



1H FY25 Financial Results

19 December 2024
SunRice (ASX:SGLLV)



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<https://investors.sunrice.com.au/>

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 the ASX and may only be held by growers who meet the production quotas prescribed by the SunRice Constitution. 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 the 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 generally have the right to vote at general meetings of SunRice. 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://investors.sunrice.com.au/>



1H FY25 Performance¹

Improving profit margins and delivering on our strategic intent

Over the first half of FY25, the SunRice Group has consolidated the revenues achieved over the last 12 months and continued to build margins to achieve growth in EBITDA to \$67.9m and NPAT to \$31.9m.

This was supported by a favourable product mix, new product launches, realisation of manufacturing and logistics efficiencies and cost control initiatives.

The Group completed the acquisitions of SavourLife and Simply Delish, bolstering the CopRice and Riviana segments respectively.

Total Shareholder Return (TSR) for 1H FY25 was 48.2% compared to the S&P/ASX 300 Accumulation Index TSR of 17.2%.²

Ricegrowers Ltd has recently been included in the S&P/ASX Agribusiness Index.



Group
Revenue

1H FY25

\$912m ∨ 0.7%

1H FY24

\$919m

Group EBITDA

\$67.9m ^ 7.3%

\$63.3m

Net Profit
After Tax

\$31.9m ^ 4.5%

\$30.6m

Basic Earnings
Per B Class Share

47.2¢ ^ 0.6%

46.9¢

Fully franked
interim dividend

15¢ per B
Class
Share

15¢ per B
Class
Share



1. '1H FY25' refers to the period ended 31 October 2024. In this presentation, 'Crop Year 2024' or 'CY24' refer to the rice crop harvested in 2024 but processed and marketed in FY25

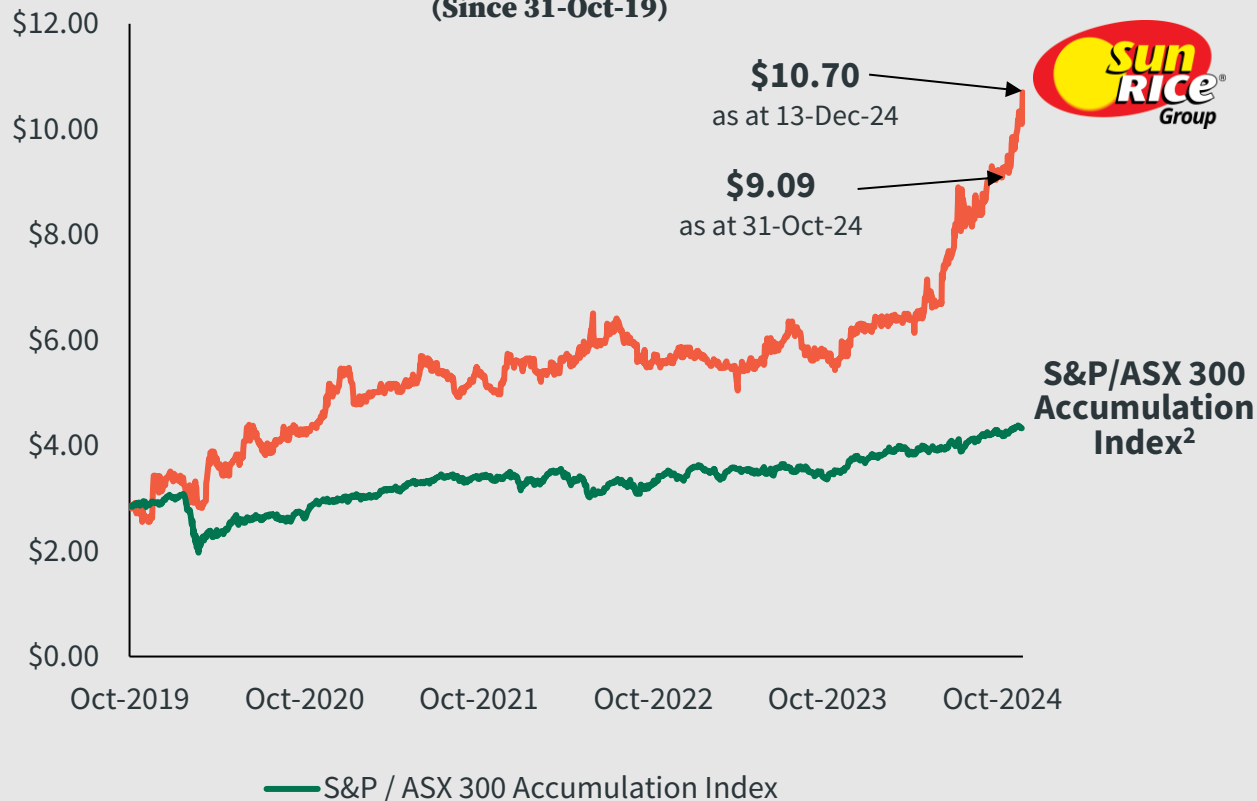
2. Investment period COB 30 April to COB 31 October 2024, TSR considers movement in B Class Share price and dividends paid, and assumes all dividends are reinvested on the dividend ex-date



