



21 November 2023

RIDLEY AGM: MANAGING DIRECTOR ADDRESS AND TRADING UPDATE

Ridley Corporation Limited (**Ridley**) (**ASX:RIC**) attaches the address to be presented by the Managing Director and Chief Executive Officer at today's Annual General Meeting, commencing at 10am (AEDT):

At the offices of KPMG, Level 36, Tower 2, Collins Square, 727 Collins Street, Melbourne, Victoria, 3008; and

Webcast live via <https://meetnow.global/MCYCPNW>.

This address includes the following **Trading Update**:

"The Bulk Stockfeeds Segment has experienced volume and margin increases enabled by the de-bottlenecking projects and some demand for dry-season feeding.

The Packaged & Ingredients Segment has experienced improved performance in Packaged Products and Supplements sales, however, the Ingredient Recovery business was impacted by lower tallow prices (against the previous corresponding period).

The improved performance of the Bulk Stockfeeds Segment has more than off-set lower performance in the Packaged & Ingredients Segment, delivering year on year growth for the Group in the first four months of FY24."

For further information please contact:

Quinton Hildebrand
Managing Director and Chief Executive Officer
Ridley Corporation Limited
+61 (03) 8624 6529

This ASX announcement was approved and authorised for release by the Ridley Board of Directors.



ANNUAL GENERAL MEETING

21 NOVEMBER 2023

Managing Director and Chief Executive Officer's Address

Thank you Mick and good morning.

We appreciate your attendance at our AGM today.

As Mick has indicated, I will provide a brief summary on the performance of the business in FY23, outline the high-level strategy, present Ridley's Sustainability Framework and provide a trading update for the first four months of FY24.

Delivering for our Customers

In FY23, Ridley continued to leverage its integrated scale and capability to deliver high quality, cost effective nutrition products to our customers. This included supplying the dairy, poultry, pig, aquaculture, sheep and beef bulk feed sectors; the equine, canine and home layer markets in the packaged product sector; and providing protein meals and animal fats from our ingredient recovery facilities to stockfeed, petfood and biofuel industries. We did this while successfully overcoming post pandemic supply chain challenges, the impacts of regional flooding and navigating inflationary pressures.

Operating Performance

The first priority of Ridley's Board and Management is the safety of our employees, suppliers and customers, and we continue to focus on engaging our employees in behavioral safety initiatives to improve our performance in this area.

The business operated the same portfolio of assets as the prior year, however the combination of increased throughput, as we grew with our customers and secured additional business, and the ongoing implementation of efficiency initiatives delivered earnings growth.

Both reporting segments grew in FY23 delivering a Group EBITDA from ongoing operations of \$88.5m, delivering our fourth successive year of double-digit percent increases in underlying Group EBITDA.

Disciplined Capital Management

The business applies a rigorous approach to deploying capital in accordance with the Board's stated Capital Allocation Framework.

An efficient operating cash conversion was delivered in FY23. A total of \$11.3m was committed to maintenance capex, including expenditure on sustainability initiatives, and a further \$23m was spent on growth capex projects. This included four de-bottlenecking projects, the ongoing delivery of Project Boost and various other capability enhancing projects that support future earnings growth.



During FY23, an on-market share buy-back was undertaken through which \$7m was expensed to acquire 3.66 million shares. In addition, the Board determined dividends for the period totaling \$25.5m (FY22 \$17.3m) or 8.25c/share fully franked.

The strength of the balance sheet was maintained with the leverage ratio at 0.33x at year end, well below the 1 to 2x guidance in our Capital Allocation Framework. This provides resilience through macro-economic uncertainty and offers a platform from which the business can take advantage of opportunities that present themselves for investment.

Building the Growth Platform

The business is building capability and pursuing growth opportunities in each of the reporting segments.

Within the Packaged & Ingredients Segment, the Ingredient Recovery business continued to “climb the wall of value” in FY23 by segregating homogenous raw materials from suppliers to produce bespoke protein meals and oils for targeted customers. During this period, the business was successful in extending contracts with suppliers to underpin the ongoing capital expenditure to produce higher-value products, predominantly for the petfood and aquafeed sectors. We also initiated a number of projects to reduce the carbon intensity of our supply chain, which not only lowers our costs but makes our tallows and oils more valuable in the Renewable Diesel sector.

