clarity in the water allocation process, has led to a loss of confidence by our Riverina growers in the management of the Southern Connected Murray-Darling Basin system.

As such, the Board intensified its advocacy efforts with the NSW and Federal Governments in FY2020 to address these unintended consequences and will continue to do so in conjunction with the Ricegrowers' Association of Australia.

Beyond our focus on Group strategic direction and performance, there were changes to Board membership following the Grower Director Elections and a review of Board composition, size and tenure during FY2020.

This included welcoming new Non-Executive Grower Directors Jeremy Morton and Julian Zanatta.

We are clear that at 11 Directors, the Board is too large for a company of our size and took steps to ensure that we right size the Board and our governance frameworks for the future.

Today's resolution on this matter is designed to ensure that we are well placed to oversee the Group's growth and the many cycles our company faces – from foreign exchange impacts and drought, and economic fluctuations in key global markets, to unforeseen jolts such as those experienced in FY2020.

As a Board, we also strengthened our risk management framework and continued to monitor the Group's performance under the Board's 2017 Sustainability Charter. This included our commitment to mitigating the risks of a variable climate and the approval of a new SunRice Supplier Sustainability Code. I note we are now well placed to issue our first Modern Slavery Statement in FY2021.

As FY2020 closed, COVID-19 demonstrated that the Australian public demands access to their preferred staple foods in times of crisis.

The cleanout of rice from supermarket shelves in the first weeks was a stark example of the importance of our rice industry, not only to Australia, but also potentially to our nearest neighbours. Our rice industry has taken nearly a century to build and should not be taken for granted.

With reasonable access to water, we can play a significant role in the recovery of rural Australia post COVID-19.

In line with this, I would like to briefly speak to the pricing offers we have made Riverina growers stimulate plantings for next year's C21 crop.

As many of you will know, we received significant interest in our recent fixed price offer of \$475 per tonne for Reiziq, \$525 per tonne for Doongara and \$625 per tonne for Koshihikari.

Contracts were opened on the 29th of July to 'Critical Year' growers who grew in the past two seasons, and then to all other growers on the 31st of July. The initial offer was fully subscribed in four days and as a result we have already contracted substantially more volume than was grown in the 2019 or 2020 seasons.

Following recent increased rainfall, inflows to major water storages and allocations, yesterday we announced the opening of a pool for the 2021 Riverina rice season ahead of the October planting window.

Significantly, this is the first pool that the Group has run since 2018 and we are pleased to provide an estimated range of \$390 to \$450 per tonne for medium grain Reiziq.

With pricing for other annual crops under pressure, SunRice's reputation for always paying, the demonstrated suitability of rice to our farming systems, and conditions turning in our favour – the Board believes the estimated range for the pool is a compelling proposition for growers.

Pool No. 1 will open to Critical Year growers at 7 September 2020, and to all other growers on 9 September 2020.

We are seeking commitments from our growers so that we can undertake critical planning, including determining how much seed will remain after the CY21 crop is planted. The small

volume from past crops, which is currently being milled, is expected to be exhausted in early 2021.

Our intention is to utilise any excess seed to maintain a milling program at Leeton and Deniliquin for the period between the exhaustion of our current paddy, and the CY21 harvest.

It is clear that there is the desire to grow rice, provided the economics work for individual farmers and we are increasingly optimistic of a much larger rice crop being planted in CY21.

We look forward to receiving a strong response from our growers, particularly given the positive flow on effects for both A and B Class Shareholders that increased volume delivers for our facilities in the Riverina.

I am proud to be Chairman of a company that has consistently demonstrated resilience and innovation across multiple cycles of adversity and opportunity.

We have not only endured, but thrived, for 70 years and will continue to do so.

I thank my fellow Directors, our growers, shareholders, the RGA and RMB and our dedicated employees, led ably by CEO Rob Gordon, for ensuring the company's continued success.

We have an excellent team at the helm and are firmly focused on executing our growth strategy for the benefit of both A and B Class Shareholders, as well as the many communities that rely on us across the Riverina and around the world.

Thank you for your support today. I look forward to the journey ahead.



2. GROUP CEO'S ADDRESS – ROB GORDON, GROUP CEO

Thank you Laurie and good morning to everyone who has joined us.

At last year's AGM in Jerilderie I don't think any of us could have predicted that we would be gathering for this year's AGM in this fashion. While we had intended to hold our meetings physically in Jerilderie and online, with the continued escalation of COVID-19 cases in Victoria and NSW, we took the decision to move to online-only.

While we felt this was a necessary thing to do for the wellbeing of our shareholders and the community, we appreciate it's a different medium and I thank you for your patience.

This is reflective of the many changes we've had to make to the business in response to the extraordinary circumstances associated with the global COVID-19 pandemic.

Please note our standard disclaimer notice on screen, which includes the non-standard elements of SunRice's share structure. Today's presentation has already been lodged with the ASX and on our website if you would like to read this in detail later.

We have a full agenda today covering:

- The 70th anniversary of the company
- Context for the Financial Year 2020, and challenges faced, including the Australian bushfires and of course COVID-19
- Our FY2020 Financial Results
- An update on our strategy, and highlights
- The outlook for the 2021 Riverina rice season, and steps taken by the company to build momentum
- A look ahead at Financial Year 2021.

Before we start on this agenda, I wanted to acknowledge and highlight that 2020 is in fact our 70th anniversary.

I am incredibly proud to have led the company for the past eight years, and am thankful for the ongoing strong support of the Board and Chairman and for the opportunity to be able to build on the achievements of the generations that have gone before.

Of course, a lot has changed in the 70 years since Ricegrowers' Co-operative Mills Limited formed in 1950, and this slide shows just a selection of those key developments.

From building the Deniliquin Mill, to establishing Trukai Industries Limited and acquiring CopRice in the 1970s; to establishing our rice research division in the 1980s.

Then in the 1990s, our Solomon Islands business, SolRice, was acquired, as was Riviana Foods – further diversifying the company's earnings into non-rice products. In the 2000s SunRice became the new trading name for RCL, and in 2005 the company was corporatised, becoming Ricegrowers Limited.

We listed on the NSX in 2007, hit \$1 billion in revenue in 2012, and of course, last year, listed on the Australian Securities Exchange.

Over that time we have become an international company, selling products to more than 50 markets and having operations in 9 countries around the world, and diversifying our supply sources through acquisition of processing mills in California and Vietnam, and sourcing rice from 12 different countries including Australia.

Today we are not just a company responsible for marketing the Australian rice crop, but a truly international FMCG and global rice food business with a tremendous reputation. The Riverina is our heritage, and remains a critical part of our business, and we have taken those values and implanted them in every place around the world in which we operate.

Despite the fact SunRice has built such strong branded positions around the world and diversified its earnings and structure, the heart of our business remains based in the Riverina and therefore we are still exposed to the Australian agricultural cycle.

I want to share with you what we've achieved through that cycle, since coming out of the Millennium Drought in 2012:

- Our share performance has increased by 106%, outperforming the S&P/ASX 200 Consumer Staples Index which had growth of 56%
- We've paid out more than \$2 billion in Riverina paddy payments, and more than \$148 million in fully franked dividends to B Class Shareholders
- The Group's Net Tangible Assets grew 53%, with more than \$234 million invested in capital expenditure
- Total shareholder return increased by 210% between 2012 and 2020, which outperformed the ASX 200 Consumer Staples Index which had an increase of 112% in that same period
- And we've improved the strength of our balance sheet, with gearing reduced from 40% to 15%.

Of course the two most recent years have once again been affected by drought, low water availability and high water prices in the Riverina.