SunRice has delivered TSR of 408% over the last 5 years¹



**SunRice accumulation vs S&P/ASX 300 Accumulation Index
(Since 31-Oct-19)**



1. Investment period COB 31-Oct-19 to COB 31-Oct-24, Total Shareholder Return considers movement in B Class Share price and dividends paid, and assumes all dividends are reinvested on the dividend ex-date
2. S&P/ASX 300 Accumulation Index rebased to SGLLV accumulation as at 31-Oct-19



Group Financials

Since 1H FY2023, revenues have increased \$154m

	1H FY25 \$000's	1H FY24 \$000's	1H FY23 \$000's
Revenue from continuing operations	912.5	918.8	758.0
EBITDA	67.9	63.3	42.6
Depreciation, impairment & amortisation	15.2	14.0	13.9
EBIT	52.7	49.2	28.7
Net interest	8.5	9.6	4.9
Tax	12.5	9.1	4.3
NPAT	31.9	30.6	19.6
Profit attributable to Class B Shareholders	31.3	30.0	17.7
Basic EPS (Class B)	47.2¢	46.9¢	28.3¢

Note: Figures may not add due to rounding



The Group has maintained profitable growth over the last 3 years. Since 1H FY23, revenues for the first half are up \$154m and NPAT has increased \$12.3m. This has been driven by organic growth, the acquisition of SavourLife and Simply Delish, as well as being supported by the launch of innovative products.

Compared to the Prior Corresponding Period (PCP) **EBITDA increased 7.3%** and **Basic EPS increased 0.6% to 47.2 cents per B Class Share.**

EBITDA margin increased 49bps to 7.4% from 6.9% in the PCP.

Higher effective tax rate in 1H FY25 due to greater contribution to profit of entities in higher tax jurisdictions.



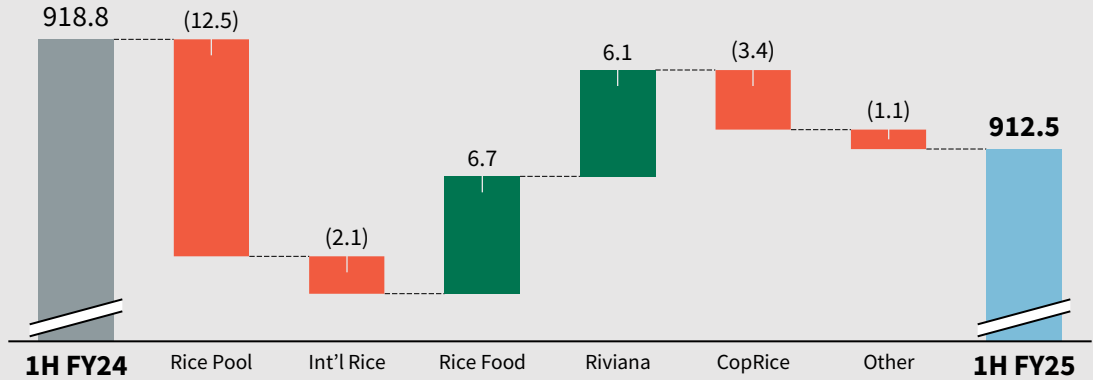
Revenue & EBITDA

During 1H FY25 Revenue declined \$6.3m (or 0.7%) compared to the prior corresponding period. This was primarily driven by pricing pressures in global tender markets.

