

25 November 2024

## Retail Offer Booklet

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Attached is a copy of the Elders Limited (**ASX:ELD**) Retail Offer Booklet relating to the retail component of the 1 for 5.05 pro rata accelerated non-renounceable entitlement offer.

Eligible retail shareholders (as defined in the Retail Offer Booklet) will be invited to participate in the offer at an issue price of \$7.85 per new share.

The Retail Entitlement Offer opens today, Monday 25 November 2024 and closes at 5.00pm (Sydney time) on Monday, 9 December 2024.

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**Further Information:**

Peter Hastings, Company Secretary, 0419 222 489

**Authorised by:**

Peter Hastings, Company Secretary

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# Elders Limited

ACN 004 336 636

## Retail Entitlement Offer

Details of a fully underwritten 1 for 5.05 pro rata accelerated non-renounceable entitlement offer of new ordinary shares in Elders Limited at an offer price of A\$7.85 per New Share to raise approximately A\$103 million under the retail component.

This Retail Entitlement Offer opens on Monday, 25 November 2024 and closes at 5.00pm (Sydney time) on Monday, 9 December 2024.

**This Retail Offer Booklet is an important document and requires your immediate attention. It should be read in its entirety before you decide whether to participate in the Retail Entitlement Offer. If you have any questions about any part of the Retail Offer Booklet you should consult your professional adviser.**

**This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed decision regarding the New Shares offered under this Retail Offer Booklet.**

**If you have any questions please contact your professional adviser or the Elders Offer Information Line on 1300 121 053 (within Australia) or +61 2 8023 5457 (from outside Australia) from 8.30am to 5.00pm (Sydney time) Monday to Friday during the offer period.**

This Retail Offer Booklet is dated Monday, 25 November 2024.

**This Retail Offer Booklet may not be released to US wire services or distributed in the United States.**

## Important Notice

Defined terms used in these important notices have the meaning given to them in this booklet (**Retail Offer Booklet**).

### *International offer restrictions*

This Retail Offer Booklet, including the Chairman's letter, ASX Announcement and the Investor Presentation reproduced in it and the Entitlement and Acceptance Form do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. This Retail Offer Booklet is not to be distributed in, and no offer of New Shares may be made, in countries other than Australia and New Zealand. No action has been taken to register or qualify the Retail Entitlement Offer or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia.

In particular, this Retail Offer Booklet does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

### *Future performance*

Forward looking statements, opinion and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on the interpretations of current market conditions. Forward looking statements including projections, guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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## Summary of the Retail Entitlement Offer

<b>Issue Price</b>	A\$7.85 per New Share
<b>Your entitlement</b>	1 New Share for every 5.05 existing shares in Elders ( <b>Existing Shares</b> ) held on the Record Date (as defined below)

## Key Dates (2024)

Announcement of the Entitlement Offer	Monday, 18 November 2024
Institutional Entitlement Offer opened	Monday, 18 November 2024
Institutional Entitlement Offer closed	Monday, 18 November 2024
Record Date (7.00pm Sydney time)	Wednesday, 20 November 2024
<b>Retail Entitlement Offer opens</b>	<b>Monday, 25 November 2024</b>
<b>Retail Offer Booklet and Entitlement and Acceptance Forms despatched to Eligible Retail Shareholders</b>	<b>Monday, 25 November 2024</b>
Settlement of Shares issued under the Institutional Entitlement Offer	Tuesday, 26 November 2024
Allotment and commencement of trading of Shares issued under the Institutional Entitlement Offer	Wednesday, 27 November 2024
<b>Retail Entitlement Offer closes (5.00pm Sydney time)</b>	<b>Monday, 9 December 2024</b>
Settlement of New Shares issued under the Retail Entitlement Offer	Friday, 13 December 2024
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 16 December 2024
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Tuesday, 17 December 2024
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Tuesday, 17 December 2024

Dates and times after Monday, 18 November 2024 are indicative only and subject to change, subject to the *Corporations Act 2001* (Cth) (**Corporations Act**), the ASX Listing Rules and other applicable laws and regulations. All times refer to Sydney time.

## Enquiries

For any enquiries please call Boardroom Pty Limited, Elders' Share Registry, on the Elders Offer Information Line on 1300 121 053 within Australia, or +61 2 8023 5457 outside Australia from 8.30am to 5.00pm (Sydney time) Monday to Friday or contact your stockbroker, accountant or other professional adviser.



25 November 2024

Dear Shareholder

On behalf of Elders Limited (**Elders**), I am pleased to invite you to participate in the recently announced 1 for 5.05 pro rata non-renounceable accelerated entitlement offer of new Elders ordinary shares (**New Shares**) at an issue price of A\$7.85 per New Share (**Entitlement Offer or Capital Raising**).

On Monday, 18 November 2024, Elders announced its intention to raise approximately A\$246 million through the Entitlement Offer. As announced to ASX on Tuesday, 19 November 2024, Elders successfully completed the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**). The Institutional Entitlement Offer raised approximately A\$143 million. This retail offer booklet (**Retail Offer Booklet**) relates to the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

The proceeds of the Capital Raising will be used to partially fund the acquisition of 100% of the shares on issue in Delta Agribusiness Pty Limited ACN 118 781 445 (**Delta**) (**Acquisition**), to pay transactions costs and provide balance sheet flexibility for future growth opportunities. The Acquisition will also be partly funded by the issue of A\$190 million of new Elders shares to Delta shareholders as scrip consideration.

#### Overview of Delta

Established in 2006, Delta is an Australian agribusiness providing a range of products and services through a national network of 68 locations and approximately 40 independent wholesale customers. Delta operates across the following products and services: rural products, digital and technical services and agency and financial services. Delta's experienced leadership team is excited to join Elders and will continue to manage the business following completion of the Acquisition.

The Acquisition is fully aligned to Elders' core strategy and corporate acquisition principles. It continues Elders' successful track record of growing the business through disciplined acquisitions and provides a complementary geographic footprint, filling retail gaps in New South Wales, North West Victoria, South Australia and Western Australia, while enhancing Elders' technical expertise and offering in ag tech and precision agriculture.

The Acquisition is expected to deliver pro forma FY24 mid single digit earnings per share (**EPS**) accretion pre synergies and mid teens EPS accretion post synergies and has the potential to generate annual net EBIT synergies (before one off costs) of approximately A\$12 million over three years post completion. Further, the Acquisition retains management expertise through implementing Elders' proven light touch integration strategy while maintaining robust Board based governance oversight.

In the last twelve months to 30 June 2024, Delta generated revenue of approximately A\$835 million and EBITDA of A\$53 million.

The Acquisition, transaction costs and balance sheet flexibility for future growth opportunities will be funded through:

- the A\$246 million fully underwritten Entitlement Offer;
- a A\$110 million new revolving loan facility; and
- A\$190 million of new Elders shares issued to Delta shareholders as scrip consideration at A\$8.52 per share (approximately 22 million shares).

Elders expects pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>1</sup>.

More details regarding the Acquisition and Capital Raising are provided in the Investor Presentation given to the Australian Securities Exchange (**ASX**) on Monday, 18 November 2024 (and included in this Retail Offer Booklet). In particular, please refer to the "Appendix B – Key Risks" section of the Investor Presentation for details of the key risks in relation to the Acquisition and Capital Raising.

### **Retail Entitlement Offer**

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to subscribe for 1 New Share for every 5.05 ordinary shares in Elders held at 7.00pm (Sydney time) on Wednesday, 20 November 2024 (**Entitlement**) at the price of A\$7.85 per New Share (**Issue Price**), which is the same price as the institutional investors who participated in the Institutional Entitlement Offer, and as set out in the personalised Entitlement and Acceptance Form enclosed with this Retail Offer Booklet.

The Issue Price represents:

- a 7.9% discount to the theoretical ex-rights price (TERP<sup>2</sup>) based on the closing price of Elders' shares on Friday, 15 November 2024; and
- a 9.2% discount to the closing price of Elders' shares on Friday, 15 November 2024.

The Entitlement Offer is fully underwritten by Macquarie Capital (Australia) Limited which also acts as lead manager and bookrunner (**Underwriter**). All Elders Directors who are eligible have confirmed their intention to participate in the Capital Raising.

The Entitlement Offer is non-renounceable and Entitlements will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their Entitlement in full will not receive any value in respect of those Entitlements they do not take up. I encourage you to consider this offer carefully.

### **Other Information**

This Retail Offer Booklet contains important information, including:

- the Investor Presentation and ASX announcement referred to above, which were released to the ASX on Monday, 18 November 2024, and provides information on Elders, the benefits expected from the Acquisition, details of the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates; and
- instructions on how to take up all or part of your Entitlement.

A personalised Entitlement and Acceptance Form accompanies this Retail Offer Booklet. This form details your Entitlement. If you want to participate in the Retail Entitlement Offer this form must be completed in accordance with the instructions contained in the form.

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<sup>1</sup> Subject to a normal 1Q FY25 and average seasonal conditions. Includes a 12-month forecast adjusted contribution from Delta and excludes the impact of AASB 16 Leases.

<sup>2</sup>Theoretical ex-rights price ("TERP") includes shares issued under the Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP.

**The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Monday, 9 December 2024 (Closing Date).**

Please read carefully the details on how to submit your application, which are set out in this Retail Offer Booklet.

You should also consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the Board of Elders, I encourage you to consider this investment opportunity and thank you for your ongoing support.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Wilton', with a small flourish at the end.

**Ian Wilton  
Chair**

## 1. SUMMARY OF OPTIONS AVAILABLE TO YOU

If you are an Eligible Retail Shareholder (as defined in Section 4.2), you may take one of the following actions:

- take up all of your Entitlement;
- take up part of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Monday, 9 December 2024.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an **Ineligible Retail Shareholder**. Ineligible Retail Shareholders are not entitled to participate in the Retail Entitlement Offer.

Options available to you	Key considerations
1. Take up all of your Entitlement	<ul style="list-style-type: none"><li>• You may elect to apply for New Shares at the Issue Price (see Section 3 for instructions on how to take up your Entitlement).</li><li>• The New Shares will rank equally in all respects with Existing Shares.</li></ul>
2. Take up part of your Entitlement	<ul style="list-style-type: none"><li>• If you do not take up your Entitlement in full, those Entitlements not taken up will lapse and you will not receive any payment or value for them.</li><li>• If you do not take up your Entitlement in full, your proportionate equity interest in Elders will be diluted as a result of the Entitlement Offer.</li></ul>
3. Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements	<ul style="list-style-type: none"><li>• If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means your Entitlements are non-transferrable and cannot be sold, traded on the ASX or any other exchange, nor can they be privately transferred.</li><li>• If you do not take up your Entitlement your proportionate equity interest in Elders will be diluted as a result of the Entitlement Offer.</li></ul>

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## 2. THE ENTITLEMENT OFFER

Eligible Retail Shareholders (as defined in Section 4.2) are being offered the opportunity to subscribe for 1 New Share for every 5.05 Existing Shares held at 7.00pm (Sydney time) on Wednesday, 20 November 2024 (**Record Date**), at the Issue Price.

### ***Institutional Entitlement Offer***

On Tuesday, 19 November 2024, Elders announced that it had successfully completed the Institutional Entitlement Offer, raising approximately A\$143 million. Settlement of the Institutional Entitlement Offer is expected to occur on Tuesday, 26 November 2024. Shares to be issued under the Institutional Entitlement Offer are expected to be allotted and commence trading on Wednesday, 27 November 2024.

### ***Retail Entitlement Offer***

Each Eligible Retail Shareholder is entitled to subscribe for 1 New Share for every 5.05 Existing Shares held on the Record Date. The Retail Entitlement Offer is non-renounceable. This means that shareholders of Elders (**Shareholder**) who do not take up their Entitlements by the Closing Date, will not receive any payment or value for those Entitlements, and their proportionate equity interest in Elders will be diluted.

The Entitlement Offer is being made pursuant to section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) which allows rights issues to be made without a prospectus, provided certain conditions are satisfied. As a result, it is important for Eligible Retail Shareholders to read and understand the information on Elders and the Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to this Retail Offer Booklet and Elders' other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 5.05 Existing Shares you held as at the Record Date rounded up to the nearest whole New Share. If you have more than one holding of Existing Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. Fractional entitlements to New Shares have been rounded up to the nearest whole number of New Shares.

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares on issue, including in respect of entitlement to dividends. If you take no action you will not be allocated any New Shares and your Entitlement will lapse.

Eligible Retail Shareholders will not be entitled to apply for additional New Shares in excess of their entitlement.

Entitlements that Eligible Retail Shareholders do not take up by the Closing Date, will be subscribed for by the Underwriter or sub-underwriters, on the terms of the Underwriting Agreement.

Elders may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional Shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

### ***ASX quotation***

Elders has applied for official quotation of New Shares issued under this Retail Offer Booklet. If permission for quotation is not granted by ASX, the New Shares will not be issued and

application monies accompanying a completed Entitlement and Acceptance Form or funds paid by BPAY® (**Application Monies**) will be refunded (without interest) as soon as practicable.

### ***Nominees and custodians***

The Retail Entitlement Offer is being made to all Shareholders on the register of Elders at the Record Date with an address in Australia or New Zealand that are not in the United States or any other foreign jurisdiction. Elders is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Existing Shares. Where any holder is acting as a nominee or custodian for a person that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable laws. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians which hold Shares as nominees or custodians will have received, or will shortly receive, a letter from Elders. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) eligible institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not); or
- (c) ineligible institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer.

Due to legal restrictions, nominees and custodians may not send copies of this Retail Offer Booklet or accept the Retail Entitlement Offer on behalf of any person in the United States or any other jurisdiction outside Australia or New Zealand, except to beneficial Shareholders who are Institutional Investors or as Elders may otherwise permit in compliance with applicable law. Elders is not required to determine whether or not any registered Shareholder is acting as a nominee or the identity or residence of any beneficial owners of Existing Shares.

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### 3. HOW TO APPLY

If you wish to take up all or part of your Entitlement, you can do either of the following:

#### Payment by BPAY®

If you wish to pay by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the representations, warranties and authorisations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by Elders' share registry, Boardroom Pty Limited (**Share Registry**), by no later than 5.00pm (Sydney time) on Monday, 9 December 2024 (being the Closing Date). You should take into account any cut-off times implemented by your financial institution with regard to electronic payments when making payment.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique Customer Reference Number on the front of your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that form. You must use the reference number shown on each Entitlement and Acceptance Form to pay for each holding separately. If you inadvertently use the same Customer Reference Number for more than one of your Entitlements, you will be deemed to have applied only for New Shares on the Entitlement to which that Customer Reference Number applies.

Your completed Entitlement and Acceptance Form or BPAY® acceptance, once received by the Share Registry, cannot be withdrawn.

Cash, cheque, bank draft and money order payments will not be accepted. Receipts for payment will not be issued.

#### Accessing your Entitlement and Acceptance Form

Personalised Entitlement and Acceptance Forms have been distributed to Eligible Retail Shareholders either via letter or email. The form can also be accessed online through the Investor Serve platform.

If you are a registered user, you may go to [www.investorserve.com.au](http://www.investorserve.com.au), then:

1. enter your username and password using the "Registered User Login";
2. select "My Portfolio"; and
3. from the left hand side of the page select "Company Announcements" to access the Retail Offer Booklet and "Statements/Advices" to access your personalised Entitlement and Acceptance Form.

If you are an Eligible Retail Shareholder who does not currently have an Investor Serve account, you can go to [www.investorserve.com.au](http://www.investorserve.com.au), then:

1. select “Individual Investment Access”. You will need to enter details regarding your Elders shareholding in order to proceed; and
2. once you have been validated, select from the left hand side of the page “Company Announcements” to access the Retail Offer Booklet and “Statements/Advices” to access your personalised Entitlement and Acceptance Form.

### **Consequences of not taking up all or part of your Entitlement**

If you do not take up all or part of your Entitlement in accordance with the instructions set out above, your Entitlement will lapse.

