

# Allied Farmers Limited Annual General Meeting

Tuesday, 28 November 2017

**ALLIED FARMERS**

# Welcome & Introduction

**ALLIED FARMERS**

# Annual Financial Statements

## Allied Farmers Limited

	<b>2017</b>	<b>2016</b>
	\$m	\$m
Income	17.4	16.0
Expenses	15.0	14.4
Taxation	0.2	0.2
Net Profit	<u>2.2</u>	<u>1.4</u>
Parent Owners Share	1.6	0.7

# Allied Farmers Limited

## CONTINUING DIVISIONS

	<b>2017</b>	<b>2016</b>
	\$m	\$m
<b>LIVESTOCK</b>		
Revenue	17.3	15.9
Pre-Tax Profit	2.7	2.3
<b>INVESTMENTS</b>		
Revenue	0.0	0.1
Impairments	-	-
Profit (Loss)	0.0	0.1
<b>CORPORATE</b>		
Income	0.1	0.0
Costs	0.3	0.6
Interest	0.1	0.2
Profit (Loss)	(0.3)	(0.8)

# Allied Farmers Limited

## GROUP BALANCE SHEET

	2017	2016
	\$m	\$m
ASSETS		
Receivables	8	6
Cash	2	2
Fixed Assets	4	4
Other Assets	1	1
	<u>15</u>	<u>13</u>
LIABILITIES & EQUITY		
Borrowings	5	5
Other incl. Creditors	8	7
Equity	2*	0.1*
	<u>15</u>	<u>13</u>

\* Does not include assessed value of investment in subsidiaries or increase in value of rural fixed assets

## **Significant Milestones**

Acquired further share in Redshaws Livestock - 52%

Expansion in Northland and South Island

Profit growth in NZ Farmers Livestock – Livestock sales up 30%

Overhead cost efficiencies and lower Interest costs

Finance subsidiary established

## **Since Balance Date**

Further tranche of Redshaws Livestock now 52%

# Current Performance

Livestock behind last year – wet spring lower turnover

FMEL tracking similar to last year

Corporate / AFIL in line with last year

# Dividend

**0.2** cents per share

161.5 M shares      \$323,000

Fully Imputed

Gross Dividend 0.278 cents per share

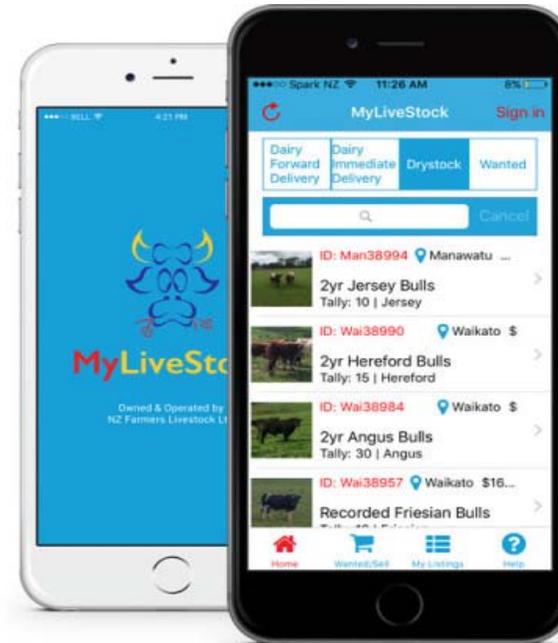
Record Date      15 December 2017

Payment Date    19 January 2018

# Allied Farmers - Rural CEO - Steve Morrison

# NZ FARMERS LIVESTOCK

- NZ Farmers Livestock Agency
- MyLivestock platform and App
- Redshaw Livestock interest
- Farmers Meat Export Ltd
- Associated Auctioneers JV interests
- Livestock Finance subsidiary



**REDSHAW LIVESTOCK LTD**

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# NZ FARMERS LIVESTOCK

- Consistent strategy
- Experienced & growing team
- Adding value for clients - every day
- Win-Win business
- Moving with (or ahead of) the times

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# NZ FARMERS LIVESTOCK

## Last Year:

- Recruitment, acquisition, Northland, South Island, sale yard access
- 2016/17 EBT 20% up on 2015/16
- Very good livestock agency performance
- FMEL challenging but a profit
- Redshaws pleasing – some system upgrade/transition costs
- Building equity & position

## Today:

- Late 2017/18 season
- Strong red meat sector
- Appreciable dairy uncertainties/opportunities
- Working hard at FMEL
- Targeting further growth & development
- New NZFL and AFRL option(s)
- Good bank support
- Financially robust



# NZ FARMERS LIVESTOCK

- Building & supporting teams
- Developing new agents
- Building networks, yard access and position
- Building market position/reputation
- Robust contracting arrangements
- MyLivestock platform & App
- Livestock finance to drive core business
- Building the FMEL business
- Building value
- Managing risk



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# NZ FARMERS LIVESTOCK

- Meeting stakeholder requirements



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# NZ FARMERS LIVESTOCK

## The Future

- Sensible Growth
- Market share
- MyLivestock leadership
- Bottomline performance
- A platform and support for wider Allied Farmers progress & initiatives
-  **cure kids**

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# Thank you



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# Questions

# Business Resolutions

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**Resolution 1.**  
**Re-election of Garry Bluett**  
**(retiring by rotation)**

# Resolution 2

## Remuneration of Auditors

# General Business

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