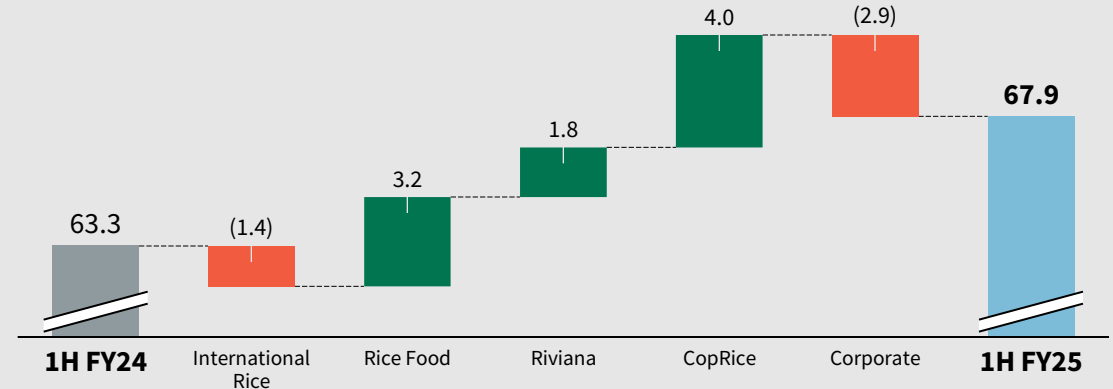
EBITDA grew \$4.6m (or 7.3%) compared to the prior corresponding period. Growth was supported by improved product mix, new product launches, realisation of manufacturing and logistics efficiencies and cost control initiatives.



Revenue (\$m)



EBITDA (\$m)





Capital management

Over the last 6 months, the Group has invested **\$21m in Capital Expenditure and a further \$21m in acquisitions. Net Debt reduced by \$22m to \$202m.** Core Debt was fully repaid in April 2024.

The Group's Seasonal facility relates to Net Working Capital funding, with this being primarily made up of near-term marketable inventory for our captured markets. The Group's leverage ratio¹ reduced to 1.3x as at 31 Oct 2024.

Return on Capital Employed increased to 13.5% as at 31 October 2024 compared to 12.7% as at 30 April 2024.

This improvement reflects the strong EBITDA generated and a reduction in the working capital balance.

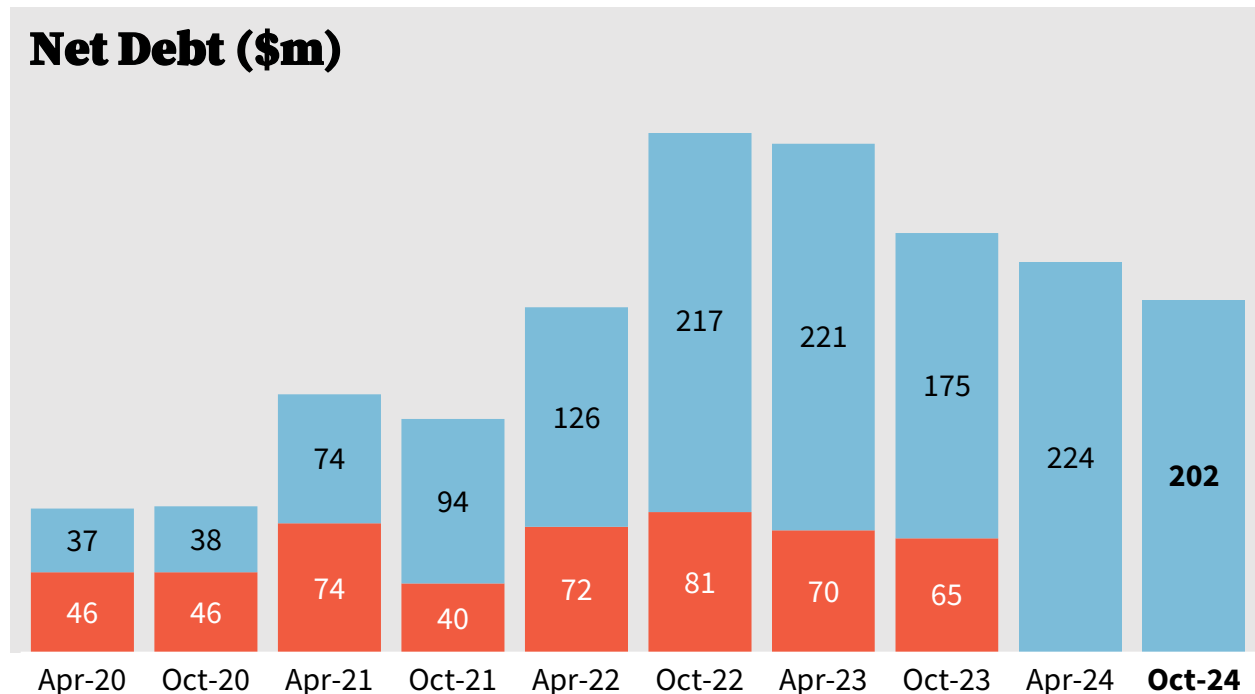
The Group has retained balance sheet flexibility to support further strategic investments.