Entitlements that Eligible Retail Shareholders do not take up by the Closing Date, will be subscribed for by the Underwriter or sub-underwriters, on the terms of the Underwriting Agreement.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Your interest in Elders will also be diluted to the extent that New Shares are issued under the Entitlement Offer.

### **Representations, allotment and refunds**

By completing and returning your personalised Entitlement and Acceptance Form with Application Monies or making a payment by BPAY®, you will be deemed to have acknowledged, represented and warranted on your own behalf and on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Retail Shareholder (as defined in Section 4.2);
- (b) you are not in the United States and you are not acting for the account or benefit of any person in the United States in connection with the subscription for Entitlements or the purchase of New Shares in the Retail Entitlement Offer and you are not otherwise a person to whom it would be illegal to make an offer of or issue of Entitlements and New Shares under the Retail Entitlement Offer and under any applicable laws and regulations;
- (c) you understand that the Entitlements and the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand. Accordingly, you understand and acknowledge that, under the Retail Entitlement Offer, the Entitlements and the New Shares may not be issued to, taken up, acquired or exercised by persons who are, or are acting for the account or benefit of, a person in the United States (to the extent that such person holds Shares and is acting for the account or benefit of a person in the United States);
- (d) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form (i) is resident in Australia or New Zealand or is an Institutional Investor, and (ii) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent that such person holds Shares and is acting for the account or benefit of a person in the United States), and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person;
- (e) you are acquiring New Shares outside the United States in 'offshore transactions' as defined and in reliance on Regulation S under the US Securities Act;

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- (f) you and each person on whose account you are acting have not and will not send any materials, or copies thereof, relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand (except that nominees may send offer materials to Institutional Investors);
  - (g) you acknowledge that you have read and understand this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety;
  - (h) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and Elders' constitution;
  - (i) you authorise Elders to register you as the holder(s) of New Shares allotted to you;
  - (j) you declare that all details and statements in your Entitlement and Acceptance Form are complete and accurate;
  - (k) if you are a natural person, you declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your Entitlement and Acceptance Form;
  - (l) you acknowledge that after Elders' receives your Entitlement and Acceptance Form or any payment of Application Monies through BPAY®, you may not withdraw your application or funds provided except as allowed by law;
  - (m) you agree to apply for and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies through BPAY®, at the issue price;
  - (n) you authorise Elders, the Underwriter, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry on using the contact details set out in your Entitlement and Acceptance Form;
  - (o) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on your Entitlement and Acceptance Form as being held by you on the Record Date;
  - (p) you acknowledge that the information contained in this Retail Offer Booklet and your Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
  - (q) you acknowledge that this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Elders and is given in the context of Elders' past and ongoing continuous disclosure announcements to ASX;
  - (r) you acknowledge the statement of risks in the "Appendix B – Key Risks" section of the Investor Presentation included in this Retail Offer Booklet, and that investments in Elders are subject to risk;
  - (s) you acknowledge that none of Elders, the Underwriter, nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of Elders, nor do they guarantee the repayment of capital;
  - (t) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;

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- (u) you authorise Elders to correct any errors in your Entitlement and Acceptance Form or other form provided by you;
  - (v) you represent and warrant (for the benefit of Elders, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are an Eligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
  - (w) you acknowledge and agree that determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Elders and/or the Underwriter, and each of Elders and the Underwriter and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law;
  - (x) you represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and your Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer; and
  - (y) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in a regular way transactions on the ASX are conducted or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States or is acting for the account or benefit of a person in the United States.

If you take up and pay for all or part of your Entitlement before the Closing Date, you will be allotted your New Shares on Monday, 16 December 2024.

Any Application Monies received for more than your final allocation of New Shares will be refunded to you as soon as practicable. No interest will be paid to you on any Application Monies received or refunded.

If you have a query on how to complete the Entitlement and Acceptance Form, you should contact the Share Registry on the Elders Offer Information Line on 1300 121 053 within Australia, or +61 2 8023 5457 outside Australia from 8.30am to 5.00pm (Sydney time) Monday to Friday.

#### **4. IMPORTANT INFORMATION**

This Retail Offer Booklet (including the Chair's letter, Investor Presentation and the ASX Announcement reproduced in it) and accompanying personalised Entitlement and Acceptance Form have been prepared by Elders. This Retail Offer Booklet is dated Monday, 25 November 2024.

This Retail Offer Booklet should be read in conjunction with Elders' other periodic and continuous disclosure announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

No party other than Elders has authorised or caused the issue of the information in this Retail Offer Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Retail Offer Booklet.

**This information is important and requires your immediate attention.**

You should read the information in this Retail Offer Booklet carefully and in its entirety before deciding whether to invest in New Shares. In particular, you should consider the risk factors outlined in the "Appendix B – Key Risks" section of the Investor Presentation released to ASX

on Monday, 18 November 2024 (a copy of which is included in this Retail Offer Booklet) any of which could affect the operating and financial performance of Elders or the value of an investment in Elders.

You should consult your stockbroker, accountant, solicitor or other independent professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

#### 4.1 Underwriting

Elders has entered into an underwriting agreement with the Underwriter (**Underwriting Agreement**). Under the Underwriting Agreement, the Underwriter was appointed by Elders on a sole and exclusive basis, to act as lead manager, bookrunner and underwriter for the Capital Raising.

The obligations of the Underwriter are subject to the satisfaction of certain conditions precedent, including (but not limited to):

- (a) ASX not indicating that it will not admit the New Shares to quotation;
- (b) receipt by the Underwriter of certain customary opinions and reports from Elders and its advisers; and
- (c) the share sale agreement in respect of the Acquisition not having been terminated or rescinded, becoming void, illegal, invalid or unenforceable or having been varied in a material respect without the prior written consent of the Underwriter (with such consent not to be unreasonably withheld or delayed).

The Underwriting Agreement contains customary representations, warranties and indemnities in favour of the Underwriter.

The Underwriter may terminate the Underwriting Agreement and be released from its obligations on the happening of certain events, including (but not limited to) the events set out in Annexure D of the Investor Presentation.

If the Underwriting Agreement is terminated, there is no guarantee that the Company will raise the full amount under the Retail Entitlement Offer. The Underwriter will be remunerated by Elders for providing these services.

Neither the Underwriter nor any of its respective related bodies corporate and affiliates, nor any of their respective directors, officers, partners, employees, representatives or agents (collectively, the **Underwriter Parties**) have permitted, authorised or caused the issue, lodgement, submission, despatch or provision of this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on a statement made by an Underwriter Party. The Underwriter does not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. The Underwriter has not authorised, approved or verified any forward-looking statements included in this Retail Offer Booklet.

To the maximum extent permitted by law, each Underwriter Party expressly disclaims all responsibility for any part of the Retail Offer Booklet or liabilities (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of the Retail Offer Booklet or reliance on anything contained in or omitted from it or otherwise arising in connection with it. To the maximum extent permitted by law, the Underwriter Parties exclude and disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in, or failure to participate in, the Entitlement Offer and this Retail Offer Booklet being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of this Retail Offer Booklet.

None of the Underwriter Parties makes any recommendations as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer, or any such information and you represent, warrant and agree that you have not relied on any statements made by any of the Underwriter Parties in relation to the New Shares or the Entitlement Offer generally.

#### 4.2 Eligible Retail Shareholders

The Retail Entitlement Offer in this Retail Offer Booklet contains an offer of New Shares to Eligible Retail Shareholders in Australia or New Zealand and has been prepared in accordance with section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

**Eligible Retail Shareholders** are those holders of Existing Shares who:

- (a) are registered as a holder of Existing Shares as at 7.00pm (Sydney time) on the Record Date;
- (b) have a registered address in Australia or New Zealand as recorded on Elders' share register on the Record Date or be an Institutional Investor, as recorded on Elders' share register on the Record Date;
- (c) are not an institutional Shareholder or an excluded institutional Shareholder and do not hold Existing Shares on behalf of an excluded institutional Shareholder, other than as noted immediately above in sub-paragraph (b); and
- (d) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other formal offer document to be lodged or registered.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal requirements, logistical and registry constraints, and the discretion of Elders. Elders and the Underwriter disclaim any liability in respect of the exercise or otherwise of that determination and discretion, to the maximum extent permitted by law.

Shareholders who do not satisfy the above criteria are ineligible to participate in the Retail Entitlement Offer.

An Institutional Investor is a Shareholder that was not invited to participate in the Institutional Entitlement Offer and that is:

- if in the European Union (excluding Austria), a "qualified investor" (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union);
- if in Hong Kong, a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong);
- if in Norway, a "professional client" as defined in Norwegian Securities Trading Act of 29 June 2007 no. 75;
- if in Singapore, an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act 2001 of Singapore ("SFA"));
- if in Switzerland, a "professional client" within the meaning of article 4(3) of the Swiss Financial Services Act ("FinSA") or have validly elected to be treated as a professional client pursuant to article 5(1) of the FinSA;



- if in United Arab Emirates (excluding financial zones), a “professional investor” (as defined in the Securities and Commodities Authority Board of Directors’ Decision No.13/RM of 2021, as amended);
- if in United Kingdom, a “qualified investor” within the meaning of Article 2(e) of the UK Prospectus Regulation, and within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

#### 4.3 Effect of the Entitlement Offer on control of the Company

The Directors do not believe that the Entitlement Offer will have a material effect on the control of Elders as no individual Shareholder currently owns more than 20% of the Shares and Elders does not expect any Shareholder to hold more than 20% after completion of the Entitlement Offer.

#### 4.4 Effect of the Entitlement Offer on the capital structure of the Company

The expected capital structure of the Company will be as follows:

Shares	Number
Shares on issue as at 18 November 2024	158,041,121
Shares issued under the Institutional Entitlement Offer	18,192,870
Number of New Shares offered under the Retail Entitlement Offer	13,102,402
Total New Shares to be issued under the Equity Raising	31,295,272
Total number of Shares on issue on close of the Equity Raising	189,336,393

Note: The exact number of Shares issued under the Capital Raising will also depend on a reconciliation process and fractional Entitlements on the Record Date.

#### 4.5 Financial effect of the Entitlement Offer

The financial effect of the Entitlement Offer on the Company is set out Appendix A of the Investor Presentation included in this Retail Offer Booklet.

#### 4.6 Shortfall

If there is any shortfall under the Retail Entitlement Offer which is not acquired by the Underwriter (i.e. if the Underwriting Agreement was to be terminated), the Directors reserve the right to place any shortfall within 3 months after the Closing Date at a price per Share no less than the Issue Price in accordance with the ASX Listing Rules. The basis of allocation of any shortfall will be determined by the Directors in their absolute discretion, taking into account whether investors are Shareholders, Elders' share register and any potential control impacts. The shortfall may not be placed to ASX Listing Rule 10.11 parties in relation to Elders.

#### 4.7 No Entitlements trading

Entitlements are non-renounceable and are not tradeable on ASX or otherwise transferable.

#### 4.8 Rounding of Entitlements

Where fractions arise in the calculation of Entitlements, they will be rounded up to the nearest whole number of New Shares.

#### **4.9 Ranking of New Shares**

The New Shares will be issued on a fully paid basis and will rank equally in all respects with Existing Shares. The rights and liabilities attaching to the New Shares are set out in Elders' constitution, a copy of which is available at [www.investors.elders.com.au/governance](http://www.investors.elders.com.au/governance).

#### **4.10 Continuous disclosure**

Elders is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations including an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information of which it is or becomes aware concerning Elders and which a reasonable person would expect to have a material effect on the price or the value of shares. All such disclosures are available at [www.asx.com.au](http://www.asx.com.au). You have the opportunity to access any information about Elders which has previously been disclosed to ASX. In particular, please refer to the Elders Annual Report for the financial year ended 30 September 2024. You should also have regard to any further announcements which may be made by Elders to ASX after the date of this Retail Offer Booklet.

#### **4.11 Taxation**

You should be aware that there may be taxation implications associated with participating in the Retail Entitlement Offer and receiving New Shares.

Elders does not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under the Retail Entitlement Offer. None of Elders, its advisers or its officers accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Retail Offer Booklet.

#### **4.12 Risks**

There are a number of risks associated with an investment in Elders which may affect its financial performance, financial position, cash flows, distributions, growth prospects and Share price. The key risk factors are set out in the "Appendix B – Key Risks" section of the Investor Presentation included in this Retail Offer Booklet.

#### **4.13 Future performance and forward-looking statements**

This Retail Offer Booklet contains certain "forward-looking statements" that are based on the management of Elders' beliefs, assumptions and expectations and on information currently available to the management of Elders. The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Any indications of, and guidance on, future operating performance, earnings, financial position and performance or production are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future operations, earnings, estimates or production targets (if any), are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Retail Offer Booklet contains statements that are subject to risk factors associated with Elders' business activities and the Acquisition, including the risks described in the "Appendix B – Key Risks" section in the accompanying Investor Presentation. It is believed that the expectations reflected in these

statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Elders or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Retail Offer Booklet will actually occur. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Any forward-looking statements in this Retail Offer Booklet speak only as of the date of this Retail Offer Booklet. Subject to any continuing obligations under applicable law or regulation (including the listing rules of ASX), Elders disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Retail Offer Booklet to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

#### **4.14 Past performance**

Past performance information given in this Retail Offer Booklet is provided for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this Retail Offer Booklet is, or is based upon, information that has been released to the market. For further information, please see past announcements released to ASX.

#### **4.15 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted.

#### **4.16 Not investment or financial product advice**

The Retail Entitlement Offer to which the information in this Retail Offer Booklet relates complies with the requirements of section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*. The information in this Retail Offer Booklet is not a prospectus, product disclosure statement, disclosure document or other offering document under the Corporations Act (or any other law) and has not been lodged with ASIC. It is also not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Elders is not licensed to provide financial product advice in respect of the New Shares or any other financial products.

The information in this Retail Offer Booklet does not purport to contain all the information that you may require to evaluate a possible application for New Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with Elders' other periodic statements and continuous disclosure announcements lodged with ASX, which are available at [www.asx.com.au](http://www.asx.com.au). The information in this Retail Offer Booklet does not take into account your investment objectives, financial situation or needs or those of any particular investor. Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial objectives and having regard to the merits or risks involved. You should conduct your own independent review, investigation and analysis of the Shares, the subject of the Retail Entitlement Offer.

If, after reading this Retail Offer Booklet, you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant, solicitor, tax adviser or other independent professional adviser. You should obtain any professional advice you require to evaluate the merits and risks of an investment in Elders before making any investment decision based on your investment objectives.

#### 4.17 Foreign jurisdictions

The information in this Retail Offer Booklet, the Investor Presentation, any accompanying ASX announcement and the Entitlement and Acceptance Form do not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, and no action has been taken to register the New Shares or otherwise permit a public offering of the New Shares in any jurisdiction outside of Australia. Return of the personalised Entitlement and Acceptance Form or your BPAY® payment will be taken by Elders to constitute a representation by you that there has been no breach of any such laws.

The distribution of this Retail Offer Booklet outside Australia may be restricted by law. In particular, this Retail Offer Booklet or any copy of it must not be taken into or distributed or released to any person in the United States or any other jurisdiction outside Australia or New Zealand. If you come into possession of this Retail Offer Booklet, you must observe such restrictions.

Due to legal restrictions, nominees and custodians may not send copies of this Retail Offer Booklet or any material relating to the Retail Entitlement Offer or accept the Retail Entitlement Offer in relation to any person in the United States or any other jurisdiction outside Australia or New Zealand, except to beneficial Shareholders who are Institutional Investors or as Elders may otherwise permit in compliance with applicable law.

##### *New Zealand*

The New Shares are not being offered to the public within New Zealand other than to Shareholders with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### 4.18 Financial amounts

Money as expressed in this Retail Offer Booklet is in Australian dollars unless otherwise indicated. Any discrepancies between totals in tables and sums of components in tables in this Retail Offer Booklet and between those figures and figures referred to in other parts of this document may be due to rounding.