In relation to Packaged Products, we continue to build on our brands in the rural market, whilst using our raw material, operational scale and nutritional capability to supply companion (dog) and aquafeed. The commissioning of the new Narangba packing line last week will further automate this facility, optimizing plant and reducing cost.

The NovaqPro® operations delivered their first profit in FY23 and we continue to see a steady pathway to developing targeted international markets on the back of the successful uptake of NovaqPro® in Australia.

The strategy of the Bulk Stockfeeds Segment is to increase market share through supporting the growth of our customers and acquiring new customers. This is achieved through providing quality products, differentiated service and sharing the economic benefits of Ridley's scale. To support this strategy, during the year de-bottlenecking projects were completed at four feedmills which have increased installed capacity by 10%. We believe this will provide us with 2 years sales growth runway on our current assumptions. In addition, two further de-bottlenecking projects were approved which will increase capacity by a further 5% when complete at the end of FY24.

Sustainability Pathway

Over the past two years we have developed the Ridley Sustainability Pathway. This commenced with surveys of our customers and a scan of international best practice in our sector. Through this process our 4 pillars of Smarter Ingredients, Optimised Production, Effective Solutions and Meaningful Partnerships, were established. Within these pillars 14 key deliverables have been identified which can make a significant contribution to the sustainability of the supply chains in which we operate.



During FY23 we established the baselines for these 14 key deliverables and in our 2023 Annual Report we published our 2030 Commitments. We believe that in delivering against these Commitments Ridley will improve the sustainability of our supply chains whilst also providing a competitive advantage.

Trading Update

The Bulk Stockfeeds Segment has experienced volume and margin increases enabled by the de-bottlenecking projects and some demand for dry-season feeding.

The Packaged & Ingredients Segment has experienced improved performance in Packaged Products and Supplements sales, however, the Ingredient Recovery business was impacted by lower tallow prices (against the previous corresponding period).

The improved performance of the Bulk Stockfeeds Segment has more than off-set lower performance in the Packaged & Ingredients Segment, delivering year on year growth for the Group in the first four months of FY24.

Looking Forward

With a well-defined Growth Plan, strong balance sheet and disciplined approach to capital management, Ridley is well positioned to execute on opportunities to create shareholder value. Being the market leader in the animal nutrition sector, Ridley enjoys scale benefits and has the capacity to employ specialists and adopt technology which should allow us to continue differentiating our offering and margins.

As supply chains evolve to meet sustainability expectations, Ridley's capability and products can deliver profitable solutions for our customers. Our geographical spread, multi-species offering, customer mix and disciplined risk management provide earnings resilience through weather, disease and market cycles.

With forecasts for protein, consumed by humans and pets, and feedstock for renewable fuels, all expected to increase, this is likely to underpin demand for Ridley's products.

Acknowledgements

In closing, I would like to thank the Chair and the Board for their mentorship and direction through the past year.

I thank the Leadership Team for their commitment to the challenge of improving our performance year after year, and to all of our employees here at Ridley, for going above and beyond to deliver these successful outcomes for the business.

I would like to acknowledge the customers we serve and the suppliers who support us, recognising that our long-term success is inextricably linked to the performance of our entire supply chain.

And finally, to the shareholders of Ridley, thank you for your support.

Attachment: Webcast Presentation Slides AGM 2023

ASX: RIC



ANNUAL GENERAL MEETING

21 November 2023

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Chairman's Welcome

Mick McMahon
Chairman

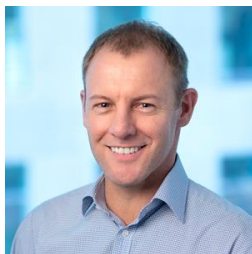


INTRODUCING



Chairman

Mick
McMahon



CEO &
Managing Director

Quinton
Hildebrand



Director

Rhys
Jones



Director

Ejnar
Knudsen



Director

Melanie
Laing



Director

Julie
Raffe



CFO

Richard
Betts



Company
Secretary

Kirsty
Clarke

Virtual Meeting Protocol

Voting on the resolutions is now open and you can vote at any time until the voting is declared closed.

You can also change your vote at any time throughout the proceedings.