Net debt / R12 EBITDA²**1.4x**Core debt / R12 EBITDA²**-**

Gearing ratio

25%Core Gearing ratio³**-**

Net Debt (\$m)



Core debt Seasonal debt (net of cash and incl. overdrafts and lease liabilities)

1. Net debt / R12 EBITDA

2. Rolling 12-month EBITDA, which was \$148.5m for the 12 months to October 2024

3. Core debt / Core debt + Equity



1,500+
products

45
major
brands

50+
countries

More than
70 years in
business

Operations
10 in
countries



Margin improvements were achieved in Rice Food, Riviana Foods and CopRice

Australian Rice Pool Business



Rice Pool

Revenue

1H FY24
\$195.5m

1H FY25
\$183.0m
▼6%

Paddy Price/tonne (Medium Grain)

CY23/ FY24
\$430

CY24/FY25
Range
\$380-420

Riverina crop size (000s)

CY23/FY24
~500
paddy tonnes
harvested

CY24/FY25
~618
paddy tonnes
harvested

Profit Businesses



International Rice

Revenue

1H FY24
\$420.9m

1H FY25
\$418.8m
▼1%

EBITDA

1H FY24
\$26.4m

1H FY25
\$25.0m
▼5%

NPBT

1H FY24
\$19.6m

1H FY25
\$18.5m
▼6%



Rice Food

1H FY24
\$58.8m

1H FY24
\$4.6m

1H FY24
\$3.4m

1H FY25
\$65.5m
^11%

1H FY25
\$7.7m
^69%

1H FY25
\$7.0m
^105%



Riviana Foods

1H FY24
\$111.2m

1H FY24
\$1.8m

1H FY24
\$0.8m

1H FY25
\$117.3m
^5%

1H FY25
\$3.6m
^98%

1H FY25
\$1.7m
^124%



CopRice

1H FY24
\$129.5m

1H FY24
\$7.9m

1H FY24
\$4.7m

1H FY25
\$126.0m
▼3%

1H FY25
\$11.9m
^50%

1H FY25
\$8.7m
^85%

Corporate

1H FY24
\$22.5m

1H FY24
\$22.5m

1H FY24
\$11.2m

1H FY25
\$19.7m
▼13%

1H FY25
\$19.7m
▼13%

1H FY25
\$8.6m
▼23%

AUSTRALIAN RICE
POOL BUSINESS

Rice Pool

Supplying premium
branded Australian rice,
built on provenance
and our heritage

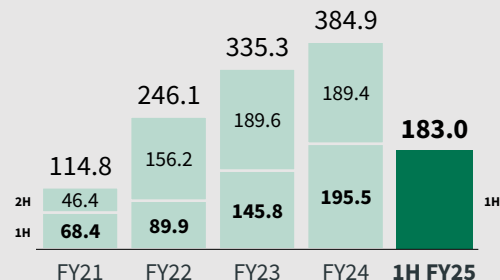


1H FY25 Performance

- **Strong Riverina Supply:** CY24 harvest delivered 618,000 paddy tonnes, supporting branded sales across domestic and international markets.
- **Favourable Currency Impact:** The weak AUD continued to enhance competitiveness of USD-denominated rice exports.
- **Milling Yields:** The lower CY24 whole grain mill out rates are resulting in significantly lower average milling yields.
- **Global Pricing Pressures:** Significant declines in global tender prices over 18 months impacted revenue.
- **Challenges in Key Markets:** Volume growth slowed in some parts of the Middle East due to geopolitical tensions and credit risk concerns among some customers.