#### 4.19 Privacy

Chapter 2C of the Corporations Act requires information about you as a Shareholder (including your name, address and details of your Shares) to be included in the public register of Elders. Information is collected to administer your Shares. Your personal information may be disclosed to Elders. You can obtain access to your personal information by contacting the Share Registry at the address or telephone number listed in the corporate directory. The Share Registry's privacy policy is available on its website <http://www.boardroomlimited.com.au/corp/privacy-policy>.

#### 4.20 Disclaimer of representations

No person is authorised to give any information or make any representation in connection with the Retail Entitlement Offer described in this Retail Offer Booklet, which is not contained in this Retail Offer Booklet. Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by Elders in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Elders,

or any other person, warrants or guarantees the future performance of Elders or any return on any investment made pursuant to this Retail Offer Booklet.

#### **4.21 Governing law**

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

For personal use only

# ASX Announcement

For personal use only

18 November 2024

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES

# Acquisition of Delta Agribusiness and Equity Raising

## KEY HIGHLIGHTS

For personal use only

- Elders Limited (**Elders**) has entered into an agreement to acquire 100% of the shares in Delta Agribusiness Pty Ltd (**Delta**) for an enterprise value of \$475 million<sup>1</sup> (**Acquisition**)
- Delta is an Australian agribusiness providing rural products and advisory services through a network of 68 locations and approximately 40 independent wholesale customers
- In the LTM<sup>2</sup> to 30 June 2024, Delta generated revenue of \$835 million and EBITDA of \$53 million<sup>3</sup>
- The Acquisition values Delta at approximately 11.1x LTM to 30 June 2024 adjusted EBIT<sup>4</sup> pre synergies<sup>5</sup> and 8.7x LTM to 30 June 2024 adjusted EBIT post synergies<sup>5</sup>
- Compelling strategic rationale with a complementary geographic footprint, filling retail gaps in New South Wales, North West Victoria, South Australia and Western Australia, and enhancing Elders' technical expertise and offering in ag tech and precision agriculture
- Delta's experienced leadership team is excited to join Elders and will continue to manage the business following completion of the Acquisition
- Potential to generate net EBITDA synergies of \$12 million per annum (before one-off implementation costs), to be gradually realised over the next three years post completion
- Expected to deliver pro forma FY24 mid single digit EPS accretion pre synergies and mid teens EPS accretion post synergies<sup>6</sup>
- The Acquisition, transaction costs and additional balance sheet flexibility to support future growth opportunities (together, the **Transaction**) to be funded through:
  - a \$246 million fully underwritten pro rata accelerated non-renounceable entitlement offer;
  - a \$110 million new revolving loan facility; and
  - \$190 million of new Elders shares issued to Delta shareholders as scrip consideration at \$8.52 per share (approximately 22 million shares)<sup>7</sup>
- All Elders Directors who are eligible have confirmed their intention to participate in the Equity Raising
- Elders expects pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>8</sup>

<sup>1</sup> Excluding transaction costs of \$21 million and \$19 million Delta lease liabilities as at 30 June 2024. The purchase price is subject to typical adjustment mechanisms relating to working capital and debt and debt-like items at completion.

<sup>2</sup> LTM means last twelve months and Delta has a 30 June financial year end.

<sup>3</sup> Includes the impact of AASB 16 Leases.

<sup>4</sup> LTM to 30 June 2024 adjusted EBIT of \$43 million pre synergies.

<sup>5</sup> Excludes the impact of AASB 16 Leases thereby including cash rent costs in EBITDA. Post synergies multiple assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs). Refer to page B20 for additional information regarding anticipated synergies.

<sup>6</sup> EPS accretion includes adjusted earnings from Delta assuming a full 12-month contribution and is before amortisation of identifiable intangibles that will be recognised as a result of the Acquisition. In accordance with AASB 133, Elders' pre-Acquisition historical EPS has been restated based on applying an adjustment factor to take into account the bonus element of the Equity Raising. The bonus adjustment is calculated to reflect the discount to the theoretical ex-rights price (**TERP**) and is based on Elders' last traded price of \$8.65 as at Friday, 15 November 2024. Restating Elders' standalone EPS excluding the impact of the bonus adjustment would result in pro forma FY24 EPS accretion of mid single digit pre synergies and mid teens post synergies. Post synergies EPS accretion assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs).

<sup>7</sup> Scrip Consideration to be issued to the Delta shareholders at \$8.52 per share which represents the value of TERP including shares issued under the Equity Raising. TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Equity Raising may be different from TERP.

<sup>8</sup> Includes a 12-month forecast adjusted contribution from Delta and excludes the impact of AASB 16 Leases. Subject to a normal 1Q FY25 and average seasonal conditions.

Commenting on the Acquisition, Mark Allison, Elders Managing Director and CEO, said, “The acquisition of Delta continues Elders’ successful track record of growing our business through disciplined acquisitions. Delta provides us with greater exposure to key local retail markets as well as a leading agronomy and farm advisory team to complement and extend our products and services range for rural and regional Australia. Elders has a proven track record of synergy generation through backward integration and expects that the Acquisition will create meaningful value for Elders’ shareholders. The culture and strengths of Delta will be preserved through our light touch integration strategy, and we look forward to welcoming the Delta management and employees to Elders.”

Commenting on the Acquisition, Gerard Hines, Delta Managing Director and Co-Founder, said, “There is strong cultural alignment between Elders and Delta, as two trusted agribusinesses seeking to create value for our customers. Our management team will remain unchanged and we are excited to be able to continue to provide our customers with innovative and value adding business solutions with the added support of Elders.”

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## OVERVIEW OF DELTA<sup>9</sup>

Established in 2006, Delta is an Australian agribusiness providing rural products and advisory services through a network of 68 locations and approximately 40 independent wholesale customers.

Delta’s rural products include crop protection, seeds, animal health products, fertilisers, fuel and general merchandise. Delta also owns an in-house agricultural chemicals and animal health private label brand, Four Seasons Agribusiness, with 106 Australian Pesticides and Veterinary Medicines Authority registered products and has approximately 45,000 tonnes of fertiliser storage on the East Coast.

Delta considers its farm advisory business to be the cornerstone of its offering, with a focus on improving client sustainability, efficiency and profitability. Delta’s Precision Ag solution provides an attractive model in the Australian market with a dedicated team of specialists working with clients to optimise production through data analysis. Further, Delta provides additional adjacent services to its customers, including livestock and grain marketing and off-balance sheet seasonal finance.

Delta’s earnings base is diversified by product and geography, supplying a broad agribusiness offering to its rural and regional customers. In the LTM to 30 June 2024, Delta generated revenue of \$835 million and EBITDA of \$53 million.

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## ACQUISITION RATIONALE AND INTEGRATION

- ✓ Fully aligned to Elders' core strategy and corporate acquisition principles
- ✓ Continues Elders' successful track record of growing the business through disciplined acquisitions
- ✓ Complementary geographic footprint, filling retail gaps in New South Wales, North West Victoria, South Australia and Western Australia
- ✓ Enhances Elders' technical expertise and offering in ag tech and precision agriculture
- ✓ Expected to deliver pro forma FY24 mid single digit EPS accretion before synergies and mid teens EPS accretion post synergies<sup>10</sup>
- ✓ Expected to generate annual net EBITDA synergies (before one off costs) of approximately \$12 million over three years post completion
- ✓ Retains management expertise through implementing Elders' proven light touch integration strategy while maintaining robust Board based governance oversight

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<sup>9</sup> Delta company information as at 30 June 2024.

<sup>10</sup> EPS accretion includes adjusted earnings from Delta assuming a full 12-month contribution and is before amortisation of identifiable intangibles that will be recognised as a result of the Acquisition. In accordance with AASB 133, Elders' pre-Acquisition historical EPS has been restated based on applying an adjustment factor to take into account the bonus element of the Equity Raising. The bonus adjustment is calculated to reflect the discount to TERP and is based on Elders' last traded price of \$8.65 as at Friday, 15 November 2024. Restating Elders' standalone EPS excluding the impact of the bonus adjustment would result in pro forma FY24 EPS accretion of mid single digit pre synergies and mid teens post synergies. Post synergies EPS accretion assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs).



## ACQUISITION CONDITIONS AND TIMING

Completion of the Acquisition is expected to occur in 1H CY25 which is principally due to the time expected to satisfy the Australian Competition and Consumer Commission clearance condition. However, there are other customary completion conditions including a material adverse change clause with respect to Delta.

Mark Allison has indicated his willingness to remain in the role of Managing Director and CEO of Elders for the duration of the current Eight Point Plan which ends in September 2026.

## ACQUISITION FUNDING

Elders is funding the purchase price for the Acquisition, transaction costs and additional balance sheet flexibility to support future growth opportunities through:

- a \$246 million fully underwritten 1 for 5.05 pro rata accelerated non-renounceable entitlement offer (**Equity Raising**);
- a \$110 million new revolving loan facility (**Debt Financing**); and
- \$190 million of new Elders shares issued to Delta shareholders as scrip consideration at \$8.52 per share (approximately 22 million shares) (**Scrip Consideration**)<sup>11</sup>

By issuing Scrip Consideration as part of the funding for the Acquisition, Elders is increasing alignment between Elders shareholders and Delta shareholders. Following the Acquisition and the Equity Raising, Delta shareholders will own 10.5% of Elders' shares in total<sup>12</sup>.

Scrip Consideration will be subject to escrow arrangements until 15 months after completion of the Acquisition<sup>13</sup>. Key Delta management persons will be subject to a non-compete for up to five years from completion of the Acquisition.

Elders anticipates pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>14</sup>.

## EQUITY RAISING

The Equity Raising to raise approximately \$246 million is comprised of an offer to eligible institutional shareholders (**Institutional Entitlement Offer**) and an offer to eligible retail shareholders (**Retail Entitlement Offer**). Approximately 31 million new ordinary shares (**New Shares**) will be issued under the Equity Raising (equivalent to approximately 19.8% of existing Elders shares on issue).

Proceeds from the Equity Raising to be used to partly fund the cash component of the Acquisition and support Elders' balance sheet flexibility for future growth opportunities.

All New Shares offered under the Equity Raising will be issued at a price of \$7.85 per New Share, representing:

- a 7.9% discount to TERP<sup>15</sup>; and
- a 9.2% discount to the closing price of Elders' shares on Friday, 15 November 2024, being the last trading day prior to announcement of the Transaction.

Each New Share issued under the Equity Raising will rank equally with existing shares on issue. Elders will apply for quotation of New Shares on ASX.

<sup>11</sup> Scrip Consideration to be issued to the Delta shareholders at \$8.52 per share which represents the value of the TERP including shares issued under the Equity Raising. TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Equity Raising may be different from TERP.

<sup>12</sup> Post-Transaction shares on issue calculated based on 158 million Elders shares on issue shares as at Friday, 15 November 2024 plus 54 million new shares to be issued under the Equity Raising and Scrip Consideration.

<sup>13</sup> Where the date for release of the escrow falls within certain blackout periods related to the release of Elders' financial results, the escrow period is extended to the first trading day after the blackout period.

<sup>14</sup> Includes a 12-month forecast adjusted contribution from Delta and excludes the impact of AASB 16 Leases. Subject to a normal 1Q FY25 and average seasonal conditions.

<sup>15</sup> TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP.

New Shares will be entitled to the final dividend of \$0.18 per share for the full year ended 30 September 2024. The dividend record date has been amended from Wednesday, 27 November 2024 to Wednesday, 18 December 2024 and final dividend payment will be made to shareholders on Friday, 24 January 2025. Elders will maintain its dividend reinvestment plan with amended election, pricing and allotment dates disclosed in the Appendix 3A.1 today.

## INSTITUTIONAL ENTITLEMENT OFFER

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer. The Institutional Entitlement Offer will open today, Monday, 18 November 2024.

Eligible institutional shareholders can choose to take up their entitlement in whole, in part or not at all. In addition, under the Institutional Entitlement Offer, institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer will be offered to new and existing eligible institutional shareholders concurrently with the Institutional Entitlement Offer.

## RETAIL ENTITLEMENT OFFER

Every eligible Elders retail shareholder registered as a shareholder in Australia or New Zealand as at 7.00pm (Sydney time) on Wednesday, 20 November 2024 (**Eligible Retail Shareholders**) will be entitled to participate in the Retail Entitlement Offer on the terms and subject to conditions set out in the retail offer booklet to be sent to Eligible Retail Shareholders in relation to the Retail Entitlement Offer (**Retail Offer Booklet**). The Retail Entitlement Offer will open on Monday, 25 November 2024 and close on Monday, 9 December 2024.

Elders may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to participate in the Institutional Entitlement Offer but was not invited to participate in the Institutional Entitlement Offer (subject to compliance with relevant laws).

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on the ASX or be otherwise transferable. Shareholders who do not take up their full entitlement will not receive any payment or value in respect of entitlements they do not take up and their percentage equity interest in Elders will be diluted.

## TIMETABLE

Event	Date
Trading halt and announcement of the Acquisition and Equity Raising, Institutional Entitlement Offer opens	Monday, 18 November 2024
Institutional Entitlement Offer closes	Monday, 18 November 2024
Announce results of Institutional Entitlement Offer	Tuesday, 19 November 2024
Trading halt lifted – shares recommence trading on ASX on an “ex-entitlement” basis	Tuesday, 19 November 2024
Record Date for the Entitlement Offer	7.00pm (Sydney time) Wednesday, 20 November 2024
Retail Entitlement Offer Booklet despatched and Retail Entitlement Offer opens	Monday, 25 November 2024
Settlement of New Shares under the Institutional Entitlement Offer	Tuesday, 26 November 2024
Allotment and normal trading of New Shares under the Institutional Entitlement Offer	Wednesday, 27 November 2024
Retail Entitlement Offer closes	5.00pm (Sydney time) Monday, 9 December 2024

Announce results of Retail Entitlement Offer	Thursday, 12 December 2024
Settlement of Retail Entitlement Offer	Friday, 13 December 2024
Allotment of New Shares under the Retail Entitlement Offer	Monday, 16 December 2024
Trading of New Shares on a normal settlement basis under the Retail Entitlement Offer and despatch of holding statements	Tuesday, 17 December 2024

All dates and times are indicative and subject to change without notice. Elders reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

## FURTHER INFORMATION

Elders is being advised by Macquarie Capital (Australia) Limited as exclusive financial adviser in respect of the Acquisition and lead manager, bookrunner and underwriter in respect of the Equity Raising. MinterEllison is acting as legal adviser to Elders in relation to the Acquisition and the Equity Raising.

Further details of the Acquisition and the Equity Raising are set out in the Investor Presentation also provided to ASX today. The Investor Presentation contains important information including key risks with respect to the Acquisition and the Equity Raising and foreign selling restrictions with respect to the Equity Raising.

All dollar values are in Australian dollars unless otherwise stated.

For other enquiries, please contact Mark Allison, Managing Director & Chief Executive Officer, 0439 030 905

### Authorised by:

Elders Limited Board of Directors

### Important Notices

#### **Not an offer in the United States**

*This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.*

#### **Forward-Looking Statements**

*This announcement contains certain "forward-looking statements", including but not limited to projections and guidance on future financial performance, potential synergies and estimates, the timing and outcome of the Acquisition, the outcome and effects of the Equity Raising and the use of proceeds, and the future performance of Elders post-acquisition.*

*The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and certainties and other factors which are beyond the control of Elders, its directors and management.*

*Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumption on which these statements are based. These statements may assume the success of Elders' business strategies. The success of any of those strategies will*

be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue credence on forward-looking statements and, except as required by law or regulation, none of Elders, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Elders as at the date of this announcement.

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#### **Financial data**

Readers should be aware that the pro forma financial information included in this announcement is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the United States Securities and Exchange Commission. Readers should be aware that certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934. Non-IFRS/non-GAAP measures in this announcement include the pro-forma financial information, EPS, EBITDA and EBIT. Such financial information is unaudited and does not purport to be in compliance with Article 3-05 of Regulation S-X under the U.S. Securities Act. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this announcement.