But as you'll see later in the presentation we haven't lost the focus on growing your business so that when we come out of this low point in the Australian agricultural cycle we should return to even greater success.

At the start of last year, with a crop of only 54,000 tonnes available from the Riverina – representing 5% of our global demand – we knew that the overhead recovery of our asset base would be challenging and planned accordingly.

But we did carry in approximately 300,000 tonnes of crop from 2018 – which although lower yielding – allowed us to set aside the 54,000 tonne crop and combine it with the 2020 crop to mill in the current Financial Year.

We also activated our international sourcing capability to bridge the gap between the small Riverina crop and global demand of more than 1 million paddy tonnes.

However as the year progressed, it became truly extraordinary, with the challenges posed by the drought conditions exacerbated by a number of other significant headwinds:

- Papua New Guinea, our biggest market, and the rest of the Pacific continued to experience deteriorating economic conditions
- The devastating bushfires which hit Australia last summer had a negative impact on our at home entertaining business and the Riviana Foods segment, with barbecues banned in many parts of Australia
- And continued devaluation of foreign exchange (mainly the AUD and PNG Kina against the USD and Euro) impacted the profitability of a number of our segments, including Rice Food, Riviana Foods, Trukai, SolRice and our International Rice segment.

In addition to all of these challenges, you would be of course aware that the global COVID-19 pandemic has had a dramatic impact on many Australian businesses, including in our sector, with many of our peers cancelling dividends, raising fresh capital to strengthen their balance sheets and finding themselves under financial stress.

I would now like to share some detail on how your company has responded and managed through these very troubled times.

Our approach to COVID-19 has been focused on three key pillars:

- Implementing new working arrangements to protect the health and wellbeing of our staff
- Maintaining business continuity and production to the highest levels possible
- And keeping in close contact with our key stakeholders, including our customers and suppliers.

Throughout this crisis our operational staff in Australia and around the world have continued to work to ensure that our products – which are a critical food staple in high demand in many of our markets – could continue to be produced and delivered to customers.

Our office-based employees have continued to launch new products, source rice, manage complex disrupted supply chains and do their level best to continue business as usual, despite working from home.

And some five months later, they're still working from home.

And to make life even more difficult, on the weekend prior to our office-based employees working from home, we experienced heightened cyber security activity, which impacted upon some of our key systems.

I just want to acknowledge all of the people in our organisation who contributed to managing such difficult circumstances.

I'm immensely proud of the ingenuity and commitment of our employees:

- Our CopRice employees have had to find new ways of doing business given restrictions in NSW and Victoria limited their ability to travel onto farms.

- In our facilities in the Riverina, a number of employees who had been made redundant due to the small 2019 crop agreed to stay on for a period of time to help us respond to the sudden spike in demand.
- We put in place additional safety measures in our facilities – which meant that each time an employee suspected they had COVID-19, we shut down the facility and undertook a deep clean.
- We also redesigned our offices for social distancing, and registered our Australian premises as being COVID-safe.
- Employees across our global Group have found new ways to stay connected with each other and their customers, suppliers and key stakeholders despite the inability to travel, and the extra burden of restrictions, including for some the responsibility of juggling home schooling.
- We had increased demand for many of our retail products, with demand in some cases more than 200% of forecasts due to changes in consumer shopping patterns. This sudden spike in demand exceeded existing levels of supply. We ramped up production to respond to this event, however, there was a real change in the channel mix of our business, with customer relationships being challenged at times.
- The restrictions in Australia and other markets saw a collapse in demand for our food service products, with sales in this channel down by as much as 60%
- States of emergency were declared in Solomon Islands and PNG
- Martial law was imposed in Jordan, and remains in place today
- Price freezes imposed by some Governments due to food security and affordability concerns, preventing us from recovering the negative impact of foreign exchange fluctuations
- A number of complex supply chain disruptions, including access to some ports being interrupted and shipments being put on 'go slow' between particular destinations
- Severe export restrictions on rice imposed in Cambodia and Vietnam, highlighting our key role in providing food security for Pacific Island nations.

Perhaps these impacts on our business are best illustrated by a couple of examples:

- Our stock destined for Middle East markets in time for Ramadan became trapped in an Italian port when Italy closed its borders. We sent back-up stock, but this was delayed as shipping companies took advantage of low oil prices and avoided the direct route via the Suez, travelling a longer route which meant that the inventory arrived after the celebrations.

And in Hawaii, our largest market serviced from SunFoods, cruise ship and tourist volumes were decimated as can be seen in the chart on-screen showing the reduction in domestic and international arrivals.

I hope this provides an insight into why I'm so proud of the dynamic response our employees have demonstrated in delivering this strong result in spite of such difficult circumstances.

As we continue to respond to the COVID-19 pandemic, the safety of our people, customers and suppliers continues to be of the utmost importance to us, as well as ensuring that the role we play in food security is fulfilled in every market in which we operate.

So, against that backdrop, what are the key numbers for Financial Year 2020?

In Financial Year 2020 we delivered group revenue of \$1.13 billion and Net Profit After Tax of \$22.7 million, down 5% and 31% year-on-year respectively, and declared a fully franked dividend of 33 cents per B Class Share. We also paid high paddy prices of between \$500 and \$1350 per tonne dependent on varieties. Our balance sheet remained strong, with gearing of only 15%.

To deliver these results in the face of the above challenges stands us apart from our peers on the ASX and highlights the resilience and strength of our business model.

As I highlighted earlier, we successfully met global demand for our products of in excess of 1 million paddy tonnes, with only 5% of this volume available from the 2019 Riverina harvest.

Flexing of this capability enabled us to maintain our leading positions in many of the approximately 50 markets in which we sell branded products globally.

While in our 2022 Growth Strategy we wanted to drive topline revenue growth, the chart on the right of screen demonstrates how we've managed to maintain revenue while reinventing our supply chains in response to reduced production in Australia.

Further, the Financial Year 2020 bottom line results were delivered despite:

- Having to absorb under-recoveries in the Rice Pool business,
- Incurring redundancy costs of \$4.5 million associated with reducing our Riverina employment due to the small 2019 crop
- Incurring \$4.5 million in non-recurring costs associated with the increased level of risk due to COVID-19
- And negative foreign exchange impacts for our importing businesses of approximately \$8.5 million.

The result was further supported by the implementation of cost savings of more than \$10 million across the Group. In addition, we have had ongoing reductions in employment in our Riverina operations due to the low production, with headcount in the Riverina reducing by approximately 200 positions between November 2018 and April 2020.

The continuous financial discipline exercised by the Group resulted in the generation of a positive net cash flow in year despite the challenging conditions experienced. We also reduced the level of debt from \$132 million to \$122 million, and successfully refinanced the Group's debt in April 2020, extending its average maturity for a further two years with facility tranches maturing now in 2023 and 2024. In the current economic environment, the credit market has been severely disrupted by COVID-19 resulting in toughening conditions in accessing banking facilities.

Our ability to secure and refinance long-term debt with favourable terms and conditions is a testament to the resilience and strength of our balance sheet, and the confidence of our banking syndicate.

This slide briefly shows the results of each of our segments and some commentary on key drivers. If Shareholders would like more detail on individual segment performance – this presentation, and our more detailed FY2020 Financial Results Presentation, are both available on the ASX and our website.

I wanted to spend a bit of time focusing on the impact on the business of the extremely low Riverina production these past two years, and how we responded.

With Australian supply dropping from approximately 802,000 paddy tonnes in 2017, to 623,000 tonnes in 2018 – and then to 54,000 tonnes and 45,000 tonnes in 2020 – we have totally reinvented our supply chains.