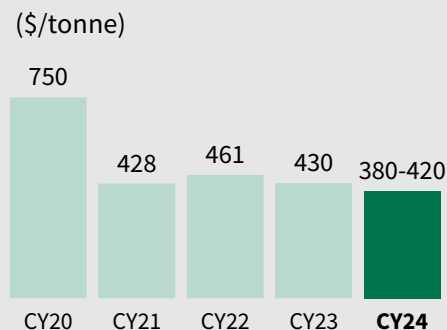
Revenue (\$m)

\$183.0m
▼6%



CY24 pool price* Paddy Price range

\$380-420/t



1H FY25 revenue was generated in:



* Per paddy tonne for medium grain Reiziq / V071

PROFIT
BUSINESSES

International Rice

Growing global supply chain, delivering diversification and demonstrating strength of the business model



1H FY25 Performance

- **Brand Strength:** Brand strength continues to build momentum in some of our larger Pacific markets.
- **Shifting Dynamics in Global Rice Markets:** Increased US rice production boosted US export volumes but intensified pricing challenges in global and domestic US markets. Indian ban on non-Basmati rice exports has recently been lifted but led to higher cost of purchases in 1H FY25.
- **Pricing Pressures:** Global tender and export prices fell significantly, offsetting volume gains and impacting top- and bottom-line performance.
- **FX Challenges:** Depreciation of the PNG Kina (PGK) against USD and AUD negatively affected margins and revenues.

Revenue (\$m)

\$418.8m
v1%

	FY21	FY22	FY23	FY24	1H FY25
2H	548.5	620.9	735.0	893.8	
	277.1	367.2	400.2	472.8	
1H	271.4	253.7	334.8	420.9	418.8

EBITDA (\$m)

\$25.0m
v5%

	FY21	FY22	FY23	FY24	1H FY25
2H	33.7	43.6	39.9	56.7	
	20.2	26.8	27.0	30.3	
1H	13.5	16.8	12.9	26.4	25.0

Net Profit before Tax (\$m)

\$18.5m
v6%

	FY21	FY22	FY23	FY24	1H FY25
2H	22.6	34.2	27.8	42.5	
	14.7	22.0	20.3	22.9	
1H	7.9	12.2	7.5	19.6	18.5

1H FY25 revenue was generated in:

PACIFIC ISLANDS & PNG	US & CANADA	MIDDLE EAST	AUSTRALIA & NZ	OTHER
49%	24%	14%	9%	4%

PROFIT
BUSINESSES

Rice Food

Innovation in healthier snacking and food ingredients aligned to global food trends

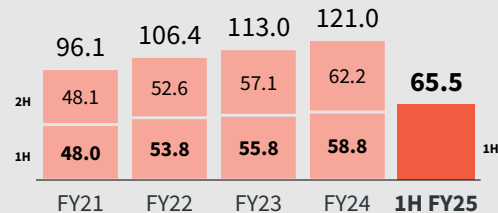


1H FY25 Performance

- **Volume Growth:** Expanded distribution of Rice Cakes in Australian retail and new export markets for the Flour business.
- **Trade spend efficiencies:** Pricing strategies implemented in the prior year to partially absorb inflationary impacts supported revenue growth and margin improvements.
- **Manufacturing Efficiencies:** Enhanced production processes and raw material utilisation improved profitability.
- **Challenges:** Competition from lower-price offerings, particularly in the Microwave Rice category.

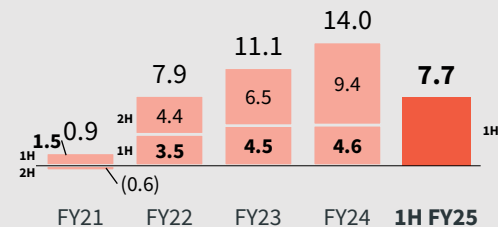
Revenue (\$m)

\$65.5m
^11%



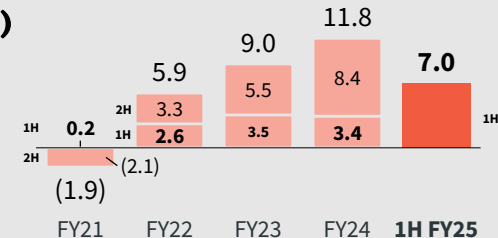
EBITDA (\$m)

\$7.7m
^69%



Net Profit before Tax (\$m)

\$7.0m
^105%



1H FY25 revenue was generated in:

AUSTRALIA

88%

NEW ZEALAND

8%

OTHER

4%

PROFIT
BUSINESSES

Riviana Foods

Expanding our strong and diverse portfolio



1H FY25 Performance

- Strong Brand Performance:**

Toscano bakery category grew ~20% YoY, and Hart & Soul products benefited from a successful soup season.