#### **Information about Delta**

Certain information in this announcement has been sourced from Delta, its representatives or associates. While steps have been taken to review that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy. Certain market and industry data used in connection with this announcement may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Elders nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

The financial information for Delta is based on financial and operating data provided by Delta. Elders has performed due diligence on the financial records of Delta however this does not constitute an independent verification of the information provided by Delta. Investors are cautioned that they should not place reliance on this information as if it were audited financial information.

# Investor Presentation

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185

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*185 years of Elders*

# Acquisition of Delta Agribusiness and Equity Raising

18 November 2024

1839

2024

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This Presentation has been prepared and is issued by Elders Limited ACN 004 336 636 (**Elders or Company**) and is dated 18 November 2024 in relation to:

- the proposed acquisition of 100% of the shares in Delta Agribusiness Pty Ltd ACN 118 781 445 (**Delta**) for a combination of cash and scrip consideration in Elders (**Delta Acquisition**); and
- an equity raising by way of a proposed 1 for 5.05 pro rata accelerated non-renounceable entitlement offer of new fully paid shares in Elders (**New Shares**) to certain eligible shareholders (**Entitlement Offer or Equity Raising**) to raise approximately \$246 million, which is fully underwritten.

The Entitlement Offer is being made without disclosure to investors under section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

## Summary information

This Presentation contains summary information about Elders and its activities current as at 18 November 2024. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all information which a prospective investor may require in evaluating a possible investment in Elders or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act. The historical information in this Presentation is, or is based on, information that has been released to the Australian Securities Exchange (**ASX**). This Presentation should be read in conjunction with Elders' other periodic and continuous disclosure announcements lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

Any market and industry data that may be used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. None of the Company, its representatives or advisers have independently verified that market or industry data provided by third parties or industry or general publications. Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. The Company reserves the right to withdraw the Entitlement Offer or vary the timetable for the Entitlement Offer without recourse to them or notice to you.

## Not an offer

This Presentation is not an offer or invitation to acquire New Shares or any other financial products and is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. Any decision to acquire New Shares under the Entitlement Offer must be made on the basis of the information contained in the offer booklet for the Entitlement Offer which will be made available following its lodgement with ASX. This Presentation is not and should not be considered an offer or an invitation to acquire the New Shares or any other financial products and does not and will not form any part of any contract for the acquisition of the New Shares.

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## Investment risk

An investment in the New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of Elders, including loss of income and principal invested. Elders does not guarantee any particular rate of return or performance including without limitation arising out of the Delta Acquisition or any particular tax treatment. Persons should have regard to the Key Risks outlined in Appendix B to the Presentation including in respect of the Delta Acquisition.

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## Financial data

All dollar values are in Australian dollars (A\$ or AUD) unless otherwise stated. Prospective investors should also be aware that the pro forma financial information included in this Presentation is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the United States Securities and Exchange Commission. Prospective investors should be aware that certain financial data included in this presentation is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934. Non-IFRS/non-GAAP measures in this presentation include the pro-forma financial information, earnings per share (**EPS**), earnings before interest, taxes, depreciation and amortisation (**EBITDA**) and earnings before interest and taxes (**EBIT**).

While Elders believes that this non-IFRS/non-GAAP financial information provides useful information to users in measuring the financial position and conditions of Elders, the non-IFRS/non-GAAP financial information does not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should it be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Prospective investors are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this Presentation. Such financial information is unaudited and does not purport to be in compliance with Article 3-05 of Regulation S-X under the U.S. Securities Act.

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A number of figures, amounts, percentages, estimates and calculations of value in this Presentation are subject to the effect of rounding. Accordingly, the actual figures may differ from the figures set out in this Presentation.

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## Future performance

This Presentation contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management. The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Any indications of, and guidance on, future operating performance, earnings, financial position and performance or production are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future operations, earnings, estimates or production targets (if any), are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. This Presentation contains statements that are subject to risk factors associated with Elders' business activities and the Delta Acquisition. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Elders or any of its advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this Presentation will actually occur. Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Any forward-looking statements in this Presentation speak only as of the date of this Presentation. Subject to any continuing obligations under applicable law or regulation (including the listing rules of ASX), Elders disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this presentation to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.



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## Acknowledgements:

You acknowledge and agree that:

- determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of each of Elders and/or the Underwriter;
- each of Elders and the Underwriter and each of their respective affiliates, related bodies corporate, directors, officers, employees, agents or advisers disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- the Underwriter may have interests in the securities of Elders, including by providing investment banking and debt services to Elders. Further, it may act as market maker or buy or sell securities or associated derivatives of Elders as principal or agent; and
- the Underwriter will receive fees for acting in its capacity as lead manager and underwriter to the Equity Raising and for acting in its capacity as financial adviser to Elders in connection with the Delta Acquisition.

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# 1

## Executive summary



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# Executive summary

Elders has entered into an agreement to acquire 100% of the shares in Delta for an enterprise value of \$475 million<sup>1</sup>

<b>Transaction overview</b>	<ul style="list-style-type: none"> <li>▪ Elders has entered into an agreement to acquire 100% of the shares in Delta Agribusiness Pty Ltd (<b>Delta</b>) for an enterprise value of \$475 million<sup>1</sup> (<b>Acquisition</b>)</li> <li>▪ The Acquisition enterprise value represents approximately:             <ul style="list-style-type: none"> <li>- 11.1x LTM<sup>2</sup> to 30 June 2024 adjusted EBIT<sup>3</sup> pre synergies<sup>4</sup>; and</li> <li>- 8.7x LTM to 30 June 2024 adjusted EBIT post synergies<sup>4</sup></li> </ul> </li> </ul>
<b>Delta overview</b>	<ul style="list-style-type: none"> <li>▪ Delta is an Australian agribusiness providing rural products and advisory services through a network of 68 locations and approximately 40 independent wholesale customers<sup>5</sup></li> <li>▪ Delta's business model is complementary to Elders, strengthening Elders' existing offering particularly in rural products and digital and technical services</li> <li>▪ In the LTM to 30 June 2024, Delta generated revenue of \$835 million and EBITDA of \$53 million<sup>6</sup></li> </ul>
<b>Acquisition rationale</b>	<ul style="list-style-type: none"> <li>✓ Fully aligned to Elders' core strategy and corporate acquisition principles</li> <li>✓ Continues Elders' successful track record of growing the business through disciplined acquisitions</li> <li>✓ Complementary geographic footprint, filling retail gaps in New South Wales, North West Victoria, South Australia and Western Australia</li> <li>✓ Enhances Elders' technical expertise and offering in ag tech and precision agriculture</li> <li>✓ Platform for backward integration strategy with potential to generate meaningful synergies</li> <li>✓ Retains management expertise through implementing Elders' proven light touch integration strategy while maintaining robust Board based governance oversight</li> </ul>

Notes: 1. Excluding transaction costs of \$21 million and \$19 million Delta lease liabilities as at 30 June 2024. The purchase price is subject to typical adjustment mechanisms relating to working capital and debt and debt-like items at completion. 2. LTM means last twelve months and Delta has a 30 June financial year end. 3. LTM to 30 June 2024 adjusted EBIT of \$43 million pre synergies. 4. Excludes the impact of AASB 16 Leases thereby including cash rent costs in EBITDA. Post synergies multiple assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs). Refer to page B20 for additional information regarding anticipated synergies. 5. As at 30 June 2024. 6. Includes the impact of AASB 16 Leases.

# Executive summary (cont.)

The combination of Elders and Delta has the potential to generate annual net EBITDA synergies of approximately \$12 million over three years post completion

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<b>Funding</b>	<ul style="list-style-type: none"> <li>▪ The Acquisition, transaction costs and additional balance sheet flexibility to support future growth opportunities (together, the <b>Transaction</b>) to be funded through:                             <ul style="list-style-type: none"> <li>– a \$246 million fully underwritten pro rata accelerated non-renounceable entitlement offer (<b>Equity Raising</b>);</li> <li>– a \$110 million new revolving loan facility (<b>Debt Financing</b>); and</li> <li>– \$190 million of new Elders shares issued to Delta shareholders as scrip consideration at \$8.52 per share (approximately 22 million shares) (<b>Scrip Consideration</b>)<sup>1</sup></li> </ul> </li> <li>▪ Scrip Consideration will be issued to Delta shareholders on a pro rata basis and will be subject to escrow arrangements until 15 months after completion of the Transaction<sup>2</sup> <ul style="list-style-type: none"> <li>– Pro forma for the Transaction, Delta shareholders will own approximately 10.5% of Elders’ shares on issue<sup>3</sup></li> </ul> </li> </ul>
<b>Financial impact</b>	<ul style="list-style-type: none"> <li>▪ Expected to deliver pro forma FY24 mid single digit EPS accretion pre synergies and mid teens EPS accretion post synergies<sup>4</sup></li> <li>▪ Potential to generate annual net EBITDA synergies (before one off costs) of approximately \$12 million over three years post completion<sup>5</sup></li> <li>▪ Elders expects pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>6</sup></li> <li>▪ Elders is targeting pro forma return on capital (<b>ROC</b>) of ≥15% post synergies in the medium-term</li> </ul>
<b>Timing and conditions</b>	<ul style="list-style-type: none"> <li>▪ Completion of the Acquisition is expected to occur in 1H CY25, which is principally due to the time expected to satisfy the Australian Competition and Consumer Commission (<b>ACCC</b>) clearance condition. However, there are other customary completion conditions including a material adverse change clause (<b>MAC</b>) with respect to Delta</li> <li>▪ Mark Allison has indicated his willingness to remain in the role of Managing Director and CEO of Elders for the duration of the current Eight Point Plan which ends in September 2026</li> </ul>

Notes: 1. Scrip Consideration to be issued to the Delta shareholders at \$8.52 per share which represents the value of the the theoretical ex-rights price (**TERP**) including shares issued under the Equity Raising. TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Equity Raising may be different from TERP. 2. Where the date for release of the escrow falls within certain blackout periods related to the release of Elders’ financial results, the escrow period is extended to the first trading day after the blackout period. 3. Post-Transaction shares on issue calculated based on 158 million Elders shares on issue as at Friday, 15 November 2024, plus 54 million new shares to be issued under the Equity Raising and Scrip Consideration. 4. EPS accretion includes adjusted earnings from Delta assuming a full 12-month contribution and is before amortisation of identifiable intangibles that will be recognised as a result of the Acquisition. In accordance with AASB 133, Elders’ pre-Acquisition historical EPS has been restated based on applying an adjustment factor to take into account the bonus element of the Equity Raising. The bonus adjustment is calculated to reflect the discount to TERP and is based on Elders’ last traded price of \$8.65 as at Friday, 15 November 2024. Restating Elders’ standalone EPS excluding the impact of the bonus adjustment would result in pro forma FY24 EPS accretion of mid single digit pre synergies and mid teens post synergies. Post synergies EPS accretion assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs). 5. Refer to page B20 for additional information regarding anticipated synergies. 6. Subject to a normal 1Q FY25 and average seasonal conditions. Includes a 12-month forecast adjusted contribution from Delta and excludes the impact of AASB 16 Leases.

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# 2

## Delta overview



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# Delta is a rural products and advisory services business

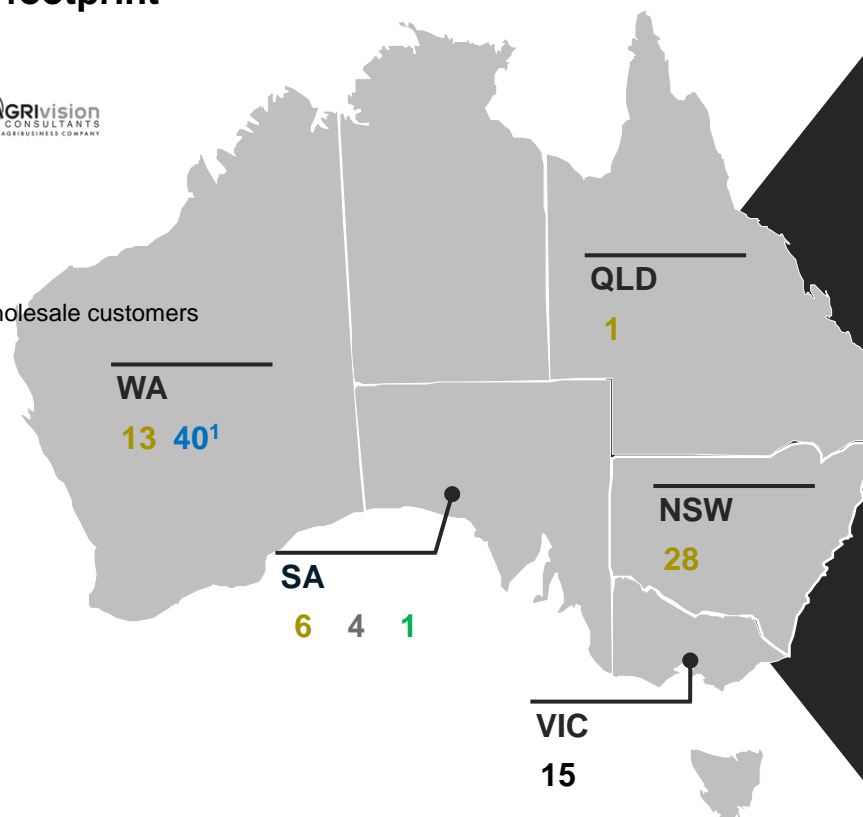
Established in 2006, Delta is an Australian agribusiness providing rural products and advisory services through a network of 68 locations and approximately 40 independent wholesale customers

## Business model



## Geographic footprint

- DELTA AGRIBUSINESS
- north west ag A DELTA AGRIBUSINESS COMPANY
- AGRIvision CONSULTANTS A DELTA AGRIBUSINESS COMPANY
- GrowersSupplies
- EPAGnFERT
- Independent wholesale customers



68	locations
40	independent wholesale customers <sup>1</sup>
450	staff <sup>2</sup>
\$835m	LTM 30 June 2024 revenue
\$53m	LTM 30 June 2024 EBITDA

Source: Delta company information. Notes: 1. Approximate. 2. Approximate full time equivalent employees.