As this slide shows, for the current financial year we are sourcing rice from 12 countries and are forecast to supply more than 1 million paddy tonnes of rice to our customers around the world.

Many other companies would just go into loss-making territory when faced with this sort of a challenge – but we were determined to maintain profitability, and to find alternative supply sources to ensure we met our global demand of more than 1 million paddy tonnes to keep premium markets open and available for when Australian rice production returned.

This meant our teams mobilising more than 60 changes of source for products sold into markets across the Australasian, Pacific, Middle East and Asian regions across the last Financial Year.

This involved:

- Finding a grain that was suitable for the end market, including testing to ensure it matched our stringent quality and sensory specifications
- Identifying partners in each of our markets with packing capability in the right format
- Adjustments to our marketing programs
- Securing enough margin from these markets to recover two sets of overheads – the under-recovery of our underutilised assets in the Riverina, and then the additional overheads in the particular market from the new supply chain.

Our teams not only managed this successfully but they maintained an active pipeline of new product development and other initiatives to drive growth in coming years.

We have also continued to build our people capability – hiring great talent, particularly across our offices in the Asian region, to drive further expansion and growth.

I will go through some of these initiatives in the coming slides.

Throughout all of these challenges, we haven't taken our eye off the ball when it comes to delivering against our Growth Strategy.

An active capital investment program was maintained for much of the year, with the pursuit of new value-accretive merger and acquisition opportunities to further diversify and increase earnings.

In total, we have invested approximately \$70 million in the 2019 and 2020 Financial Years in strategic, expansionary and other capital expenditure.

Highlights of the execution of our Growth Strategy last year included:

- Continued improvement and scaling of our Lap Vo Mill in Vietnam, which achieved profitability in its first full year of operation
- Commissioning the new \$10 million bran stabilisation plant in Leeton, which is producing valuable rice bran products for the Rice Food and CopRice segments
- The launch of Low GI Instant Rice cups in China, focusing on hospital and online channels as an option for diabetics

- Extension of our healthier rice-based snacks range to Rice Puffs and Rice Cracker Chips, as well as expanding our geographic footprint in snacks to the Middle East and Asia
- Acquiring and upgrading for a combined \$6 million the FeedRite assets to expand CopRice's pet food production capabilities
- Establishing production of Brown Rice Chips in Australia, which will allow for greater product innovation and further export opportunities
- Commencement of a \$4.5 million upgrade to Leeton's microwave rice facilities to reduce operating costs and improve product innovation and quality
- Repurposing the Coleambally Mill into Australia's largest ruminant nutrition plant for less than \$3 million
- And activation of new supply sources, including in South America.

And as we look forward to FY2021, we are continuing to accelerate pursuit of both organic growth opportunities and key initiatives on the merger and acquisition front.

Touching on organic growth projects first, our innovation pipeline remains strong right across the Group, with the launch of several initiatives aligned with our 2022 Growth Strategy. These include:

- Planned launch of our new infant rice-based product range in Australia and China
- Continued growth of our expanding rice snack portfolio through broader distribution channels internationally
- Development of a new market entry strategy for the Philippines and launching our brands in Europe
- Maintaining SunRice as a leading supplier of rice flour to food manufacturers focused on meeting demand for 'free-from' foods
- Increased product innovation and export opportunities following the establishment of Brown Rice Chip production in Australia
- Building CopRice's industry-leading animal nutrition business, with initiatives spanning dairy, sheep, beef, equine and companion animals
- In Riviana Foods, we are pursuing growth of the Always Fresh, Fehlbergs and Roza's Gourmet brands through continual new retail offerings.

And when it comes to strategic growth, as this slide shows, we are continuing to leverage our strong balance sheet to pursue and integrate value-accretive merger and acquisition opportunities across the Group:

- We are continuing to invest in upgrades to the FeedRite plant that CopRice acquired in Wangaratta – while this has been a cost to date, we are expecting this plant to come online later this year and deliver benefits
- And we just this month announced that we have signed a purchase agreement to acquire the beef and dairy business of Riverbank Stockfeeds, which will further expand CopRice's footprint into the Victorian market, and particularly the key Gippsland dairy market
- Looking ahead – there are a number of other acquisitions that we are currently exploring across the Group which if executed are expected to diversify and increase earnings and are aligned to our 2022 Growth Strategy.

The record low crops of the last two years – despite record high rice prices – are a reflection of the lack of water availability, and the very high water pricing, making rice growing almost impossible for most growers.

While in part caused by drought, we also believe those impacts have been exacerbated by state and national water reform – with the burden being disproportionately borne by annual irrigators in the southern Murray-Darling Basin.

As the Chairman has highlighted, we intensified our advocacy with State and Federal Governments, and other key stakeholders, around these issues as a Group.

Fortunately, the recent improvement in seasonal conditions in the southern Murray-Darling Basin gives us all reason for optimism for the coming Riverina rice crop.

Having kept premium markets open for Australian rice growers, we were pleased earlier this season to be able to offer fixed price contracting that was taken up very quickly, and then earlier this week to open a pool.

And the response has been very positive – we’ve already secured more volume than last year, and with pricing for other annual crops under pressure and SunRice’s reputation for always paying, there is positivity towards rice this season.

Riverina rice production is at the heart of our business.

We’ve demonstrated resilience through the last two years of drought cycle, and if indeed the season does continue to improve, we should see the performance of the Australian Riverina rice business come back and also reap the benefits of our strategic initiatives.

While we have been able to manage well despite the last two years of low production, the Group is undeniably at its strongest when we have increased production in the Riverina.

This enables us to efficiently operate our milling, storage, and other assets, and have supply of high-quality Australian rice, which we can sell as value-added branded products to customers in our most premium markets.

However, we still have to deal with the year at hand.

The small Riverina crops harvested in 2019 and 2020, which are currently being processed, are expected to lead to a significant under-recovery of the Australian Rice Pool segment in FY21. It is anticipated that this will lead to a Paddy Price Supplement being required which would be similar in size to that applied in FY17.

We will be reliant on our international sourcing and our subsidiaries to once again do the heavy lifting on meeting global demand, overhead recovery and profit delivery for the business.

The combined paddy from the last two seasons, which we are currently processing, is expected to maintain a base milling program at the Deniliquin and Leeton mills until early next calendar year.

As water availability and markets develop between now and the October 2020 planting window, we’re hopeful that the size of next year’s crop (being C21) will mean that we more than recover the overheads of the pool and puts us in a position where we can re-engage some of the valued staff that we have had to let go.

Away from the Riverina, we continue to monitor a range of factors that have the potential to impact Group revenue and margins in the short-term, including:

- International rice prices
- The fluctuating Australian dollar affecting input costs in a number of the Group's segments
- Ongoing deteriorating economic conditions in key Pacific markets
- Aggressive pricing strategies from competitors
- Global uncertainty due to the COVID-19 pandemic
- And 'Out of home' dining channels remaining subdued, impacting Riviana's food service business.

With the ongoing volatility due to COVID-19, we will consider if we are able to provide reliable guidance to the market at the Half Year in December 2020.

Strategic growth opportunities and our international sourcing efforts have largely been able to compensate for the loss of the Australian crop these last two years.

If the Australian crop returns, we are well placed to accelerate growth, and the recovery of the Riverina would be an important part of our long-term success.

Thank you for your time today. I will now hand back to the Chairman and look forward to any questions you may have.