- Portfolio Rationalisation:**

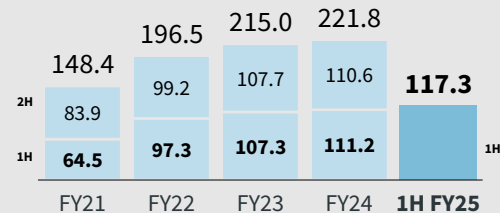
Logistics optimisation and strategic review of product lines aims to support long-term profitability despite short-term revenue impacts.

- Acquisition:** Integration of Simply Delish enhances Riviana's presence in the chilled category through vertical manufacturing capabilities.

- Challenges:** Premium biscuit, pickled vegetable and food service segments impacted by lower-price offerings and cost-of-living pressures.

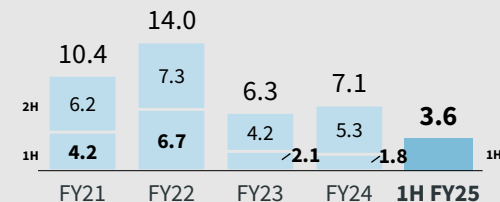
Revenue (\$m)

\$117.3m
^5%



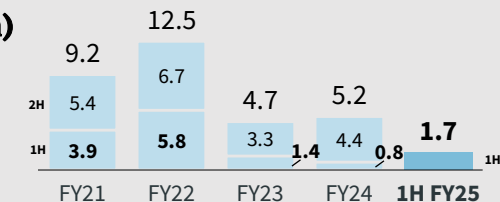
EBITDA (\$m)

\$3.6m
^98%



Net Profit before Tax (\$m)

\$1.7m
^124%



1H FY25 revenue was generated in:

AUSTRALIA & NEW ZEALAND

100%

PROFIT
BUSINESSES

CopRice

Providing quality nutrition for companion animals, equine and ruminant



1H FY25 Performance

- **Companion Animal Growth:** Increased share of category supported by SavourLife acquisition, expanding premium dog food and treats portfolio.
- **Margin Improvement:** Achieved through cost control initiatives, optimised manufacturing and logistics processes, and favourable shifts towards branded companion animal products.
- **Challenges:** Declines in horse feed sales and ruminant sector demand due to favourable pasture conditions and economic constraints.
- **Future Potential:** Savourlife integration is underway to utilise CopRice's manufacturing strengths for broader portfolio expansion.

Revenue (\$m)

\$126.0m
▼3%

	FY21	FY22	FY23	FY24	1H FY25
2H	114.5	161.1	236.1	252.7	
1H	61.4	92.6	124.1	123.3	126.0
	53.1	68.5	112.1	129.5	

EBITDA (\$m)

\$11.9m
^50%

	FY21	FY22	FY23	FY24	1H FY25
2H	2.5	1.7	12.4	17.2	
1H	(3.3)	(0.5)	8.3	9.3	11.9
	(0.8)	(2.2)	4.0	7.9	

Net Profit before Tax (\$m)

\$8.7m
^85%

	FY21	FY22	FY23	FY24	1H FY25
2H	0.6	(1.0)	5.5	11.0	
1H	(5.0)	(4.5)	5.0	6.3	8.7
	(4.5)	(5.5)	0.5	4.7	

1H FY25 revenue was generated in:

AUSTRALIA & NEW ZEALAND

100%

PROFIT
BUSINESSES

Corporate

A strong portfolio of physical and intangible assets.



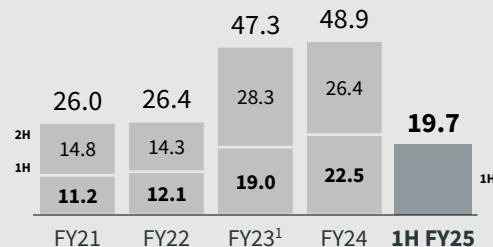
1H FY25 Performance

- **Asset Financing Impact:** Lower charges from the Rice Pool segment due to reduced net asset base and cost of capital.
- **Debt Reduction:** Strong cash generation enabled lower average debt levels, reducing financing costs.
- **Prior Period Comparison:** EBITDA impacted by absence of \$1.1M property sales recorded in the prior corresponding period.