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# Delta's complementary business model

Delta's business model is complementary to Elders, strengthening Elders' existing offering predominantly in rural products and digital and technical services

## Rural products

- Crop protection, seeds, animal health products, fertilisers, fuel and general merchandise
- In-house agricultural chemicals and animal health private label brand, Four Seasons Agribusiness, with 106 APVMA registered products and approximately 45,000 tonnes of fertiliser storage on the East Coast
- Wholesale business in Western Australia supplying approximately 40 independent rural retailers

Retail



Wholesale



## Digital and technical services

- Delta considers its farm advisory business to be the cornerstone of its offering, with a focus on improving client sustainability, efficiency and profitability
- Precision Ag solution provides an attractive model in the Australian market with a dedicated team of specialists working with clients to optimise production through data analytics
- Strategic minority investment in Goanna Ag, an irrigation management technology and analytics platform specialising in cotton domestically and in the United States
- Established graduate advisory program providing structured training and experience to new talent for continued growth and succession in the business

Digital services



Technical services



## Agency and financial services

- Approximately 13 livestock agents with operations across NSW, marketing approximately 650,000 sheep and approximately 35,000 cattle<sup>1</sup>
- Grain marketing strategy and consultancy services, marketing approximately 500,000 tonnes of grain<sup>1</sup>
- Providing clients with off-balance sheet seasonal finance solutions for crop chemicals, fertiliser, seed, livestock and equipment finance

Agency



Finance



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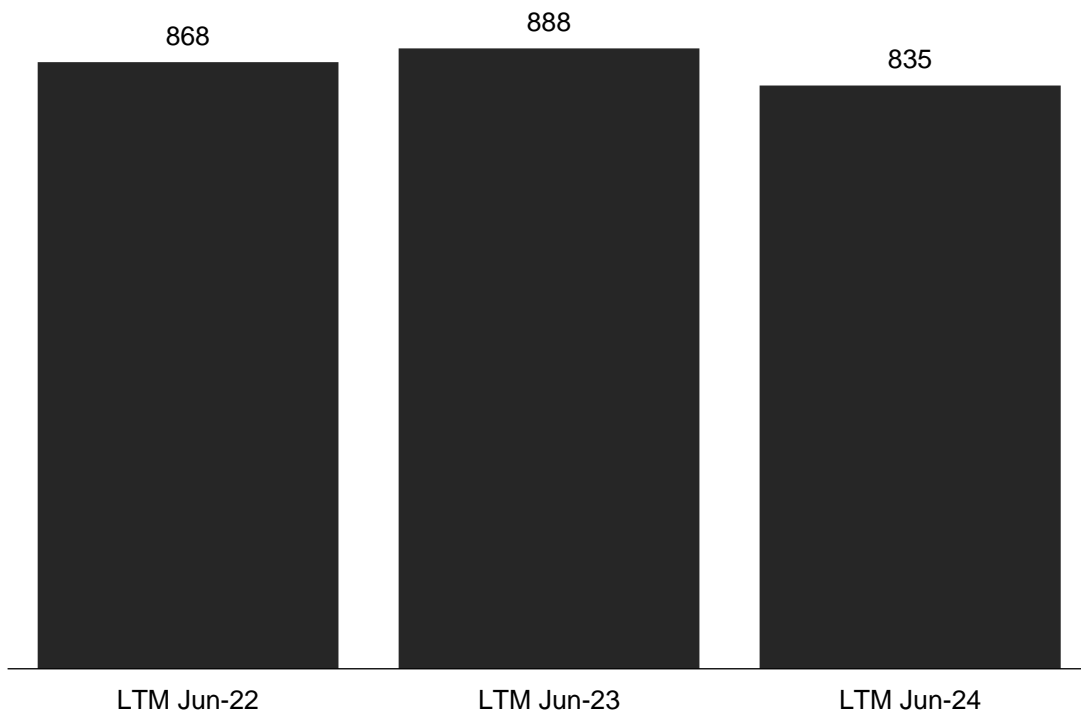


# Delta financial summary

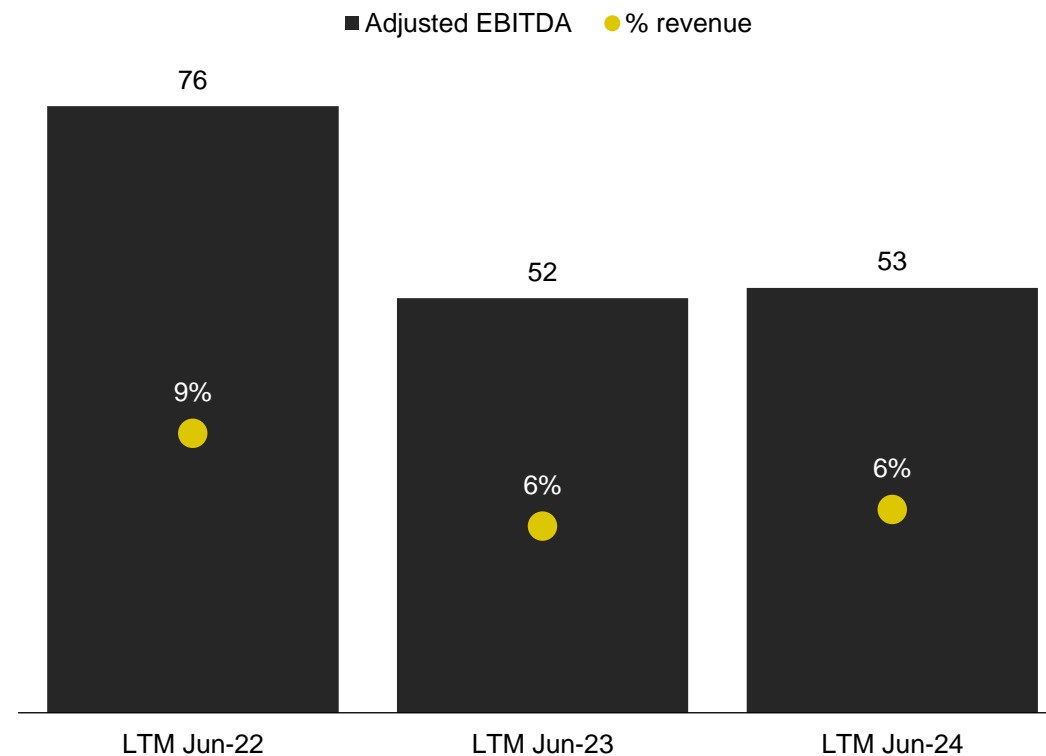
Delta achieved a record financial result in the last twelve months to 30 June 2022, driven by favourable seasonal conditions and elevated farm input prices. Following a challenging backdrop through the last twelve months to 30 June 2024, Delta is expected to benefit from improving seasonal conditions in FY25

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**Sales (\$m)**



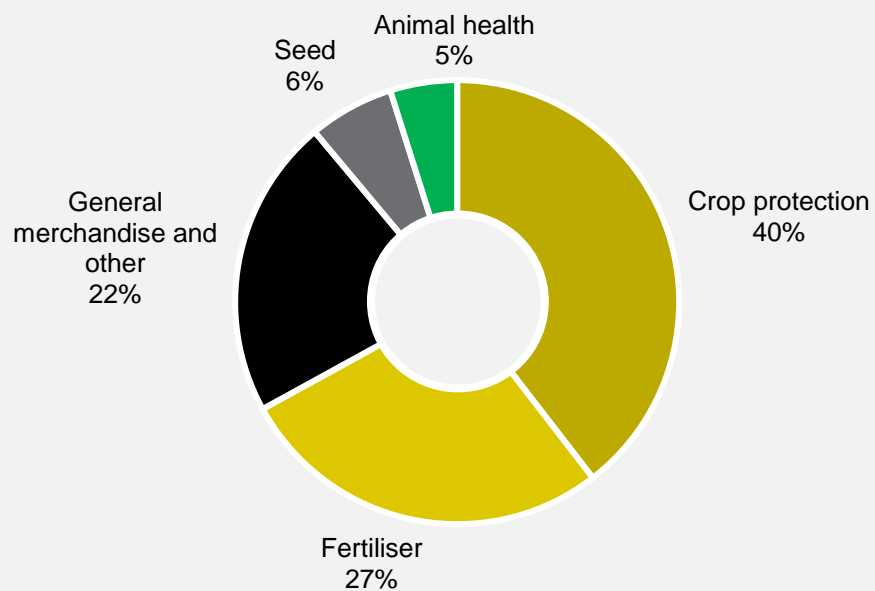
**EBITDA (\$m)**



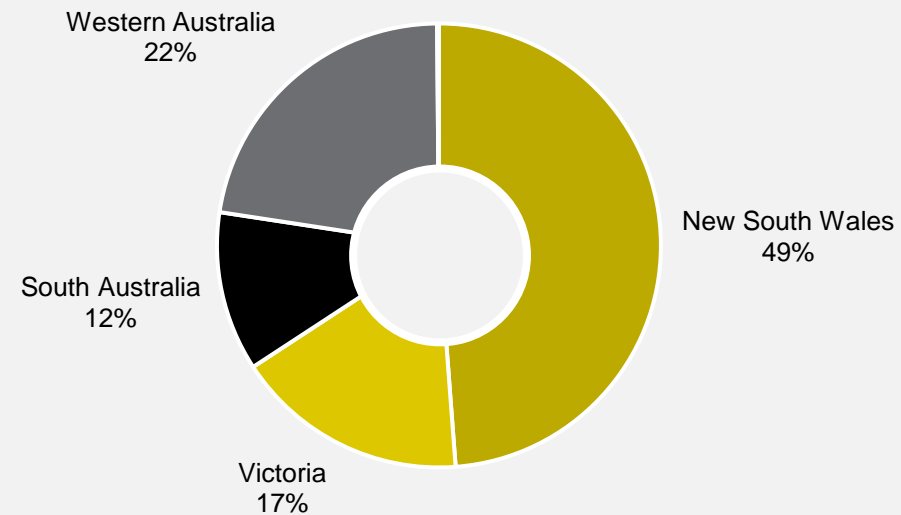
# Diversification by product and geography

Delta's earnings base is diversified by product and geography, supplying a broad agribusiness offering to its rural and regional customers

Sales by product



Sales by geography



Source: Delta company information. Notes: Sales for the LTM to 30 June 2024 given Delta year end is 30 June.

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# High quality leadership team

Delta's experienced leadership team is excited to join Elders and will continue to manage the business following completion



**Gerard Hines**  
Managing Director and Founder

- Founded Delta in 2006 with several long-term colleagues
- Managing Director of Delta since its establishment

**35+** years of experience

**18+** years with Delta



**Chris Duff**  
Executive Director and Founder

- Founded Delta in 2006 with several long-term colleagues
- Co-manager of the group and responsible for the farm advisory team

**35+** years of experience

**18+** years with Delta



**Matt Freeman**  
Chief Financial Officer

- Joined Delta in 2022 and former CFO of Australian Wool Network (AWN)
- Chartered accountant with 19+ years of finance experience and 7+ years of agriculture experience

**19+** years of experience

**2+** years with Delta

**Scrip Consideration issued to Delta shareholders will be subject to escrow arrangements until 15 months after completion<sup>1</sup>  
Key Delta management persons will be subject to a non-compete for up to five years from completion**

Source: Delta company information. Notes: 1. Where the date for release of the escrow falls within certain blackout periods related to the release of Elders' financial results, the escrow period is extended to the first trading day after the blackout period.

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# 3

## Acquisition rationale



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# Acquisition rationale



**Fully aligned to Elders' core strategy and corporate acquisition principles**

**Continues Elders' successful track record of growing the business through disciplined acquisitions**

**Complementary geographic footprint, filling retail gaps in New South Wales, North West Victoria, South Australia and Western Australia**

**Enhances Elders' technical expertise and offering in ag tech and precision agriculture**

**Expected to deliver pro forma FY24 mid single digit EPS accretion pre synergies and mid teens EPS accretion post synergies<sup>1</sup>**

**Potential to generate annual net EBITDA synergies (before one off costs) of approximately \$12 million over three years post completion<sup>2</sup>**






**Retains expertise through Elders' proven light touch integration strategy while maintaining robust Board based governance oversight**

Notes: 1. EPS accretion includes adjusted earnings from Delta assuming a full 12-month contribution and is before amortisation of identifiable intangibles that will be recognised as a result of the Acquisition. In accordance with AASB 133, Elders' pre-Acquisition historical EPS has been restated based on applying an adjustment factor to take into account the bonus element of the Equity Raising. The bonus adjustment is calculated to reflect the discount to TERP and is based on Elders' last traded price of \$8.65 as at Friday, 15 November 2024. Restating Elders' standalone EPS excluding the impact of the bonus adjustment would result in pro forma FY24 EPS accretion of mid single digit pre synergies and mid teens post synergies. Post synergies EPS accretion assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs). 2. Refer to page B20 for additional information regarding anticipated synergies.

# Consistent with Elders' corporate acquisition principles

The rationale and impact of the Acquisition adheres to Elders' corporate acquisition principles

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 <p><b>Aligns with Elders' strategy, values and sustainability ambitions</b></p>	 <p><b>Enhances business diversification</b></p>	 <p><b>Enhances Elders' technical expertise and offering</b></p>	 <p><b>Pre-synergies EPS accretive</b></p>	 <p><b>Targeting ROC <math>\geq 15\%</math> and leverage <math>&lt; 2.0x</math></b></p>
<ul style="list-style-type: none"> <li>Strong cultural alignment between Elders and Delta</li> <li>Elders will implement its proven light touch integration strategy with no anticipated changes to Delta's management, brands and operations, while maintaining robust Board based governance oversight</li> <li>Transaction does not change Elders' Scope 1 and Scope 2 climate targets</li> </ul>	<ul style="list-style-type: none"> <li>Delta's operations are complementary to Elders' existing capabilities in rural products and services</li> <li>Complementary geographic diversification to support earnings resilience and growth optimisation</li> <li>Opportunity to expand other Elders' products and services to Delta's customer base</li> </ul>	<ul style="list-style-type: none"> <li>Extends Elders' existing crop protection and animal health offering through Four Seasons Agribusiness private label portfolio</li> <li>Addition of specialist and technical expertise to complement Thomas Elder Sustainable Agriculture innovation platform</li> </ul>	<ul style="list-style-type: none"> <li>Expected to deliver pro forma FY24 mid single digit EPS accretion pre synergies and mid teens EPS accretion post synergies<sup>1</sup></li> <li>Potential to generate annual net EBITDA synergies of approximately \$12 million (before one-off implementation costs) to be gradually realised over the next three years post completion<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Elders expects pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>3</sup></li> <li>Elders is targeting pro forma ROC of <math>\geq 15\%</math> post synergies in the medium-term</li> </ul>

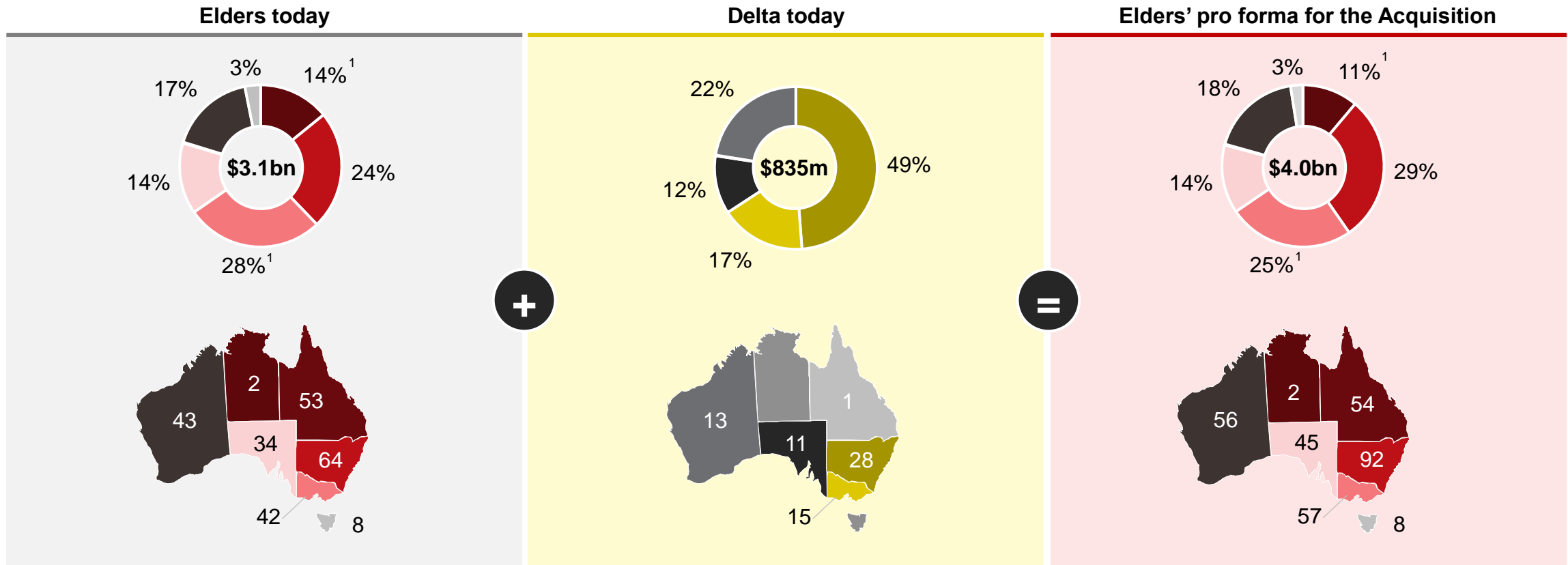
Notes: 1. EPS accretion includes adjusted earnings from Delta assuming a full 12-month contribution and is before amortisation of identifiable intangibles that will be recognised as a result of the Acquisition. In accordance with AASB 133, Elders' pre-Acquisition historical EPS has been restated based on applying an adjustment factor to take into account the bonus element of the Equity Raising. The bonus adjustment is calculated to reflect the discount to TERP and is based on Elders' last traded price of \$8.65 as at Friday, 15 November 2024. Restating Elders' standalone EPS excluding the impact of the bonus adjustment would result in pro forma FY24 EPS accretion of mid single digit pre synergies and mid teens post synergies. Post synergies EPS accretion assumes \$12 million of annual net EBITDA synergies (before one-off implementation costs). 2. Refer to page B20 for additional information regarding anticipated synergies. 3. Subject to a normal 1Q FY25 and average seasonal conditions. Includes a 12-month forecast adjusted contribution from Delta.