Annual General Meeting

28 August 2020

SunRice (ASX:SGL/SGLLV)

Important notice and disclaimer

This presentation is for information purposes only. This information is given in summary form and does not purport to be complete. It should be read in conjunction with the most recent financial report and the Information Memorandum. The content of this presentation is provided as at the date of this presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this presentation as advice to investors or potential investors and, subject to any legal obligation to do so Ricegrowers Limited (trading as SunRice) does not have any obligation to correct or update content.

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Chairman's Welcome

Laurie Arthur

28 August 2020



Directors joining online



Mr. John Bradford



Dr. Andrew Crane



Mrs. Gillian Kirkup



Mr. Ian Mason



Mr. Jeremy Morton



Dr. Leigh Vial



Mr. Julian Zanatta

Joining by phone



Mark Dow, Partner
PricewaterhouseCoopers



Quentin Digby, Partner
Herbert Smith Freehills





Agenda

Procedural matters

Chairman's address

CEO's presentation

Questions and answers

AGM resolutions

General business

Meeting close

Procedural matters

HELP NUMBER

1800 237 764

Voting will be by way of poll

Ordinary resolutions require a 50% majority of votes cast to proceed

Special resolutions require a 75% majority of votes cast to proceed

Proxy and direct voting results already received will be displayed for each resolution

Voting will close five minutes after the meeting ends

Lodging your votes

Click **“Get a Voting Card”**
(top and bottom of platform)

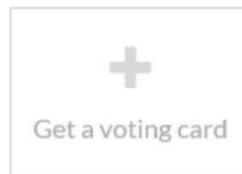
Enter your SRN/HIN
or Proxy Number and postcode

Click **“Submit Details and Vote”**

Fill out your voting card for each
item of business

Click **“Submit Vote”** or
“Submit Partial Vote”

Get Voting Card



Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number

Post Code

Submit Details and Vote

OR

PROXY DETAILS

Proxy Number

Submit Details and Vote

HELP NUMBER

1800 237 764

Voting Card

agm.Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like to complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the the shareholder's voting instructions.

Full Vote

Partial Vote

Resolution 1

For

Against

Abstain

ADOPTION OF REMUNERATION REPORT

Resolution 2

For

Against

Abstain

RE-ELECTION OF MR IAN GLASSON

Resolution 3

For

Against

Abstain

RE-ELECTION OF MS LUISA CATANZARO

Resolution 4

For

Against

Abstain

CHANGES TO THE CONSTITUTION

Submit Vote

Asking questions

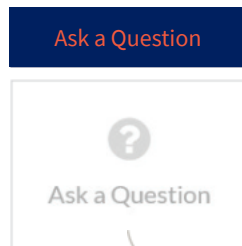
Only A and B Class Shareholders are able to ask questions

Click on **“Ask a Question”**

Select **“General Business”** or a specific resolution

Type in your question and click **“Submit”**

Comments on resolutions can also be submitted through ‘Ask a Question’

A screenshot of a web form titled 'Ask a Question' with a close button (X) in the top right corner. The form contains a welcome message, a 'Regarding' dropdown menu set to 'General Business', a 'Question' label, a large text input area with a placeholder 'Type your question here...', and a red 'Submit Question' button at the bottom. A curved arrow points from the small button in the previous image to this form.

Ask a Question X

We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

You can view questions submitted prior to this meeting [here](#)

Regarding

Question

Type your question here...

Submit Question

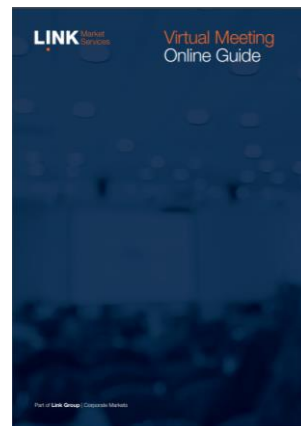
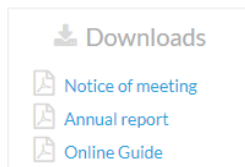
HELP NUMBER

1800 237 764

Additional documents

Click on **“Downloads”** to access the Notice of Meeting, SunRice Annual Report or Online Meeting Guide

Link Market Services support staff are on standby to provide assistance



HELP NUMBER

1800 237 764



Chairman's Address

Laurie Arthur

28 August 2020



CEO's Presentation

Rob Gordon

28 August 2020



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Agenda

70 years of innovation

Context for FY2020 results

COVID-19 in focus

FY2020 results

Our strategy in action

Riverina rice production

Outlook for FY2021



70 Years of Innovation

1950 - 2020

From the entrepreneurial spirit of a group of Riverina rice growers pooling their money to fund a single rice mill in 1950, to the truly global food group we are today, SunRice's journey spans 70 years of innovation.

1880s

Introduction of rice seed into Australian gold fields by Chinese prospectors

1920s

The Murrumbidgee Irrigation Area Ricegrowers' Co-operative Society and rice industry infrastructure are established. The Rice Marketing Board for the State of New South Wales (RMB) is later formed in 1928.

1950



The Ricegrowers' Association (RGA) Central Executive forms the Ricegrowers' Co-operative Mills Limited (hereafter, RCM), which would later become RCL and then SunRice.

1950s

Mills are built at Leeton and Coleambally, and the Co-operative launched its own branded retail pack of Sunwhite rice.

1970s

Deniliquin Mill is built and remains the largest rice mill in the Southern Hemisphere today.



1970

Trukai Industries Limited is established in Papua New Guinea (PNG) to extend markets for Riverina rice.



1977

CopRice is acquired to process and sell rice milling by-products.



1980s

Some RMB and RCM functions are amalgamated and RCM is now known as Ricegrowers' Co-operative Limited (RCL). RCL begins a program of diversification towards value added products, including rice cakes, rice bran and horticultural products.

Rice Research Australia Pty Ltd (RRAPL) is established for the purposes of carrying out rice research and development and a Rice Cakes Plant is built at Leeton to manufacture value added rice products.



1990s

Solomons Rice Company Limited (SolRice) is acquired to further expand markets for Riverina rice. A second mill opens in Deniliquin for brown rice only, which is later upgraded to a brown and white rice mill.

A new speciality rice variety, Koshihikari, is successfully developed and launched for the Japanese rice market.



1993

Riviana Foods is acquired to diversify RCL's investment portfolio, including non-rice products.

2000s

SunRice becomes the new trading name for RCL and commissions a new Rice Flour Mill at Leeton. The construction of SunRice's Specialty Rice Foods plant for microwave ready products in Leeton begins.



2005

Growers vote to change the co-operative's structure. RCL registers as a company in 2005 and changes its name to Ricegrowers Limited. It later lists on the NSX in 2007.

2010s

Brandon Mill in North Queensland is acquired to supplement supply of Riverina rice. Ricegrowers Singapore Pte Ltd is incorporated to extend markets and global capabilities across Asia. sourcing



2012

SunRice hits \$1 billion in turnover in FY2012.

2016

Riviana Foods acquires Fehlbergs Fine Foods, with pickled onions representing its core business.



2018

A and B Class shareholders vote to list SunRice on the ASX in 2018, with the company being admitted to the Official List of ASX Limited in 2019.



Riviana Foods acquires Roza's Gourmet. SunRice acquires a rice processing mill in Dong Thap Province in Vietnam's Mekong Delta.

2019

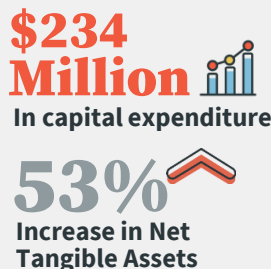
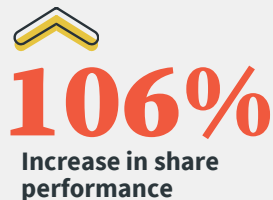
CopRice acquires the assets of Australian rice bran manufacturer Feed Rite to expand its pet food capabilities.