VIRTUAL MEETING PROTOCOL - VOTING

1. When the poll is open, select the vote icon at the top of the screen
2. To vote, select either For, Against or Abstain
3. You will see a vote confirmation
4. To change or cancel your vote “click here to change your vote” at any time until the poll is closed

The screenshot displays a virtual meeting interface with a top navigation bar containing four icons: a monitor for 'Broadcast', a document with a red '1' for 'Vote', a speech bubble for 'Q & A', and a folder for 'Documents'. The 'Vote' icon is highlighted with a red dashed rectangular box. Below the navigation bar is a grey header titled 'Items of Business'. The first item is '2A Re-elect Mr. Sam Sample as a Director', followed by three buttons: 'FOR', 'AGAINST', and 'ABSTAIN'. The second item is '2B Re-elect Ms Jane Citizen as a Director', which is followed by a green checkmark icon and the text 'We have received your vote For'. Below this text is a link that says 'Click here to change your vote.'.

VIRTUAL MEETING PROTOCOL - QUESTIONS

1. To ask a written question select the Q & A icon
2. Select the topic your question relates to from the drop-down list
3. Type your question in the text box and press the send button
4. To ask a verbal question follow the instructions below the broadcast window

Broadcast Vote **Q & A** Documents

Your question(s)

You may enter a question using the field below.

Select Topic ▼

Questions are limited to 2000 characters.

0 character(s)

Send

Managing Director's Address

Quinton Hildebrand
CEO & Managing Director



FY23 FINANCIAL HIGHLIGHTS

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying financial performance of the business.

¹ Calculated as NPAT of \$41.8m adjusted for Finance Costs(\$5.1m), Depreciation and Amortisation(\$24.8m).

² Operating Cash Flow is EBITDA plus or minus the change in Working Capital.

EBITDA (underlying)¹

\$88.5m

▲ +10.5% YoY growth

NPAT (reported)

\$41.8m

▼ -1% YoY growth

NPAT (underlying)

\$41.8m

▲ +15.5% YoY growth

OPERATING CASH FLOW²

\$105.3m

▲ pcp \$72.2m

ROFE (underlying)

12.2%

▲ pcp 10.9%

LEVERAGE

0.33X

▲ pcp 0.29X

DIVIDEND (100% franked)

8.25 cps

▲ pcp 7.4 cps

CAPITAL ALLOCATION FRAMEWORK

Delivered in FY23:

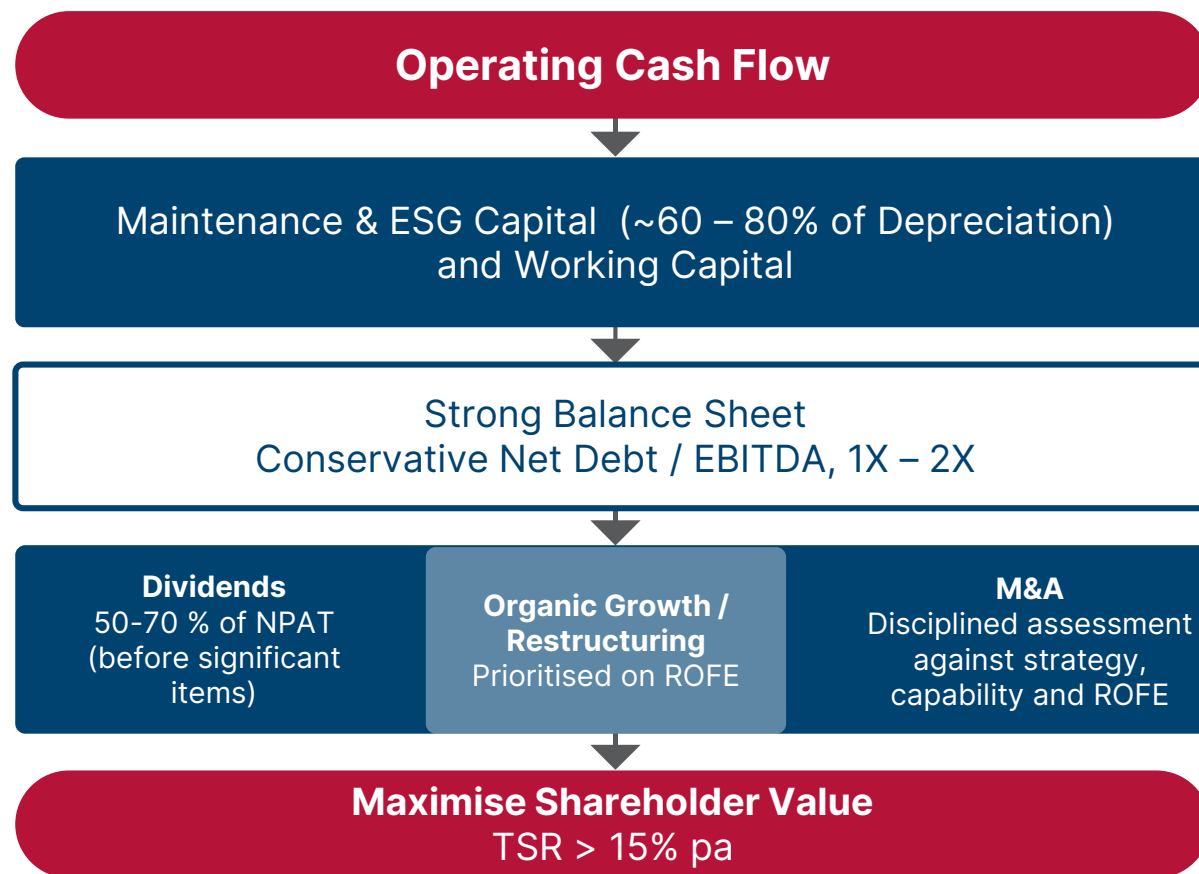
Increase in operating result / very healthy cash conversion