# Complementary geographic footprint

Delta's geographic footprint is highly complementary to Elders' and fills key network gaps in New South Wales, North West Victoria, South Australia and Western Australia

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Locations by region<sup>3</sup>      Total sales by region<sup>2</sup>



Source: Delta company information. Notes: 1. Sales based on Elders' management reported retail states. Victoria includes the Riverina region, Queensland is grouped with upper Northern Territory and South Australia includes lower Northern Territory, Broken Hill and Sunraysia region. 2. Based on Delta sales by state as at 30 June 2024 given June year end. 3. Elders' retail points of presence and Delta points of presence as at 30 September 2024. Excludes AIRR warehouses and AIRR and Delta wholesale customer locations. Includes Elders' 75.5% owned B&W Rural locations.

# Enhances Elders' technical expertise and offering

## Extends Elders' existing crop protection and animal health offering through complementary private label portfolio

- Through the combination, Elders will acquire Four Seasons Agribusiness, a manufacturer and distributor of a diverse range of crop protection and animal health products
- Complements Elders' existing private label business TitanAg through the addition of 106 product registrations and new third-party supply agreements



## Addition of specialist and technical expertise to support innovation through Thomas Elder Sustainable Agriculture

- Drives innovation in the ongoing evolution of farming through Elders' existing Thomas Elder Sustainable Agriculture consulting platform:
  - Precision Ag: Rapidly growing model in the Australian market, supported by specialists, agronomists and growers aimed at improving sustainability, resource efficiency and profits
  - Goanna Ag: Strategic minority investment in an ag tech company that provides irrigation management, data analytics and technology to the cotton industry domestically and in the United States



APVMA registered crop protection products

92

386

APVMA registered animal health products

14

126

Farm consultants and agronomists

80

245

Precision Ag specialists

5

1

DELTA AGRIBUSINESS

Elders

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# Potential to generate meaningful synergies

The combination of Elders and Delta is expected to generate annual net EBITDA synergies of approximately \$12 million predominantly achieved through proven backward integration

## Estimated synergies

### Product

- Opportunity to capture incremental margin from backward integration of crop protection and animal health products
- Realisation of synergies is expected to require additional working capital investment

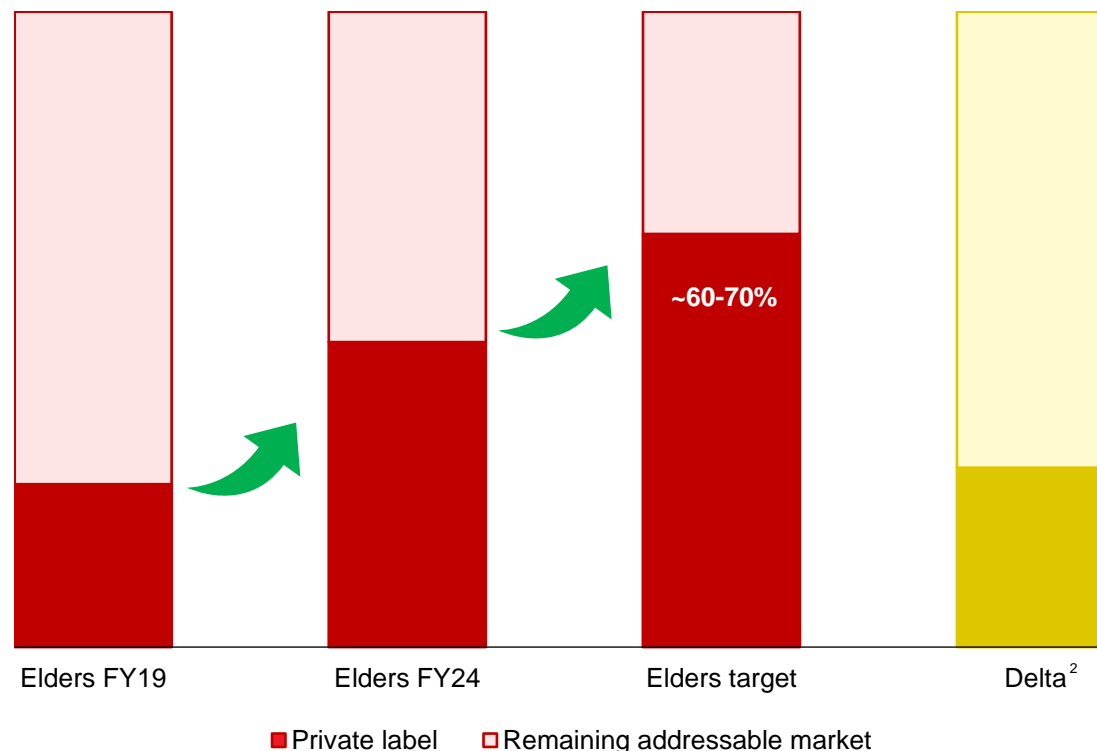
### Operational

- Optimisation and efficiencies through shared knowledge and best practice across operating business units

### Quantum and timing

- Expected to generate annual net EBITDA synergies of approximately \$12 million (before one-off implementation costs) to be gradually realised over the next three years post completion

## Backward integration share of addressable market<sup>1</sup>



Notes: 1. Addressable market represents portion of crop protection sales which could be replaced with private label sales. Elders' addressable market estimated as 70% of total crop protection sales. 2. Delta data representative of the LTM to June 2024. Delta total addressable market represents total annual crop chemical sales estimated to be available for private label.

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# Light touch integration approach

Elders has a strong track record of successful business combinations and will safeguard the culture and strengths of Delta while maintaining robust Board based governance oversight



## Track record

- Elders has a long and successful track record of integrating acquisitions, having completed more than 85 acquisitions over the last 9 years
- Elders will apply the same light touch integration principles that have served it well in previous acquisitions, including the acquisition of AIRR in 2019



## Approach

- Light touch approach will safeguard the culture and strengths of Delta while maintaining robust Board based governance oversight
- Elders will leverage the experience and expertise of Delta, with no anticipated changes to management, brands and operations
  - Scrip Consideration will be subject to escrow arrangements until 15 months after completion of the Transaction<sup>1</sup>
  - Key Delta management will be subject to a non-compete for up to five years from completion of the Acquisition



## Priorities

- Key integration priorities will include:
  - Realising potential synergies
  - Best practice operations and knowledge transfer
  - Optimise branch networks, systems and processes

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# 4

## Acquisition funding and terms



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# Acquisition funding and terms

The Acquisition of Delta will be funded through approximately 60% cash consideration and 40% of new Elders shares issued to Delta shareholders as scrip

## Acquisition funding

- The Acquisition of Delta will be funded through approximately 60% cash consideration and 40% of new Elders shares issued to Delta shareholders as scrip<sup>1</sup>
- Proceeds from the Equity Raising to be used to partly fund the cash component of the Acquisition and support Elders' balance sheet flexibility for future growth opportunities
- Scrip Consideration will be issued to Delta shareholders at \$8.52 per share which represents the value of the TERP including shares issued under the Equity Raising<sup>1</sup>
- Elders expects pro forma balance date net debt / EBITDA for the combined group to be approximately 2.0x by 31 March 2025 pre synergies<sup>2</sup>

## Timing and conditions

- Completion of the Acquisition is expected to occur in 1H CY25, which is principally due to the time expected to satisfy the ACCC clearance condition. However, there are other customary completion conditions including a MAC with respect to Delta

## Sources

	\$m
Equity Raising	246
Debt Financing	110
Scrip Consideration	190
<b>Total</b>	<b>546</b>

## Uses

	\$m
Acquisition of Delta	475
Balance sheet flexibility	50
Transaction costs	21
<b>Total</b>	<b>546</b>

Notes: 1. Scrip Consideration to be issued to Delta shareholders at TERP (approximately 22 million shares). TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Equity Raising may be different from TERP. 2. Includes a 12-month contribution from Delta and excludes the impact of AASB 16 Leases. Subject to a normal 1Q FY25 and average seasonal conditions.

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# Overview of the Equity Raising

<b>Offer size and structure</b>	<ul style="list-style-type: none"> <li>▪ A fully underwritten 1 for 5.05 pro rata accelerated non-renounceable entitlement offer of new ordinary Elders shares (<b>New Shares</b>) to raise approximately \$246 million (<b>Entitlement Offer</b>)             <ul style="list-style-type: none"> <li>– The Entitlement Offer consists of an offer to eligible institutional shareholders (<b>Institutional Entitlement Offer</b>) and an offer to eligible retail shareholders (<b>Retail Entitlement Offer</b>)</li> </ul> </li> <li>▪ Approximately 31 million New Shares to be issued under the Equity Raising, representing approximately 19.8% of existing shares on issue</li> </ul>
<b>Offer Price</b>	<ul style="list-style-type: none"> <li>▪ All shares under the Entitlement Offer will be issued at \$7.85 per New Share (<b>Offer Price</b>), representing a:             <ul style="list-style-type: none"> <li>– a 7.9% discount to TERP of \$8.52 per share<sup>1</sup>; and</li> <li>– a 9.2% discount to last close of \$8.65 per share as at Friday, 15 November 2024.</li> </ul> </li> </ul>
<b>Institutional Entitlement Offer</b>	<ul style="list-style-type: none"> <li>▪ Institutional Entitlement Offer to be conducted by way of a bookbuild process that will open and close on Monday, 18 November 2024</li> </ul>
<b>Retail Entitlement Offer</b>	<ul style="list-style-type: none"> <li>▪ The Retail Entitlement Offer will open on Monday, 25 November 2024 and close on Monday, 9 December 2024</li> </ul>
<b>Director commitments</b>	<ul style="list-style-type: none"> <li>▪ All Elders Directors who are eligible have confirmed their intention to participate in the Entitlement Offer</li> </ul>
<b>Underwriting</b>	<ul style="list-style-type: none"> <li>▪ The Entitlement Offer is fully underwritten by Macquarie Capital (Australia) Limited</li> </ul>
<b>Ranking</b>	<ul style="list-style-type: none"> <li>▪ All New Shares issued under the Entitlement Offer will rank equally with existing Elders shares on issue</li> </ul>
<b>Dividend</b>	<ul style="list-style-type: none"> <li>▪ New Shares will be entitled to the final dividend of \$0.18 per share for the full year ended 30 September 2024</li> <li>▪ The dividend record date has been amended from Wednesday, 27 November 2024 to Wednesday, 18 December 2024 and final dividend payment will be made to shareholders on Friday, 24 January 2025</li> <li>▪ Elders will maintain its dividend reinvestment plan with amended election, pricing and allotment dates disclosed in the Appendix 3A.1 today</li> </ul>

Notes: All dates and times are indicative and subject to change without notice. Elders reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. 1. TERP is a theoretical calculation only and the actual price at which Elders shares trade immediately following the ex-date for the Equity Raising may be different from TERP.

# Equity Raising timetable

Event	Date
Trading halt and announcement of the Acquisition and Equity Raising, Institutional Entitlement Offer opens	Monday, 18 November 2024
Institutional Entitlement Offer closes	Monday, 18 November 2024
Announce results of Institutional Entitlement Offer	Tuesday, 19 November 2024
Trading halt lifted – shares recommence trading on ASX on an “ex-entitlement” basis	Tuesday, 19 November 2024
Record Date for the Entitlement Offer	Wednesday, 20 November 2024
Retail Entitlement Offer Booklet despatched and Retail Entitlement Offer opens	Monday, 25 November 2024
Settlement of New Shares under the Institutional Entitlement Offer	Tuesday, 26 November 2024
Allotment and normal trading of New Shares under the Institutional Entitlement Offer	Wednesday, 27 November 2024
Retail Entitlement Offer closes	Monday, 9 December 2024
Announce results of Retail Entitlement Offer	Thursday, 12 December 2024
Settlement of Retail Entitlement Offer	Friday, 13 December 2024
Allotment of New Shares under the Retail Entitlement Offer	Monday, 16 December 2024
Trading of New Shares on a normal settlement basis under the Retail Entitlement Offer and despatch of holding statements	Tuesday, 17 December 2024

Notes: All dates and times are indicative and subject to change without notice. Elders reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

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5

Questions



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A

Pro forma balance sheet



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# Pro forma balance sheet

\$m	Elders <sup>1</sup>	Delta <sup>2</sup>	Adjustments <sup>3</sup>	Elders pro forma
	30-Sep-24	30-Jun-24		
Cash and cash equivalents	40	-	50	90
Trade and other receivables	895	113	-	1,008
Inventories and livestock	447	118	-	565
Property, plant and equipment	93	30	-	123
Right of use asset	247	16	-	263
Intangibles	538	74	316	928
Other assets	66	7	-	73
<b>Total assets</b>	<b>2,326</b>	<b>357</b>	<b>366</b>	<b>3,050</b>
Trade and other payables	(667)	(171)	-	(838)
Borrowings	(477)	-	(110)	(587)
Lease liabilities	(254)	(19)	-	(272)
Other liabilities	(83)	(8)	-	(92)
<b>Total liabilities</b>	<b>(1,481)</b>	<b>(198)</b>	<b>(110)</b>	<b>(1,789)</b>
<b>Net assets</b>	<b>845</b>	<b>159</b>	<b>256</b>	<b>1,261</b>
Issued capital	1,656	71	358	2,085
Reserves	(53)	0	(0)	(53)
Retained earnings	(762)	87	(101)	(775)
Non-controlling interests	4	1	(1)	4
<b>Total equity</b>	<b>845</b>	<b>159</b>	<b>256</b>	<b>1,261</b>

Notes: 1. Elders 30 September 2024 audited accounts. 2. Delta 30 June 2024 audited accounts and presented on a cash and debt-free basis. 3. The acquired Delta balance sheet and recognition of intangibles including goodwill will be subject to a formal purchase price accounting process that under Accounting Standards will be completed within 12 months of completion. Scrip Consideration value, actual net debt drawn on acquisition and amount of equity raise will vary based on timing of completion and working capital position at time of completion. Pro forma adjustments include \$436 million of issued capital, \$110 million of new borrowings (offset by \$14 million of transaction costs recognised in retained earnings and \$7 million recognised in issued capital), and results in \$50 million of additional net cash. The \$475 million of consideration less the Delta 30 June 2024 net assets of \$159 million gives rise to intangibles on acquisition (including goodwill) of \$316 million.

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# B

## Key risks



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# Key risks

## Introduction

This section discusses some of the key risks associated with an investment in New Shares in Elders. These risks may affect the future operating and financial performance of Elders and the value of Elders' fully paid ordinary shares (**Shares**).

The risks set out below do not constitute an exhaustive list of all risks involved with an investment in Elders.

Before investing in Elders, you should consider whether this investment is suitable for you. Potential investors should carefully review publicly available information on Elders (such as that available on the websites of Elders and ASX), carefully consider their personal circumstances (including the ability to lose all or a portion of their investment) and consult their professional advisers before making an investment decision. Additional risks and uncertainties that Elders is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect Elders' operating and financial performance.

You should note that the occurrence or consequences of many of the risks described in this section are partially or completely outside the control of Elders, its directors and management. Further, you should note that this section focuses on the key risks and does not purport to list every risk that Elders may have now or in the future. It is also important to note that there can be no guarantee that Elders will achieve its stated objectives or that any forward looking statements, expectations, illustrations or forecasts contained in this Presentation will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

Cooling off rights do not apply to the acquisition of New Shares under the Equity Raising.

## Acquisition specific risks

### Completion risk

Completion of the proposed acquisition of Delta is conditional on various matters including, in summary, obtaining regulatory approval from the Australian Competition and Consumer Commission (**ACCC**), completion of the Equity Raising, no material adverse change occurring in relation to Delta's business, and no breach of a warranty in the Share Sale Agreement by a Delta vendor. Please refer to the other sections of the Presentation for details regarding the acquisition of Delta and the Equity Raising.