2020s

SunRice celebrates 70 years.

CopRice converts Coleambally Mill into a ruminant feed mill, the largest of its kind in Australia.

Key performance statistics since the Millennium Drought*



Our share performance has increased by 106%, outperforming the S&P/ASX 200 Consumer Staples Index which had growth of 56%.

We've paid out more than \$2 billion in Riverina paddy payments, and more than \$148 million in fully franked dividends to B Class Shareholders.

The Group's Net Tangible Assets grew 53% between 2012 and 2020, while more than \$234 million in capital expenditure was invested in the same period.

Total shareholder return increased by 210% between 2012 and 2020, which outperformed the ASX 200 Consumer Staples Index which had an increase of 112% in that same period.

And we've improved the strength of our balance sheet, with gearing reduced from 40% to 15%.

* In its 2019 Information Memorandum, SunRice defines the Millennium Drought period as years of low Australian rice production between Financial Years 2004-06, and Financial Years 2008-11.

** Total shareholder return is calculated based upon share price performance and dividends paid to B Class Shareholders between 2012 and 2020.

Context for FY2020 results

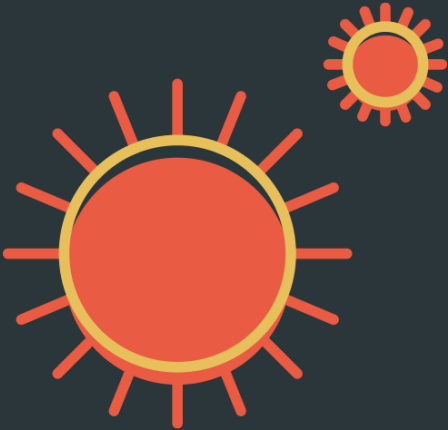
It was clear at the start of Financial Year 2020 that overhead recovery in the Australian Rice segment would be challenged.

SunRice planned accordingly.

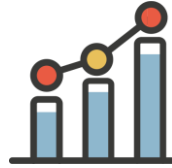
As FY2020 progressed, a number of additional significant challenges were posed.

- Only 5% of global demand sourced from the Riverina due to the small 2019 crop of 54,000 tonnes, at the time the second-smallest on record
- Carried in approximately 300,000 tonnes of crop from 2018 which was lower yielding
- Given the continued poor outlook in the Riverina, decided to process the 2018 volume in FY2020, and set aside the 2019 crop to be milled in FY2021 with the 2020 crop
- Activated our international sourcing capability to bridge the gap between the small Riverina crop and global demand of more than 1 million paddy tonnes
- As FY2020 progressed, it became a truly extraordinary year:
 - PNG, our biggest market, and the rest of the Pacific continued to experience deteriorating economic conditions
 - Bushfires in Australia in 2019-20 summer had a negative impact on our at home entertaining business and the Riviana Foods segment
 - Continued devaluation of foreign exchange
 - Towards the end of FY2020, the global COVID-19 pandemic

Our approach to COVID-19



Implementing new working arrangements to protect the health and wellbeing of our staff



Maintaining business continuity and production to the highest levels possible



Keeping in close contact with our key stakeholders, including our customers and suppliers

Impact of COVID-19

COVID-19 has had a dramatic impact on many Australian businesses, including in our sector.

SunRice has responded with a coordinated effort to manage the impacts.

- Operational staff in Australia and around the world have continued to work to ensure that our products – a critical food staple in high demand in many of our markets – could continue to be produced and delivered to customers
- Office-based employees have continued to launch new products, source rice, manage complex disrupted supply chains and maintain business as usual, despite working from home
- We put in place additional safety measures in our facilities, which meant that each time an employee suspected they may have COVID-19, facilities were shut down and deep cleansed
- Offices were also redesigned for social distancing, with Australian premises registered as being 'COVID-Safe'
- Employees across the global Group have found new ways to stay connected with each other and their customers, suppliers and key stakeholders despite the inability to travel, and the extra burden of restrictions

Impact of COVID-19

Continued

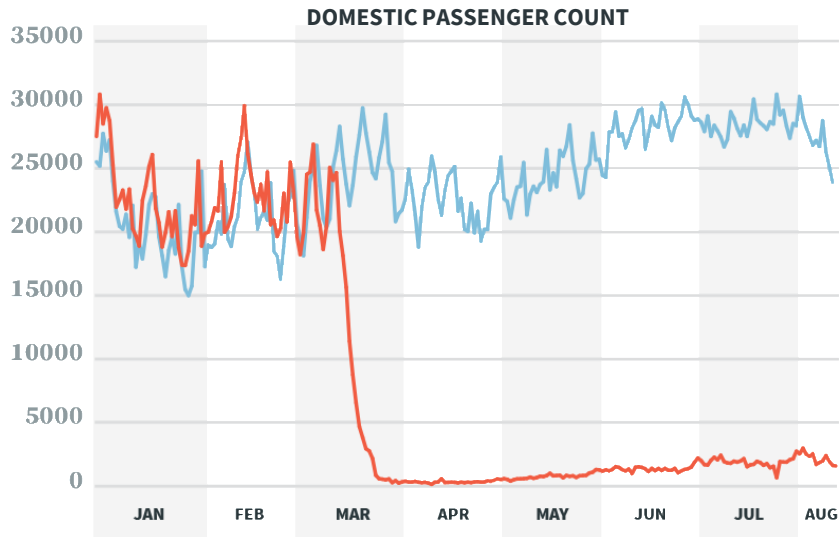
COVID-19 has had a dramatic impact on many Australian businesses, including in our sector.

SunRice has responded with a coordinated effort to manage the impacts.

- We had increased demand for many of our retail products, in some cases more than 200% of forecasts due to changes in consumer shopping patterns. Sudden spike in demand exceeded existing levels of supply
- We ramped up production to respond to this event, however, there was a real change in the channel mix of our business, with customer relationships being challenged at times
- Restrictions in Australia and other markets saw a collapse in demand for food service products, with sales in this channel down by as much as 60%
- States of emergency were declared in the Solomon Islands and PNG, and martial law imposed in Jordan
- Price freezes imposed by some Governments due to food security and affordability concerns, preventing us from recovering the negative impact of foreign exchange fluctuations
- Complex supply chain disruptions, including access to some ports being interrupted and shipments being put on 'go slow' between particular destinations
- Export restrictions on rice imposed in Cambodia and Vietnam, highlighting our key role in providing food security for Pacific Island nations

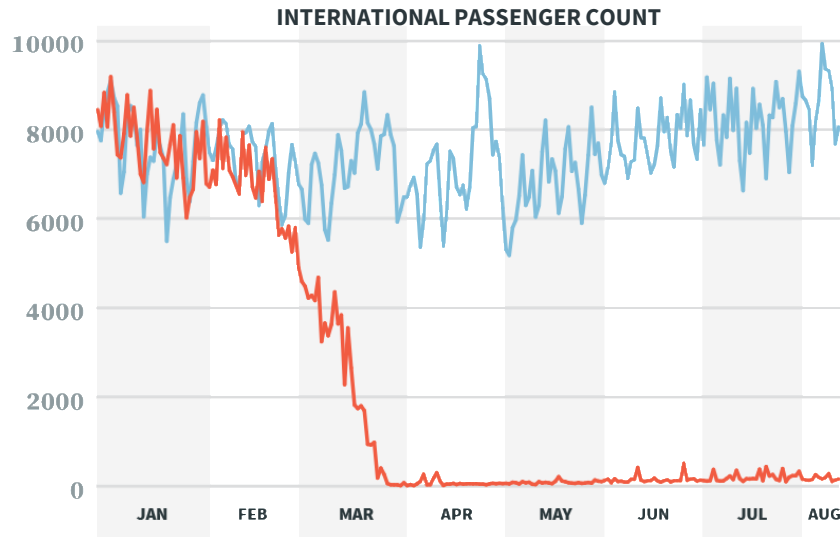
COVID-19 & Hawaii's Economy

Domestic Passenger Count Comparison
- 2019 vs. 2020 As of August 13



Source: State of Hawaii Department of Business, Economic Development & Tourism

International Passenger Count Comparison
- 2019 vs. 2020 As of August 13



Excludes flights from Canada

Results Snapshot



SunRice's FY2020 Financial Results demonstrate the Group's continued focus on earnings diversification and resilience, as well as the agility developed in our people, supply chains and operations – **key highlights for the business include:**

Reiziq is a medium grain rice variety developed by SunRice to be grown in the temperate climate of the Riverina of New South Wales.