Maintenance / ESG capital was prioritised
Inventory reduced as supply chain normalised

Net Debt / EBITDA = 0.33X, including the funding
of the committed capital management initiatives

Final dividend determined at 4.25cps (62% of NPAT);
capex for organic growth (including Boost) of \$23m;
share buy-back of \$7m completed

- TSR of 16% above the long term target of 15% pa
(FY22: 62%)



Low debt level and strong outlook enable future M&A opportunities and/or capital management

FY23 – FY25 GROWTH PLAN : PACKAGED & INGREDIENTS



Ingredient Recovery (formerly Rendering)

Strategy

- Invest in processing capability to produce bespoke, higher value nutrients from existing raw material supply
- By “climbing the wall of value” we expect to deliver higher margins for Ridley and our raw material suppliers

“climbing the wall of value”

Product

Freeze Dried Products
Frozen Block (MDM Products)
Protein Concentrate Meals
Low Ash Meals
Higher Grades of Tallow and Oils
Standard Meals, Tallows and Oils
Lower Grade Tallow and Oils



Packaged Products

Strategy

Extend our rural market share by leveraging our national footprint with distribution partners. Service the broader urban companion animal market with our integrated business platform (ingredients and extrusion capability)



Aqua (Feed / Sector Support)

Strategy

Share in the growth of the tropical aqua sector, and benefit through the use of unique feed ingredients that offer differentiated sustainability solutions (e.g. NovaqPro®, Chicken Protein Concentrate)



NovaqPro®

Strategy

- Continue commercialising NovaqPro®:
- extend the application of NovaqPro® in Australia; and
 - review options for international commercialisation