There can be no certainty, nor can Elders provide any assurance or guarantee that any of the conditions will be satisfied or waived or, if satisfied or waived, when that will occur. The satisfaction of a number of the conditions is outside the control of Elders and/or Delta including, but not limited to, the ACCC and completion of the institutional component of the Equity Raising mentioned above.

There is a risk that the ACCC approval required to satisfy one or more conditions may not be obtained, or may be obtained subject to conditions which adversely affect Elders and Delta (**Parties**), or are not acceptable to the Parties. In particular, it is the Parties' intention to seek informal clearance from the ACCC after announcement of the Acquisition to comply with the condition for ACCC clearance. There is a risk that the ACCC will refuse to grant this clearance, will not indicate it does not intend to oppose (grant clearance) by the time completion is required or that it will only grant clearance subject to conditions, including the provision of structural undertakings requiring divestments, behavioural undertakings or other relief. Any undertakings required to be given to the ACCC, including divestments that are required to be made or the Parties refraining from undertaking certain actions, are likely to have an adverse effect on Elders, including, but not limited to, impacting its sales, revenue and financial performance and adversely affecting the ability of the Parties to achieve the expected synergies and/or could result in the Acquisition not proceeding to completion.

# Key risks

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<p><b>Completion risk (cont.)</b></p>	<p>Further, if any of the conditions are not satisfied or waived or take longer than anticipated to satisfy, completion of the Acquisition may be deferred or delayed or may not occur on the current terms or at all. There can be no guarantee that Elders will obtain necessary approvals to complete the Acquisition within any particular timeframe, or at all, or that such approval will be granted on terms that are acceptable to Elders or on an unconditional basis. This could prevent or delay completion of the Acquisition and/or may have a material adverse effect on the financial performance of Elders post-completion of the Acquisition.</p> <p>Elders will have incurred significant transaction costs in relation to the Acquisition even if it does not proceed. There may be other adverse consequences for Elders and its shareholders if completion does not occur, including that the trading price of Elders' shares may be materially adversely affected and the anticipated synergies and other benefits that Elders' expects to achieve from the proposed acquisition of Delta will not be realised.</p> <p>If the Acquisition is not completed, Elders will need to consider alternative uses for the proceeds from the Equity Raising including returning or distributing them to shareholders. If completion of the Acquisition is delayed, Elders may incur additional costs and it may take longer than anticipated for Elders to realise the benefits of the Acquisition (including the anticipated synergy benefits).</p> <p>Any failure to complete, or delay in completing, the Acquisition and/or any action required to be taken to return capital raised under the Equity Raising to investors may have a material adverse effect on Elders' financial performance, financial position and the price of Shares.</p>
<p><b>Assumed liabilities</b></p>	<p>Following the Acquisition, Elders will be exposed to liabilities that Delta has incurred as a result of past and/or present conduct, including liabilities which were not identified during its due diligence or which are greater than expected, for which insurance may not be available, and for which Elders may not have post-completion recourse under the Share Sale Agreement or any warranty and indemnity insurance and may include fines, penalties or other sanctions. These could include liabilities relating to faulty products, environmental claims, breaches or contamination, underpayment or under-provisioning of employee liabilities or entitlements, current or future litigation, failure by Delta or a subsidiary to hold required regulatory approvals, authorisations or licences, regulatory actions (including without limitation in relation to any such failure), health and safety claims, insurance, warranty or performance claims and other liabilities. Such liabilities may adversely affect the ultimate value of Elders' investment in Delta, the financial performance or position of Delta post-completion of the Acquisition and even put at risk the group's capacity to carry on its business, either at all or from one or more of the geographic sites from which the group currently operates, which may be more costly than expected to remedy.</p> <p>There is also a risk that potential liabilities were not uncovered as part of Elders' due diligence review or that such liabilities may be larger or have more serious consequences than Elders anticipated and Elders may be required to account for these liabilities, which may materialise and have an adverse impact on its financial position, financial performance and its Share price.</p>
<p><b>Acquisition risk</b></p>	<p>Elders and its advisers have undertaken financial, operational, legal, tax, environmental and other analyses in respect of Delta in order to determine its attractiveness to Elders and whether to pursue the Acquisition. It is possible that such analysis, and the best estimate assumptions made by Elders and its advisers, draws conclusions and forecasts which are inaccurate, or which are not realised in due course (whether because of flawed methodology, misinterpretation of economic or other circumstances or otherwise). To the extent that the actual results achieved by Delta are weaker than those indicated by Elders' analysis, there is a risk that there may be an adverse impact on the financial position and performance of Elders.</p>

# Key risks

<b>Key personnel risk</b>	<p>The successful operation of Delta's business relies on its ability to retain experienced and high-performing key management and operating personnel with the company. Delta as a subsidiary of Elders may not successfully retain existing, and/or attract new, key management personnel. The unexpected loss of any key members of management or operating personnel may prevent or delay completion of the Acquisition and/or may have a material adverse effect on the financial performance of Delta and Elders after completion of the Acquisition.</p>
<b>Integration risk / Achievement of synergies</b>	<p>There are potential integration risks for the Acquisition, including potential delays and costs in implementing necessary changes, and difficulties in integrating various operations. The success of the Acquisition and, in particular, the ability to realise the expected synergy benefits of the Acquisition outlined in this presentation, will be dependent on the effective and timely integration of Delta's business alongside Elders' business following completion of the Acquisition. While Elders has undertaken analysis in relation to the synergy benefits of the Acquisition, these benefits are Elders' estimate only, and there is a risk that the actual synergies able to be realised as part of the Acquisition may be less than expected or delayed, or that the expected synergy benefits of the Acquisition may not materialise at all, or may cost more to achieve than originally expected. Potential issues and complications influencing the achievement of targeted benefits include experiencing lower than expected backward integration margins, experiencing lower than expected increase in product volumes, unanticipated losses of key employees and changes in market conditions.</p> <p>Similar to Elders, a proportion of Delta's business also relies on customer and supplier arrangements. If, following completion of the Acquisition, a counterparty to a contract with Delta, such as a customer, member or supplier, terminates an arrangement or understanding with Delta or fails to fulfil its obligations under such an arrangement or understanding, Elders may choose to or may be forced to lose the benefit of the arrangement or understanding and may not be able to obtain similarly favourable terms on entry into replacement arrangements (if at all). This could have an adverse effect on Elders' financial performance and cash flows.</p>
<b>Due diligence risk</b>	<p>Elders undertook a due diligence process in respect of Delta, which relied in part on the review of financial and other information provided by Delta. While Elders considers the due diligence process undertaken to be appropriate, Elders is not able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, Elders has prepared (and made assumptions in the preparation of) the financial information included in this Presentation relating to Delta on a stand-alone basis and also relating to Elders post-acquisition in reliance on limited financial information and other information provided by Delta. Some of this information was unaudited. Elders is unable to verify the accuracy or completeness of any of the information provided by or about Delta. If any of the data or information provided to and relied on by Elders in its due diligence process and its preparation of this presentation proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of Elders may be materially different to the financial position and performance expected by Elders and reflected in this Presentation.</p> <p>Investors should also note that there is no assurance that the due diligence conducted was conclusive and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately. Therefore, there is a risk that unforeseen issues and risks may arise, which might also have a material impact on Elders (for example, Elders may later discover liabilities or defects which were not identified through due diligence or for which there is no protection or recourse for Elders). This might adversely affect the operations, financial performance or position of Elders. Further, the information reviewed by Elders includes forward-looking information. While Elders has been able to review some of the foundations for the forward-looking information relating to Delta, forward-looking information is inherently unreliable and based on assumptions that may change in the future.</p>
<b>Future earnings</b>	<p>Elders has undertaken financial and business analysis of Delta in order to determine its attractiveness to Elders and whether to pursue the Acquisition. To the extent that the actual results achieved by Delta are weaker than those anticipated, or any unforeseen difficulties emerge in integrating the operations of Elders, there is a risk that the profitability and future earnings of the operations of Elders may differ (including in a materially adverse way) from the pro forma performance as reflected in this Presentation.</p>

# Key risks

## Script consideration

As part of the Acquisition, Delta shareholders will receive consideration in the form of fully paid ordinary shares in Elders.

Existing Elders shareholders will have their shareholding diluted by the issue of the Shares to the Delta shareholders. See the Equity Raising risks below for further information.

In addition, there is a risk that a significant sale of Shares by Delta shareholders at the end of the escrow restrictions imposed on the Shares issued to Delta shareholders, or the perception that such a sale might occur, could adversely impact the price of Shares. For further information on the escrow arrangements that will be in place post-completion of the Acquisition, refer to Page B14 of this Presentation.

## Acquisition accounting

Following completion of the Acquisition, Elders will undertake a formal fair value assessment of all of the assets, liabilities and contingent liabilities of Delta. The pro forma adjustments to reflect the estimated financial effect of the accounting for the business combination in this presentation are illustrative only. Australian Accounting Standards require an allocation of fair value of assets and liabilities acquired. The inclusion of Delta reflects provisional amounts for the assets and liabilities acquired based on historic costs other than goodwill. Post the Acquisition, a purchase price allocation exercise will be undertaken which may identify amortisable intangibles and impact future depreciation and amortisation charges. Additionally, the allocation exercise may give rise to material differences in values allocated to the pro forma balance sheet line items set out Appendix A of this Presentation.

## Change of control

The Acquisition will result in a change of control of Delta. There are a number of contractual arrangements with counterparties which are the subject to review, consent or termination rights on change of control. There is no guarantee that counterparties will not exercise their rights or negotiate reasonably with Elders in relation to these change of control events. This could have materially adverse consequences for Elders. If such rights are exercised by counterparties, Elders may incur costs, or loss of revenue, which could be material.

## Equity raising risks

### Equity underwriting risk

Elders has entered into an underwriting agreement under which the Underwriter has agreed to fully underwrite the Equity Raising, subject to the terms and conditions of the underwriting agreement. Prior to settlement of the Retail Entitlement Offer, there are certain events which, if they were to occur, may affect the Underwriter's obligation to underwrite the Equity Raising. If certain conditions are not satisfied or certain events occur under the underwriting agreement, the Underwriter may terminate the agreement which may require Elders to search for alternative financing (refer to Appendix D of this Presentation). The ability of the Underwriter to terminate the underwriting agreement in respect of some events (including breach of the underwriting agreement by Elders, market disruption or regulatory action) will depend (among other things) on whether the event has or is likely to have a material adverse effect on the success, settlement or marketing of the Equity Raising, or could reasonably be expected to give rise to a contravention by, or liability for, the Underwriter under applicable law. If the underwriting agreement is terminated for any reason, then Elders may not receive the full amount of the proceeds expected under the Equity Raising, its financial position might change, and it might need to take other steps to raise capital or to fund the Acquisition.

# Key risks

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<p><b>Risk of not taking up Entitlement Offer</b></p>	<p>If you do not participate in the Entitlement Offer, or do not take up all of your entitlements to acquire New Shares under the Entitlement Offer, your percentage shareholding in Elders will be diluted by not participating to the full extent in the Entitlement Offer. Even if you take up your full entitlement, your percentage shareholding in Elders may be diluted as a result of the Shares to be issued to Delta shareholders as part of the consideration for the Acquisition, which represents approximately 10.5% of the issued share capital of Elders, following the Acquisition.</p> <p>Investors may also have their investment diluted by future equity capital raisings by Elders. Elders may issue new shares to finance future acquisitions or pay down debt which may, under certain circumstances, dilute the value of an investor's interest. Elders is only likely to raise equity if it believes that the benefit to investors of conducting the equity raising is greater than the short term detriment caused by the potential dilution associated with the equity raising.</p>
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## Risks relating to an investment in Elders (business risks)

<p><b>Health and safety</b></p>	<p>Safety risk is inherent in Elders' business activities. Key safety risks include livestock handling, remote driving, manual handling and chemical handling. Beyond these physical risks, Elders recognise the impact of psychosocial risks in the workplace. These include challenges like excessive workloads, limited job control, unsupported organisational environments, and issues such as bullying, discrimination and harassment.</p>
<p><b>Animal welfare</b></p>	<p>The welfare of livestock is of paramount importance to Elders. A failure to adequately protect and ensure the wellbeing of animals within our control may lead to significant consequences, including stakeholder scrutiny, operational disruptions and potential reputational damage.</p>
<p><b>Climate variability and severe weather events</b></p>	<p>Climate variability and severe weather events risk is the short to medium term risk of adverse weather patterns and natural events directly impacting Elders' agricultural operations. The risk pertains to sudden or cyclical events such as drought, floods, frost and fires, which can unpredictably affect the volume of agricultural production, disrupt supply chains and create volatility in the availability of rural products. These events can cause fluctuations in revenue, supply demand imbalances and operational disruptions due to the immediate impact of weather related natural disasters.</p>
<p><b>Climate change</b></p>	<p>Climate change risk refers to the long term systemic risk posed by both physical and transitional factors arising from climate change. Physical risks include the gradual increase in temperature, changing precipitation patterns and the frequency of extreme weather events. Transitional risks involve regulatory changes aimed at curbing greenhouse gas emissions, market shifts toward sustainability and evolving consumer preferences.</p> <p>For Elders, this risk encompasses potential disruptions to agricultural productivity, supply chain vulnerabilities, increased operational costs due to compliance with environmental regulations and reputational damage if perceived as lagging in environmental stewardship. It also includes potential financial performance impacts due to these direct and indirect effects of climate change.</p>

# Key risks

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<p><b>Environmental</b></p>	<p>This is the risk of operational, financial and reputational damage from Elders' interactions with the natural environment, particularly through Elders' supply of chemicals and fertilisers to the agriculture industry. It includes risks related to biodiversity loss and environmental contamination affecting soil health which impact agricultural productivity and sustainability.</p> <p>Additionally, this is the risk of stringent environmental regulations, potential legal liabilities and reduced competitiveness if Elders' products are perceived as environmentally harmful.</p>
<p><b>Biosecurity</b></p>	<p>Australia's expansive agricultural landscape means companies like Elders are vulnerable to biosecurity threats impacting crops and livestock. An outbreak can trigger quarantine measures across rural areas, potentially halting trading and transport operations.</p> <p>Such outbreaks can also initiate or exacerbate international trade restrictions, directly influencing market access and profitability. Furthermore, producers might curtail their demand for goods and services due to these biosecurity challenges, or even find their operational capacities severely hampered.</p>
<p><b>Food safety</b></p>	<p>Elders' feed and processing operations handle livestock destined for human consumption, presenting a possible risk of food product contamination.</p>
<p><b>Global and domestic economic conditions</b></p>	<p>This risk pertains to the impact of global and domestic economic trends on Elders' products and services. It includes factors like population growth, living standards and broader economic cycles such as recessions or booms. A significant global economic downturn or domestic recession could alter consumer demand patterns, leading to changes in the volume and type of products and services Elders sells. This risk focuses primarily on macroeconomic factors, including shifts in GDP, inflation rates and consumer spending behaviours, which could directly influence Elders' profitability and market position.</p>
<p><b>Pandemic</b></p>	<p>Pandemic events can jeopardise health and wellbeing and lead to considerable economic, operational and societal upheavals, with the potential to impact Elders' ability to conduct its business. The safety of Elders' people, customers and clients, the general community and business continuity are at risk during such events.</p>
<p><b>Commodity pricing</b></p>	<p>Elders has exposure to commodity price fluctuations in its agency, rural products, and feed and processing operations where movements in commodity prices, exchange rates and/or a change in the volume of Australian rural production could affect margins in the future.</p>
<p><b>Supply chain</b></p>	<p>Elders operates in complex supply chains, reliant on multiple third-party suppliers, including those located in China. The availability and cost of inputs can be affected by disruptions, evolving environmental standards, and policy shifts. Such interruptions can increase Elders' expenses and impede order fulfilment. Additionally, extreme weather events, due to changing climatic conditions, pose risks to Elders' infrastructure and supply chain, which could impact financial results. Furthermore, Elders' dependence on diverse suppliers exposes potential risks of modern slavery and labour exploitation, especially in those regions with lower standards of labour oversight.</p>