Crop, C or C19 in this report, 'the year', 'this year', 'crop year 2019' and 'CY19' all refer to FY2020. The '2020 harvest', 'crop year 2020' and 'CY20' all refer to the rice crop harvested in 2020, which will be processed and marketed in the Financial Year ending 30 April 2021 (FY2021).

Combined Group Revenue

\$1.13bn

(5%) year-on-year

Net Profit after Tax (NPAT)

\$23m

(30%) year-on-year

Fully franked dividend

33c per B Class share

No Change

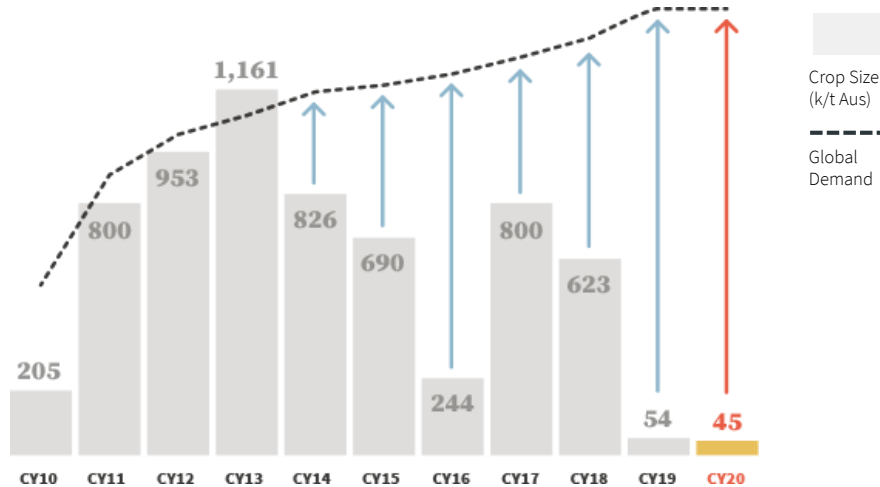
C19 paddy price

\$500 per tonne – fixed contract (Reiziq)

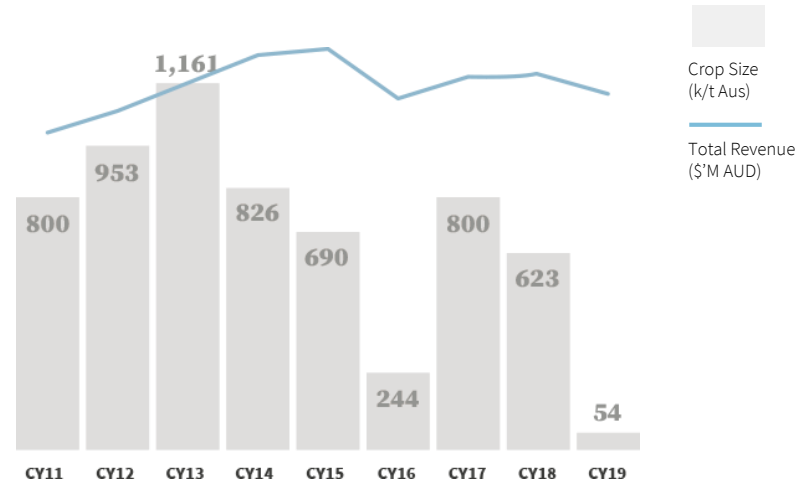
\$1,350 per tonne – prices up to (Organic varieties)

Australian rice production versus global demand, and SunRice revenue

Riverina supply vs. global demand for SunRice products (paddy tonne equivalent)



Australian rice production versus SunRice revenue



SunRice Group Segment Performance

A

A Class

B

B Class

- **International Rice** had an increase in revenue year-on-year of 10%, but Net Profit Before Tax (NPBT) of -\$1.4 million due in large part to the challenging conditions in Pacific markets and foreign exchange pressures. The International Rice segment absorbed the bulk of group overheads as its proportion of revenue increased, with the Rice Pool revenue declining 32% due to low Australian production.
- **Rice Food** revenue and NPBT were static year-on-year, despite also absorbing increased Rice Pool overheads, and negative foreign exchange impacts.
- **Riviana Foods** increased revenue 8% year-on-year, but NPBT declined 8%, with revenue still increasing despite foreign exchange and impacts from the Australian bushfires and COVID-19, which weighed on profitability.
- **CopRice** revenue and NPBT declined, with ongoing drought conditions weighing on profitability due to higher input costs for raw materials and reduction of herds in northern Victoria.
- **Rice Pool** revenue declined 32% year-on-year, with NPBT of -\$4.1 million, due in large part to the absorption of \$4.5 million in redundancy costs associated with the small CY19 Riverina crop.
- **Corporate** NPBT was \$18.3 million, down 28% year-on-year, primarily driven by non-recurring costs of \$4.5 million associated with the increased level of risk due to COVID-19.

Businesses	FY2020 Revenue (\$M)	Y-o-Y* %	FY2020 NPBT (\$M)	Y-o-Y* %
Rice Pool	223.2	(32%)	(4.1)	-
International Rice	531.4	10%	(1.4)	-
Rice Food	99.6	Same	4.6	Same
Riviana	136.6	8%	8.1	(8%)
CopRice	139.9	(10%)	3.6	(58%)
Corporate	-	-	18.3	(28%)

*Y-o-Y: Year-on-Year comparison between financial year ending 30 April 2019 (FY2019) and financial year ending 30 April 2020 (FY2020)

Supply source countries of origin

For Financial Year 2021 we are sourcing rice from 12 countries and are forecast to supply more than 1 million paddy tonnes of rice to our customers around the world.

Financial Year 2021

1 million+ paddy tonnes

Source countries



Australia



Cambodia



China



Vietnam



Myanmar



India



Pakistan



Taiwan



Thailand



Uruguay



USA



Italy

Supply chain changes

With the small Riverina crops, we have had to totally reinvent our supply chains.

- In response to the small Riverina crops of the past two seasons, we have totally reinvented our supply chains
- This has meant teams mobilising more than 60 changes of source for products sold into markets across the Australasian, Pacific, Middle East and Asian regions during FY2020
- In practical terms, this involved:
 - Finding a grain that was suitable for the end market, including testing to ensure it matched our stringent quality and sensory specifications
 - Identifying partners in each of our markets with packing capability in the right format
 - Adjustments to our marketing programs
 - Securing enough margin from these markets to recover two sets of overheads – the under-recovery of our underutilised assets in the Riverina, and then the additional overhead in the particular market from the new supply chain
- Our teams not only managed this successfully, but they maintained an active pipeline of new product development and other initiatives to drive growth in coming years

Our 2022 Growth Strategy

Our objectives are to

Improve the price we pay our growers
Increase returns for our shareholders by...



