

21 August 2023

Updated FY23 Guidance

Elders Limited (**ASX:ELD**) has today updated its earnings guidance for the financial year ending 30 September 2023 (FY23).

Underlying EBIT is now expected to be between \$165 million and \$175 million, down from the previous guidance range of between \$180 million and \$200 million. Notwithstanding this revision, target cash conversion of greater than 90% of underlying NPAT as at 30 September 2023 is expected to be achieved.

This update follows a review of the July YTD financial results and month to date August trading which indicate:

- lower than forecast Rural Products sales in recent weeks.
- greater than forecast pressure on Rural Product gross margin especially in crop protection products.
- further weakness in the prices of cattle and sheep with a lower than forecast offset from volumes traded.

Elders is experiencing cautious customer sentiment in light of uncertain seasonal conditions in some farming regions, compared to forecast assumptions. This uncertainty is now supported by the Bureau of Meteorology's long-range forecast for September to November which predicts a heightened probability of warmer and drier than average conditions in Eastern and Western parts of Australia and risk of an El Nino declaration.

As indicated in our previous guidance, the updated range announced today continues to be subject to variables outside of Elders' control which have the potential to materially influence Elders' financial outcomes, or the timing of those financial outcomes. These include:

- further values and volume changes in internationally traded livestock and fibre;
- unexpected and unforecast changes in commodity prices;
- unexpected and unforecast changes to seasonal conditions and severe weather events;
- potential of supply chain disruptions as a result of external events, including geopolitical events; and
- the outlook and prospect of the Australian farm sector generally.

Further Information:

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Authorised by:

Elders Limited Board of Directors