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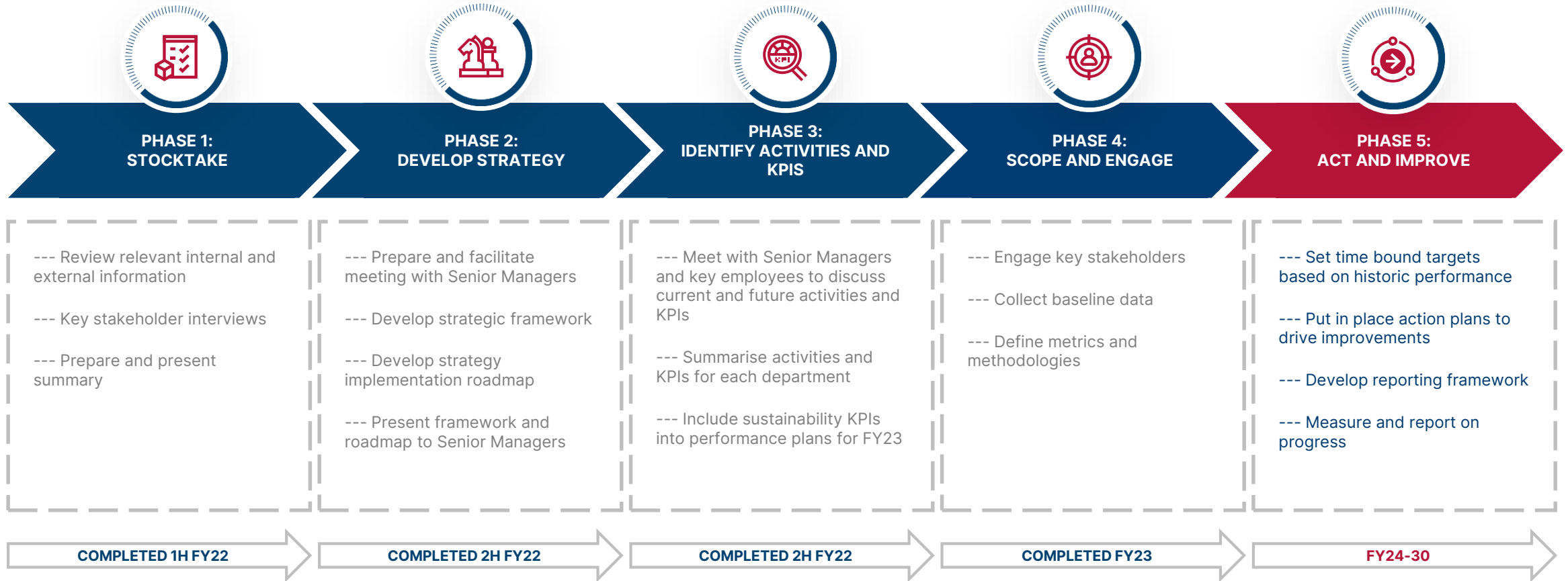
Leverage the flywheel effects of scale, extend our role in the supply chain and enhance our market leadership position



- supply chain rationalisation
- direct sourcing
- technology to optimise raw material use

SUSTAINABILITY IMPLEMENTATION PROCESS

Below is a summary of the six phases of the strategy development process and the associated timeframe.
The preliminary results from Phases 1-4 are presented on the following slides.



RIDLEY SUSTAINABILITY PILLARS¹

Working with our partners, we have identified four pillars to deliver real value in sustainable ways:



SMARTER INGREDIENTS

Sourcing high-quality raw materials that are produced with respect to social and planetary boundaries

- Create and utilise high performance circular ingredients
- Source from well-managed production systems
- Support Australian growers



OPTIMISED PRODUCTION

Optimising our manufacturing and supply chain processes to reduce our footprint

- Measure and reduce green house gas intensity of our operations
- Respect for our local environment through sustainable packaging
- Reduce waste to landfill



EFFECTIVE SOLUTIONS

Developing nutritional solutions that enable farmers to produce more from less

- Assess the environmental footprint of our feed and offer lower CO₂-e intensity options
- Produce safe feeds that support animal health and welfare
- Help farmers to address climate challenges
- Reduce reliance on finite marine resources



MEANINGFUL PARTNERSHIPS

Creating safe, healthy, and diverse workplaces that support local communities

- Support customers to meet their sustainability goals
- Ensure safe and healthy employees
- Create diverse workplaces
- Provide training and development opportunities
- Support local communities



Ridley's Sustainability Pathway aims to align with the United Nations Sustainable Development Goals. Refer to <https://www.un.org/sustainabledevelopment/>

Identify and mitigate climate risk

¹ Ridley has refined the scope of some activities under the Pillars during phase 3 and 4 of the Strategy and Implementation Process.

TRADING UPDATE

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The improved performance of the Bulk Stockfeeds Segment has more than off-set lower performance in the Packaged & Ingredients Segment, delivering year on year growth for the Group in the first four months of FY24.

RIDLEY'S GROWTH PLATFORM

With a well-defined Growth Plan, strong balance sheet and disciplined approach to capital management, Ridley is well positioned to execute on opportunities to create shareholder value.

Ridley's position as market leader in the animal nutrition sector provides scale benefits and the capacity to employ specialists and adopt technology.

As supply chains evolve to meet sustainability expectations, Ridley's capability and products can deliver profitable solutions for our customers.

Ridley's geographical spread, multi-species offering, customer mix and disciplined risk management provide earnings resilience through weather, disease and market cycles.

Protein for both human and petfood consumption, and feedstock for renewable fuels, are all forecast to increase, underpinning demand for Ridley's products.