Increasing

profits and
reducing
earnings
volatility



Adapting

our product range to
take advantage
of changing food
trends



Securing

a sustainable
and reliable
global supply
chain



How we're doing this

- 1 Cementing a global supply chain in response to increased demand in branded products, ensuring quality and sustainability.**
- 2 Repositioning Australia as the supply source of choice for premium branded rice markets.**
- 3 Using our capabilities to meet evolving global food trends, especially in healthy eating and snacking, in particular through:**
 - **Diversifying into new markets to offer** high-quality and convenient packaged rice of trusted provenance.
 - **Playing a pioneering role** in addressing the obesity and diabetes epidemics with our unique Low GI rice.
 - **Leveraging our unique position** to take advantage of the global fascination with sushi.
 - **Being recognised as a leader in healthy snacking** through a range of innovative snacks.
 - **Operating a strong food ingredients business** with diversified, high-value rice derivatives servicing global food companies.
 - **Assurance of quality and sustainability** with traceability, no matter where we grow our rice.
- 4 Being recognised for our high performance, delivered by a positive, inclusive and accountable culture.**
- 5 Maintaining and growing a strong, cash-generative and diverse portfolio, including CopRice and Riviana.**



Our Challenges

- **Medium grain rice profitability affected by increased foreign competition.**
- **Volatility of Australian supply.**
- **Alternative crops are competing for limited water and land.**
- **Market diversification and access.**
- **Foreign exchange volatility.**
- **Economic conditions.**
- **Increasing global competition.**



What success looks like

- **Strong financials**
Double our revenue by 2022* and maintain double digit returns on capital employed.
- **Premium branded player**
Leverage our reputation for quality and innovation in premium varieties, healthy eating and snacking.
- **Asian presence**
Expand sales in high-growth Asian consumer markets.
- **Diversified earnings**
Expand our CopRice and Riviana Foods segments through strategic growth opportunities.
- **Food ingredients expansion**
Build our tailored food ingredients offering to service industrial customers.
- **Resilient global supply chain**
Secure a multi-varietal and resilient global supply chain with Australian growers at its centre.

* As previously advised, we anticipate this revenue target will take longer to achieve (see Outlook section of 2020 Annual Report).

Our 2022 Growth Strategy in action



Continued improvement and scaling of our Lap Vo Mill in Vietnam



Completion of construction of the new \$10 million bran stabilisation plant in Leeton



Launch of Low GI Instant Rice cups in China



Extension of our healthier rice-based snacks range to Rice Puffs and Rice Cracker Chips, as well as expanding our geographic footprint in snacks to the Middle East and Asia



Commencement of a \$4.5 million upgrade to Leeton's microwave rice facilities



Activation of new supply sources, including across South America



Establishing production of Brown Rice Chips in Australia



Repurposing the Coleambally Mill into Australia's largest ruminant nutrition plant for less than \$3 million

Organic growth

Our innovation pipeline remains strong across the Group, with the launch of several initiatives in Financial Year 2021 aligned with our 2022 Growth Strategy.



- Planned launch of new infant rice-based product range in Australia and China (pictured below left)
- Continued growth of our expanding rice snack portfolio through broader distribution channels internationally
- Development of a new market entry strategy for the Philippines and launching our brands in Europe
- Maintaining SunRice as a leading supplier of rice flour to food manufacturers focused on meeting demand for ‘free-from’ foods
- Increased product innovation and export opportunities following the establishment of Brown Rice Chip production in Australia
- The upgrade of our Leeton microwave rice facilities to reduce operating costs and improve product innovation and quality, which is due for completion in FY 2021
- Building CopRice’s industry-leading animal nutrition business, with initiatives spanning dairy, sheep, beef, equine and companion animals
- In Riviana Foods, we are pursuing growth of the Always Fresh, Fehlbergs and Roza’s Gourmet brands through continual new retail offerings

Strategic growth

We are continuing to leverage our strong balance sheet to pursue and integrate value-accretive merger and acquisition opportunities across the Group.



- We are continuing to invest in upgrades to the FeedRite plant that CopRice acquired in Wangaratta – while this has been a cost to date, the plant is expected to come online later this year and deliver benefits
- And we just this month announced the signing of a purchase agreement to acquire the beef and dairy business of Riverbank Stockfeeds, which will further expand CopRice's footprint into Victoria, and particularly the key Gippsland dairy market
- Looking ahead – there are a number of other acquisitions that we are currently exploring across the Group which if executed are expected to diversify and increase earnings and are aligned to our 2022 Growth Strategy



Riverina rice

Demonstrated resilience through the last two years of drought, but if the season continues to improve we should see the performance of the Australian Riverina rice come back.

The Group is at its strongest when there is increased production in the Riverina.

- 91% reduction in production in the Riverina between 2018 and 2019, from 623,000 paddy tonnes to 54,000 paddy tonnes
- The 2020 crop dropped further – at 45,000 paddy tonnes is the new second-smallest on record
- SunRice offered record prices of \$750 to \$1500 per tonne dependent on varieties ahead of planting for the 2020 crop – the small volume reflected the lack of water availability and very high water prices which made rice growing difficult for most growers
- Drought impacts exacerbated by water reform – and the Group has intensified its advocacy efforts with State and Federal Governments
- Conditions and the outlook are improving ahead of the planting window in October 2020
- Looking ahead to the 2021 season, the Group was pleased recently to be able to offer fixed price contracting that was taken up very quickly, and then to earlier this week open a pool
- Increased production in the Riverina enables us to efficiently operate our milling, storage and other assets, and have supply of high-quality Australian rice, which we can sell as value-added branded products in our most premium markets

Outlook for FY2021

With such a small volume available to be milled in FY2021, Riverina overheads will be severely under recovered.

Continuing to monitor a range of factors that have the potential to impact Group revenue and margins in the short-term.

- The small Riverina crops harvested in 2019 and 2020, which are currently being processed, are expected to lead to a significant under-recovery of the Australian Rice Pool segment in FY2021
- It is anticipated that this will lead to a Paddy Price Supplement being required in FY2021 which would be similar in size to that applied in FY2017
- We will be reliant on our international sourcing and our subsidiaries on meeting global demand, overhead recovery and profit delivery for the business
- The combined paddy from the last two seasons, which we are currently processing, is expected to maintain a base milling program at the Deniliquin and Leeton mills until early next calendar year
- As water availability and markets develop between now and the October 2020 planting window, we're hopeful that the size of the 2021 Riverina rice crop will mean that we more than recover the overheads of the pool in FY2022

Outlook for FY2021

Continued

With such a small volume available to be milled in FY2021, Riverina overheads will be severely under recovered.

Continuing to monitor a range of factors that have the potential to impact Group revenue and margins in the short-term.

- Away from the Riverina, monitoring factors that have the potential to impact revenue and margins in the short-term, including:
 - International rice prices
 - Fluctuating Australian dollar affecting input costs in a number of segments
 - Deteriorating economic conditions in key Pacific markets
 - Aggressive pricing strategies from competitors
 - Global uncertainty due to the COVID-19 pandemic
 - ‘Out of home’ dining channels remaining subdued, impacting Riviana’s food service business
- With the ongoing volatility due to COVID-19, we will consider if we are able to provide reliable guidance to the market at the Half Year in December 2020
- Strategic growth opportunities and international sourcing efforts have largely been able to compensate for the loss of the Australian crop the last two years
- If the Australian crop returns, we are well placed to accelerate growth, and the recovery of the Riverina would be an important part of our long-term success



—*years*—
1950 - 2020



Questions & Answers





Annual General Meeting

28 August 2020

SunRice (ASX:SGL/SGLLV)

Agenda Item 1



Financial Reporting

Consideration of the Financial Report, Directors' Report and Independent Audit Report for the year ended 30 April 2020.