Corporate includes the impact from various non-recurring items, including the sale of properties and impairments across the Group.

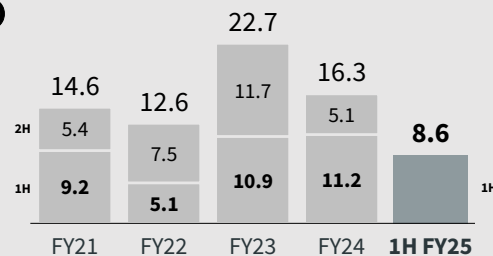
EBITDA (\$m)

\$19.7m
▼13%



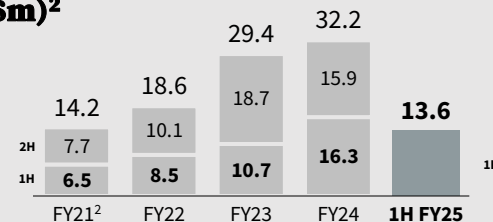
Net Profit before Tax (\$m)

\$8.6m
▼23%



Asset Financing Charge & Rice Pool Brand Charge (\$m)²

\$13.6m
▼17%



1. In 2H FY23 the Group recognised an adjustment of the Asset Financing Charge to reflect escalation in interest rates during the period.
2. Due to the lower level of rice production in FY21, the charges were only partly absorbed by the Rice Pool business during this period and therefore impacted the contribution to the profit of the Group.

OUR AMBITION

Everyone's favourite
rice food company

OUR PURPOSE

With rice at our heart,
we bring people together
through inspiring and
delicious food.

OUR VISION

We grow, source and craft, with enduring care for our
people, communities and environment, quality food
that brings authentic flavour and convenience
...wherever our travels take us.

COMMERCIAL
STRATEGIES

Core rice

Meaningfully grow
ANZ rice business

Deepen our
position in
the US

Significantly expand
Middle East
business

Maintain a
long-term viable
Australian
rice industry

Adjacent portfolios

Build
rice-based
snacking

Drive our
non-rice portfolio
to its full potential

ENABLING
STRATEGIES

Unleash our
talent potential

Invest for
the future

Unlock operational
efficiencies

Drive sustainable
outcomes

HOW WE BRING
THIS TO LIFE



Consumer
focus



Rice at
our heart



Global
mindset

WHAT SUCCESS
LOOKS LIKE



We have grown our
revenue to \$3 billion*
and expanded margin



We have become
one of Australia's most
valuable food companies



We have created significant
opportunities for our
talented workforce



We have a strong portfolio
of brands, underpinned by
quality and innovation,
which delight our
consumers



We have realised
value for our
shareholders*



We have continued to drive sustainable
outcomes for our consumers, communities
and planet through lower-emissions rice
and a diversified, resilient and increasingly
traceable supply chain

*These statements are
aspirational targets, not a
budget or forecast and assume
reasonable macro conditions.



Outlook for Profit Businesses

**Outlook remains positive
for the Group in 2H FY25**

Maintaining our course in 2H FY25

- Similar to 1H FY25, the Group expects full year results to show revenue broadly consistent with FY24, moderate growth in EBITDA on the back of improved profit margins and NPAT impacted by a higher effective tax rate.
- By remaining focused on driving branded product sales, delivering cost and procurement savings, as well as operational and manufacturing improvement initiatives across the Group, including investment in our Riverina operations, we are confident in our ability to deliver for the second half.
- Having said this, the headwinds described earlier in this report remain relevant for 2H FY25, particularly the ongoing impacts of Northern Hemisphere rice availability on both volume and price competition; geopolitical tensions in the Middle East affecting shipping and sales opportunities; ongoing competition from lower priced offerings; and conditions in ruminant and equine markets.
- As communicated at the full year, the Group has reviewed its Growth Strategy to identify new opportunities as we look to evolve and build on the momentum created in recent years. We have commenced work on a range of initiatives to lay the foundation for achieving our ambitious growth targets. Due to their transformative nature, many of these large initiatives will, if realised, contribute to the Group's performance over the longer term. Concurrently, our portfolio of strategic initiatives also includes projects expected to deliver benefits over a shorter time frame, especially in relation to unlocking efficiencies and effectiveness. We look forward to updating the market as this work progresses.