1. Financial Statements and Reports

To consider the Financial Statements, the Directors' Report and the Independent Auditor's Report for the Company for the year ended 30 June 2023.

2. REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2023 be adopted.”

INSTRUCTION	NUMBER	PERCENTAGE OF VALID SECURITIES VOTED	PERCENTAGE OF ALL ISSUED SECURITIES
FOR	207,270,957	93.19%	65.63%
AGAINST	13,330,485	5.99%	4.22%
OPEN – USABLE	1,813,901	0.82%	0.57%
TOTAL	222,415,343	100%	70.42%
ABSTAIN	292,075	N/A	0.09%
EXCLUDED AND UNUSABLE	61,908	N/A	0.02%

3. RE-ELECTION OF DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mick McMahon, a Director retiring from office by rotation in accordance with rule 49 of the Company's Constitution, being eligible, be re-elected as a Director of the Company."

INSTRUCTION	NUMBER	PERCENTAGE OF VALID SECURITIES VOTED	PERCENTAGE OF ALL ISSUED SECURITIES
FOR	219,656,580	98.68%	69.55%
AGAINST	1,034,115	0.46%	0.33%
OPEN – USABLE	1,905,707	0.86%	0.60%
TOTAL	222,596,402	100%	70.48%
ABSTAIN	172,924	N/A	0.05%
EXCLUDED AND UNUSABLE	0	N/A	0.00%

4. ELECTION OF DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Melanie Laing, being a Director appointed since the last Annual General Meeting and who offers herself for election pursuant to rule 48(d) of the Company's Constitution, be elected as a Director of the Company."

INSTRUCTION	NUMBER	PERCENTAGE OF VALID SECURITIES VOTED	PERCENTAGE OF ALL ISSUED SECURITIES
FOR	219,982,688	98.84%	69.65%
AGAINST	656,546	0.30%	0.21%
OPEN – USABLE	1,909,610	0.86%	0.60%
TOTAL	222,548,844	100%	70.46%
ABSTAIN	220,482	N/A	0.07%
EXCLUDED AND UNUSABLE	0	N/A	0.00%

5. ISSUE OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the Company approves, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue to the Company's Managing Director and Chief Executive Officer, Mr Quinton Hildebrand, of 669,683 Performance Rights under the Ridley Corporation Limited Long Term Incentive Plan on the terms set out in the Explanatory Memorandum."

INSTRUCTION	NUMBER	PERCENTAGE OF VALID SECURITIES VOTED	PERCENTAGE OF ALL ISSUED SECURITIES
FOR	215,289,457	96.74%	68.17%
AGAINST	5,442,916	2.44%	1.72%
OPEN – USABLE	1,807,508	0.82%	0.57%
TOTAL	222,539,881	100%	70.46%
ABSTAIN	225,140	N/A	0.07%
EXCLUDED AND UNUSABLE	1,305	N/A	0.00%

6. ISSUE OF SPECIAL PURPOSE PERFORMANCE RIGHTS TO MANAGING DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That the Company approves, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue to the Company's Managing Director and Chief Executive Officer, Mr Quinton Hildebrand, of 1,500,000 Special Purpose Performance Rights under the Ridley Corporation Limited Special Purpose Retention Incentive Plan on the terms set out in the Explanatory Memorandum."

INSTRUCTION	NUMBER	PERCENTAGE OF VALID SECURITIES VOTED	PERCENTAGE OF ALL ISSUED SECURITIES
FOR	181,052,563	81.36%	57.33%
AGAINST	39,762,398	17.87%	12.59%
OPEN – USABLE	1,727,274	0.77%	0.55%
TOTAL	222,542,235	100%	70.46%
ABSTAIN	225,786	N/A	0.07%
EXCLUDED AND UNUSABLE	1,305	N/A	0.00%

The voting results for all of today's resolutions will be released to the ASX and also made available on the Ridley website after the conclusion of the meeting.

Disclaimer

The material in this presentation is general background information about the activities of Ridley Corporation Limited and its related entities (Ridley), current at the date of this presentation, unless otherwise stated.

It is information given in summary form and does not purport to be complete. It should be read in conjunction with Ridley's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. This presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Forward looking statements in this presentation should not be relied upon as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Ridley.

Market size and market share indicators are based upon management estimates and publicly available information.



LEADING ANIMAL NUTRITION