Resolution 1



Remuneration Report

“That the Remuneration Report for the year ended 30 April 2020 be adopted.”

Resolution 1



Remuneration Report

“That the Remuneration Report for the year ended 30 April 2020 be adopted.”

Votes Received

For	184
Against	38
Open	19
Abstain	0

Resolution 2



Re-election of Mr. Ian Glasson

“That Mr. Ian Glasson, being eligible, be re-elected as a director of the Company for a period of three years.”



Resolution 2



Re-election of Mr. Ian Glasson

“That Mr. Ian Glasson, being eligible, be re-elected as a director of the Company for a period of three years.”

Votes Received

For	213
Against	17
Open	19
Abstain	0

Resolution 3



Re-election of Ms. Luisa Catanzaro

“That Ms. Luisa Catanzaro, being eligible, be re-elected as a director of the Company for a period of two years.”



Resolution 3



Re-election of Ms. Luisa Catanzaro

“That Ms. Luisa Catanzaro, being eligible, be re-elected as a director of the Company for a period of two years.”

Votes Received

For	218
Against	12
Open	19
Abstain	0

Resolution 4



Changes to the Constitution

“That the changes to the Company’s constitution described in the Explanatory Note to this resolution be made with effect from the close of the Annual General Meeting.”

Resolution 4



Changes to the Constitution

“That the changes to the Company’s constitution described in the Explanatory Note to this resolution be made with effect from the close of the Annual General Meeting.”

Votes Received

For	210
Against	19
Open	20
Abstain	0



-years-
1950 - 2020



Annual General Meeting

General Business

SunRice (ASX:SGL/SGLLV)

A vertical image on the left side of the slide showing a sunset over a green field with trees in the distance. The sun is low on the horizon, creating a bright glow and lens flare effects.

AGM close

B Class Meeting to start on:

<https://agmlive.link/SGLB20>

Please select '**Exit Meeting**' from the AGM screen before logging in to the B Class Meeting

AGM voting will close in five minutes

AGM and B Class Meeting results will be posted on the ASX and SunRice website

Thank you for your attendance

HELP NUMBER

1800 237 764



B Class Meeting

28 August 2020

SunRice (ASX:SGL/SGLLV)

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This presentation is for information purposes only. This information is given in summary form and does not purport to be complete. It should be read in conjunction with the most recent financial report and the Information Memorandum. The content of this presentation is provided as at the date of this presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this presentation as advice to investors or potential investors and, subject to any legal obligation to do so Ricegrowers Limited (trading as SunRice) does not have any obligation to correct or update content.

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This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of SunRice is available on our website: <https://investors.sunrice.com.au/investors/>.

About SunRice's structure

The structure of SunRice contains non-standard elements including its dual class share structure comprising A Class Shares and B Class Shares.

A Class Shares confer on their holders the right to vote at general meetings but no right to dividends. A Class Shares are not quoted on ASX and may only be held by Active Growers. The right to vote is based on one member, one vote and no person may hold more than 5 A Class Shares. In practical terms the voting rights held by A Class Shareholders give those shareholders the right to control the election of directors and any changes to SunRice's constitution.

B Class Shares are quoted on ASX and confer on their holders the right to receive dividends, as determined by the directors from time to time. Holders of B Class Shares do not have the right to vote at general meetings of SunRice and may only vote on proposals involving a variation to their class rights or if required for the purposes of the ASX Listing Rules. This means B Class Shareholders have no right to vote on the election of directors of SunRice. No person may hold more than 10% of the total number of B Class Shares on issue.

For more details of the non-standard elements of SunRice's structure see: <https://corporate.sunrice.com.au/investors/>.



Chairman's Welcome

Laurie Arthur

28 August 2020



Directors joining online



Mr. John Bradford



Dr. Andrew Crane



Mrs. Gillian Kirkup



Mr. Ian Mason



Mr. Jeremy Morton



Dr. Leigh Vial



Mr. Julian Zanatta

Joining by phone



Mark Dow, Partner
PricewaterhouseCoopers



Quentin Digby, Partner
Herbert Smith Freehills





Agenda

Procedural matters

Meeting resolution

General business

Meeting close

Procedural matters

HELP NUMBER

1800 237 764

Voting will be by way of poll

Resolution 1 requires a 50% majority of votes cast to proceed

Proxy and direct voting results already received will be displayed in advance

Voting will close five minutes after the meeting ends

Lodging your votes

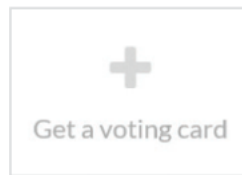
Click **“Get a Voting Card”**
(top and bottom of platform)

Enter your SRN/HIN
or Proxy Number and postcode

Click **“Submit Details and Vote”**

Fill out your voting card for each
item of business

Click **“Submit Vote”** or
“Submit Partial Vote”



Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number

Post Code

Submit Details and Vote

OR

PROXY DETAILS

Proxy Number

Submit Details and Vote

HELP NUMBER

1800 237 764

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like to complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the the shareholder's voting instructions.

Full Vote

Partial Vote

Resolution 1

For

Against

Abstain

LONG TERM INCENTIVE AWARD FOR THE CEO

Submit Vote

Asking questions

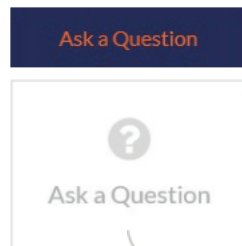
Only A and B Class Shareholders are able to ask questions

Click on **“Ask a Question”**

Select **“General Business”** or a specific resolution

Type in your question and click **“Submit”**

Comments on Resolution 1 can also be submitted through ‘Ask a Question’



HELP NUMBER

1800 237 764

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

You can view questions submitted prior to this meeting [here](#)

Regarding

General Business

Question

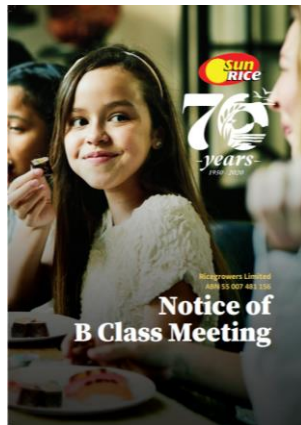
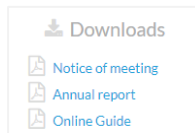
Type your question here...

Submit Question

Additional documents

Click on **“Downloads”** to access the Notice of Meeting, SunRice Annual Report or Online Meeting Guide

Link Market Services support staff are on standby to provide assistance



HELP NUMBER

1800 237 764



B Class Meeting

28 August 2020

SunRice (ASX:SGL/SGLLV)

Resolution 1



Long Term Incentive Award for the CEO

“That approval is given for the Company to grant securities to the Chief Executive Officer, Mr. Robert Gordon, as his Long Term Incentive Award on the terms set out in the Explanatory Notes to the Notice of Meeting.”



Resolution 1



Long Term Incentive Award for the CEO



Votes Received

For	19,103,903
Against	6,105,887
Open	1,262,242
Abstain	56,903



B Class Meeting

General Business

SunRice (ASX:SGL/SGLLV)



B Class Meeting close

B Class voting will close in five minutes

Both AGM and B Class Meeting results will be posted on the ASX and SunRice website

Thank you for your attendance