Commitment to sustainability

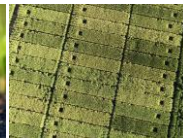
- Critical to our 2030 Growth Strategy is the implementation of the Group's commitment to sustainability, and specifically our focus on achieving lower emissions rice and a diversified, resilient and increasingly traceable supply chain. The Group is pleased to report the following progress:
 - The Science Based Target initiative (SBTi) validated our near-term and long-term science-based emissions reduction target in December 2024. Our commitment is aligned to reaching net-zero by 2050 and includes a Forestry, Land and Agricultural (FLAG) target.
 - Further progressing the development of our Net Zero Roadmap, including modelling interventions against our emissions reduction targets. In line with the requirements of the SBTi, we will publish the Group's Net Zero Roadmap in June 2025;
 - Supporting the Group's businesses to assess suppliers against our Supplier Sustainability Code, including human rights and deforestation, and drafting a new Code that clearly outlines our expectations of suppliers; and
 - Undertaking further social and ethical audits (using the SMETA protocol) of our domestic and international operations, including further embedding our training on the ETI Base Code. Further information on our progress on modern slavery can be found in our FY24 Modern Slavery Statement.
- We look forward to sharing further details at the full year.



Our Sustainability Strategy in action



Water productivity



Climate resilience



Waste reduction



Resilient communities



Respecting human rights



Food security & quality

1H FY25 Sustainability Highlights



Emissions Reduction Targets and Net Zero:

The Science Based Target initiative (SBTi) approved our near-term science-based emissions reduction target. The Group has committed to reach **net-zero** across our value chain by FY50.

In the near-term, SunRice commits to:

- Reduce absolute scope 1, 2 and scope 3 industrial GHG emissions 54.6% by FY33 (from a FY2023 base year).
- Reduce absolute scope 3 Forestry Land and Agriculture (FLAG) emissions 39.4% by FY33 (from a FY23 base year).

Over the long-term, SunRice commits to:

- Reduce absolute scope 1, 2 and scope 3 industrial 90% by FY50 (from a FY23 base year).
- Reduce scope 3 FLAG emissions 72% by FY50 (from a FY23 base year).

SunRice is one of four companies in Australia to have an approved near-term and long-term scope 3 FLAG target.

The Group will publish its Net Zero Roadmap in June 2025.



Respecting Human Rights

Enhancing our approach to respecting human rights, in 1H FY25 we drafted a new Supplier Sustainability Code that clearly outlines our expectations of suppliers across sustainability including human rights and environment. We also undertook further social and ethical audits (using SMETA) and across our operations and progressed on closing findings from previous audits.



Outlook for Rice Pool Business

Paddy Price range for the CY24 crop has been revised to \$380 - \$420 per tonne

The outlook for the Australian Rice Pool

- The CY24 Riverina harvest was another strong crop at approximately 618,000 paddy tonnes. However, several factors continue to weigh on anticipated pool returns, the most significant of which are the prevalence of lower whole grain mill out rates from the CY24 crop milled to date (similar to those experienced in CY18) and recent global tender pricing lows. Together these elements are expected to negatively impact CY24 pool returns in the order of \$70 per tonne when compared to the CY23 crop. Despite these factors, SunRice is effectively managing costs and maximising opportunities arising from a weaker AUD against the USD to help minimise their impact on CY24 paddy returns. Accordingly, the CY24 paddy price range has been updated from \$370-\$430 to \$380-\$420 per tonne for medium grain.
- While the recently planted CY25 crop is currently anticipated to be smaller than the CY24 crop, pleasingly volumes are in line with our production capacity and should ensure another full milling program in FY26. We remain focused on driving grower returns in the Riverina as we manage the transition to a deregulated market for NSW-grown rice with the end of rice vesting in July 2025. This includes modelling contracting options and other initiatives to help secure volume in the Riverina in line with market demand. A number of these options will be explored with growers in the new year in order to seek input before they are finalised.
- Next year marks SunRice's 75th anniversary, and our relationship with Riverina growers - who originally founded 'Ricegrowers' as a co-operative in 1950 - will be front and centre as we celebrate this milestone and look to the future.



*With rice at our heart,
we bring people together
through inspiring and
delicious food.*