# Key risks

<b>Counterparty</b>	Elders engage with numerous counterparties. Elders extend credit to approved parties and may experience losses from a customer's inability to settle debts. Additionally, Elders is exposed to supply counterparty risk where there is potential for suppliers or partners to default or not meet their service, supply or contractual obligations.
<b>Geopolitical</b>	This risk is the influence of political events, regulatory changes and international relations on Elders' operations. Elders, as an importer from foreign and domestic markets, is vulnerable to shifts in government policies, trade tensions and international conflicts. This risk also includes the effects of foreign government subsidies that may undermine the competitive position of Australian agricultural products. It encompasses broader concerns such as trade barriers, sanctions and political instability, which could disrupt supply chains, increase costs or limit market access.
<b>Key personnel and human resource</b>	The loss of critical employees, or difficulties in recruiting, retaining or motivating skilled talent, can affect Elders. As a company with a national footprint across various regions, Elders faces increased talent complexities compared to businesses operating in a single location. Staff changes, particularly in pivotal and senior roles, has the potential to create disruptions, impacting Elders' financial standing and its strategy.
<b>Strategic outcomes</b>	This is the risk of strategic outcomes failing to meet market expectations due to the inadequacy of planning and preparation in achieving the 8PP objectives. For Elders, the risk implies that growth initiatives might fall short of their targets because of flawed assumptions or faulty implementation. Such a shortfall can result in strategic misalignment with market demands and investor expectations, leading to reduced stakeholder confidence and potential financial under performance.
<b>Compliance and regulation</b>	Elders' adherence to local laws and regulations is paramount to maintaining Elders' licence to operate. Non-compliance could expose us to investigations, penalties, liabilities, reputational damage and other adverse consequences.
<b>Fraud and corruption</b>	This risk refers to the potential for intentional deceit or unethical behaviour including fraud, bribery or misuse of power for personal or financial gain. This risk can result in financial loss, legal liabilities or reputational damage.
<b>Cyber</b>	Cyber risk encompasses both malicious and non-malicious events that could disrupt Elders' operations or compromise data security. It includes external threats such as cyber attacks, as well as systems outages or failures caused by technical faults, human error or malicious activity. These incidents can result in service unavailability, unauthorised access to sensitive information or operational disruptions.
<b>Technology and systems capability</b>	This risk refers to the potential for Elders' internal technology infrastructure and third-party systems to fail in keeping pace with operational demands and industry advancements. This risk includes the possibility of Elders' systems becoming outdated, inefficient or incompatible with new technological standards, which could lead to reduced productivity, operational bottlenecks and missed strategic opportunities. It also encompasses the challenges in adopting and integrating new technologies essential for innovation, process optimisation and maintaining a competitive edge.

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# Key risks

## General

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**Equity investment risk**

There are general risks associated with investments in equity capital such as Elders' Shares. The trading price of Shares may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for the New Shares being less or more than the price at which Shares are proposed to be issued under the Equity Raising (**Offer Price**). Generally applicable factors which may affect the market price of Shares include:

- general movements in Australian and international stock markets;
- investor sentiment;
- Australian and international economic conditions and outlook;
- changes in interest rates and the rate of inflation;
- changes in government regulation and policies;
- announcement of new technologies;
- geo-political instability, including international hostilities, an outbreak of war and acts of terrorism;
- demand for and supply of Shares;
- operating results of Elders that may vary from expectations of securities analysts and investors;
- changes in market valuations of other agribusiness companies; and
- future issues of Shares.

In particular, the share prices for many companies, including Elders, have in recent times been subject to wide fluctuations, which in many cases may reflect a diverse range of non-company specific influences referred to above, such as the general state of the economy, investor uncertainty, political instability and global hostilities and tensions. Such fluctuations may materially adversely impact the market price of Shares.

No assurances can be given that the New Shares will trade at or above the Offer Price. None of Elders, its Board, the underwriter, or any other person guarantees the market performance of the New Shares.

**General economic conditions**

Any deterioration in the domestic and global economy may have a material adverse effect on the performance of Elders' businesses and Shares. It is possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress, or existing risks, may manifest themselves in ways that are not currently foreseeable. The equity markets have in the past and may in the future be subject to significant volatility.

**ASX listing**

ASX imposes various listing obligations on Elders which must be complied with on an ongoing basis. While Elders must comply with its listing obligations, there can be no assurance that the requirements necessary to maintain the listing of the New Shares will continue to be met or will remain unchanged.

# Key risks

<b>Taxation</b>	<p>Future changes in Australian taxation law, including changes in interpretation or application of the law by the courts or taxation authorities in Australia, may affect the taxation treatment of an investment in Shares or the holding and disposal of those Shares. Further, changes in tax law, or changes in the way tax law is expected to be interpreted, in the various jurisdictions in which Elders operates, may impact the future tax assets or liabilities of Elders. In addition, any change in tax rules and tax arrangements could have an adverse effect on the level of dividend franking and shareholder returns.</p> <p>An investment in Shares involves tax considerations that differ for each investor. Investors are encouraged to seek professional tax advice in connection with any investment in Elders.</p>
<b>Changes in accounting standards</b>	<p>Changes in accounting or financial reporting standards may adversely impact the financial performance reported by Elders.</p>
<b>Government and regulatory factors</b>	<p>Changes in government legislation and policy in those jurisdictions in which Elders operates, in particular changes to taxation, workplace health and safety, underpayments, chain of responsibility, intellectual property, customs, tariffs, property, environmental, franchising and competition laws, may affect the future earnings, asset values and the relative attractiveness of investing in Shares. Further, Elders operates in foreign jurisdictions where business may be affected by changes implemented by foreign governments.</p>
<b>Repayment risk</b>	<p>Elders utilises debt to partially fund its business operations, including to partially fund the Acquisition and may need to access additional debt financing to grow its operations. If Elders is unable to refinance, repay or renew its debt facilities or otherwise obtain debt finance on favourable terms or breaches its debt finance terms, Elders may not meet its growth targets or pay its debts as and when they are due or may have to unexpectedly repay its finance facilities, which may adversely impact its financial performance.</p>
<b>Other external factors</b>	<p>Other external factors which may impact on Elders' performance include changes or disruptions to political, regulatory, legal or economic conditions or to the national or international financial markets including as a result of terrorist attacks or war or insurrection.</p>

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# International offer jurisdictions



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# International offer restrictions

This document does not constitute an offer of new ordinary shares (**New Shares**) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

## Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

## European Union (excluding Austria)

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

# International offer restrictions

## Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

## Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

# International offer restrictions

## Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

## United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This document may be distributed in the UAE only to "professional investors" (as defined in the SCA Board of Directors' Decision No.13/RM of 2021, as amended).

No offer of New Shares will be made to, and no subscription for New Shares will be permitted from, any person in the Abu Dhabi Global Market or the Dubai International Financial Centre.

## United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

## United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares may be offered and sold in the United States only to:

- "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

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## Overview of underwriting agreement terms



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# Overview of underwriting agreement terms

Macquarie is acting as lead manager, bookrunner and underwriter (**Underwriter**) of the Entitlement Offer. Elders has entered into an underwriting agreement with the Underwriter (**Underwriting Agreement**) under which the Underwriter has agreed to fully underwrite the Entitlement Offer on the terms and conditions of the Underwriting Agreement.

The Underwriting Agreement contains customary representations and warranties and indemnities in favour of the Underwriter for an agreement of this nature.

The Underwriter's obligations under the Underwriting Agreement, including to manage and underwrite the Entitlement Offer, are conditional on certain matters, including (but not limited to) Elders and its advisors delivering certain customary certificates, reports, sign-offs and opinions and meeting timetable requirements. Further, if certain events occur, some of which are beyond the control of Elders, the Underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement would have a materially adverse impact on the total amount of proceeds that could be raised under the Entitlement Offer, which in turn would have a material adverse impact on Elders' financial position.

Unless otherwise defined, capitalised terms have the meaning given to them in this Investor Presentation. The table below is only a summary of the material termination events and is not intended to be an exhaustive or complete list.

The Underwriter may terminate its obligations under the Underwriting Agreement if any of the following events occur prior to 4.00pm on Friday, 13 December 2024 (the **Second Settlement Date**) (or at any other time specified below) for the Entitlement Offer by giving notice to Elders where:

<b>Debt funding not available</b>	On or prior to Tuesday, 26 November 2024 (the <b>First Settlement Date</b> ): <ul style="list-style-type: none"> <li>(a) a financier under the debt facility document or the provider of debt or other financial accommodation to Elders for the purposes of funding the Acquisition terminates, materially amends or cancels its commitment to provide that financial accommodation; or</li> <li>(b) a condition precedent to drawdown of any part of that financial accommodation is not satisfied or waived or becomes incapable of being satisfied.</li> </ul>
<b>Offer Announcement and Investor Presentation</b>	A statement in the offer announcement or Investor Presentation is or becomes misleading or deceptive or is likely to mislead or deceive, or a matter required to be included is omitted from the offer announcement or Investor Presentation.
<b>Disclosures*</b>	A statement in any of the offer materials (other than the offer announcement or Investor Presentation) or public information is or becomes misleading or deceptive or is likely to mislead or deceive, or a matter required to be included is omitted from the offer materials (other than the offer announcement or Investor Presentation).
<b>Obligation to notify</b>	An obligation arises on Elders to give ASX a notice in accordance with section 708AA(10) or 708AA(12) of the Corporations Act (as included in the Corporations Act by the ASIC rights issue instrument).
<b>New Circumstance</b>	A new circumstance arises or becomes known which, if known at the time of issue of the investor presentation and cleansing statement, would have been included in the investor presentation or the cleansing statement and which arises due to, or relates to, an event, fact or matter that is adverse to the group.
<b>Cleansing Statement</b>	The cleansing statement is defective, or a corrective statement is issued or is required to be issued under the Corporations Act (as modified by the ASIC rights issue instrument).
<b>Forecasts</b>	Any forecast or forward looking statement (including any financial forecast or statement of a future matter) that appears in the offer materials or public information is not based on reasonable grounds or becomes incapable of being met within the relevant period.
<b>Market fall</b>	The S&P/ASX 200 Index closes on any trading day from the announcement date until the First Settlement Date, or on the business day immediately prior to the First Settlement Date, at a level that is 15% or more below the level of that index as at the close of trading on the business day immediately preceding the date of the Underwriting Agreement.
<b>Fraud</b>	Elders or any of its directors or officers (as those terms are defined in the Corporations Act) are charged with engaging in, or having engaged in, any fraudulent conduct or activity whether or not in connection with the Entitlement Offer.

# Overview of underwriting agreement terms

<b>Listing</b>	<p>(a) Elders ceases to be admitted to the official list of ASX or the securities are suspended from official quotation on the ASX (other than a voluntary suspension requested by Elders to facilitate the Entitlement Offer or the Acquisition);</p> <p>(b) ASX makes any official statement to the effect that, or notifies Elders or the Underwriter in writing that, it will not grant permission for the official quotation of the institutional offer securities, the institutional shortfall securities, the retail entitlement securities or the retail shortfall securities; or</p> <p>(c) if permission for the official quotation of the institutional offer securities, the institutional shortfall securities, the retail entitlement securities or the retail shortfall securities is granted before the date of allotment of those offer securities, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld.</p>
<b>ASIC</b>	An application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Entitlement Offer or an offer material, or ASIC commences any investigation or hearing under Part 3 of the ASIC act in relation to the Entitlement Offer or an offer material and any such application, inquiry or hearing is not withdrawn within 2 Business Days of when it is made, or if it is made within 2 business days of the First Settlement Date or the Second Settlement Date, it has not been withdrawn by 9.00am on such date.
<b>Certificate not provided</b>	Elders does not provide a certificate as and when required by the Underwriting Agreement.
<b>Withdrawal</b>	Elders withdraws the Entitlement Offer.
<b>Insolvency events</b>	Any group member becomes insolvent, or there is an act or omission which is likely to result in a group member becoming insolvent.
<b>Timetable</b>	Any event specified in the timetable to occur before Wednesday, 27 November 2024 (the <b>First Allotment Date</b> ), or on the First Allotment Date, is delayed by one business day or more, or an event specified in the timetable to occur after the First Allotment Date is delayed by two business days or more, in any such case, without the prior written consent of the Underwriter or a trading halt ends before the expiry of the relevant period referred to in the timetable without the prior written consent of the Underwriter.
<b>Unable to issue offer securities</b>	Elders is prevented from allotting and issuing the offer securities within the time required by the listing rules, by applicable laws, an order of a court of competent jurisdiction or a governmental agency.
<b>Regulatory approval</b>	<p>If a regulatory body:</p> <p>(a) withdraws;</p> <p>(b) revokes; or</p> <p>(c) *amends,</p> <p>any regulatory approvals required for Elders to perform its obligations under the Underwriting Agreement or to carry out the transactions contemplated by the offer materials.</p>
<b>Force majeure</b>	There is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any governmental agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Entitlement Offer.
<b>Prosecution</b>	<p>Any of the following occur:</p> <p>(a) a director of Elders or the Chief Executive Officer of Elders is charged with an indictable offence relating to financial or corporate matters; or</p> <p>(b) *any governmental agency charges or commences any court proceedings or public action against Elders or any of its directors or announces that it intends to do so; or</p> <p>(c) any director of Elders is disqualified from managing a corporation under Part 2D.6 of the Corporations Act.</p>

# Overview of underwriting agreement terms

<b>Change in Issuer's management*</b>	A proposed change of the chairman or chief executive officer of Elders occurs.
<b>Change in Target's management</b>	A proposed change of the chief executive officer of Delta occurs.
<b>Disclosures in the Due Diligence Committee Report and any other information*</b>	The due diligence committee report or verification material or any other information supplied by or on behalf of Elders to the Underwriter in relation to the group, the Entitlement Offer or the Acquisition is (or is likely to), or becomes (or becomes likely to be), misleading or deceptive, including by way of omission.
<b>Adverse change*</b>	Any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses or prospects of the group, including any adverse change in the assets, liabilities, financial position or performance, profits, losses or prospects of the group from those respectively disclosed to ASX by Elders prior to the date of the Underwriting Agreement.
<b>Change of law*</b>	There is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, including ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement).
<b>Representations and warranties*</b>	A representation, warranty, undertaking or obligation given under the Underwriting Agreement by Elders is breached, becomes not true or correct or is not performed.
<b>Breach*</b>	Elders defaults on any of its obligations under the Underwriting Agreement.
<b>Hostilities*</b>	<p>Hostilities not presently existing commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not), in either case, involving any one or more of Australia, the United States, New Zealand, the People's Republic of China, the United Kingdom, South Korea, Israel, Iran, any member of the European Union or any member state of the North Atlantic Treaty Organization, or a major terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries or:</p> <p>(a) nuclear weapons of any sort are used in connection with; or</p> <p>(b) the military of any member state of the North Atlantic Treaty Organization becomes directly involved in, the Ukraine conflict that is ongoing at the date of the Underwriting Agreement.</p>
<b>Certificate incorrect*</b>	A statement in any certificate is false, misleading, inaccurate or untrue or incorrect.
<b>Disruption in financial markets*</b>	<p>Any of the following occurs:</p> <p>(a) a general moratorium on commercial banking activities in Australia, New Zealand, the United Kingdom or the United States is declared by the relevant central banking authority in those countries, or there is a disruption in commercial banking or security settlement or clearance services in any of those countries;</p> <p>(b) any adverse effect or disruption on the financial markets in Australia, the United Kingdom, the United States or New Zealand; or</p> <p>(c) trading in all securities quoted or listed on ASX, NZX or the New York Stock Exchange is suspended for at least 1 day on which that exchange is open for trading.</p>

No event listed above with an (\*) entitles the Underwriter to exercise its termination rights unless it has reasonable grounds to believe, and does believe, that the event:

- (a) has or is likely to have a material adverse effect on the success or settlement or marketing of the Entitlement Offer; or
- (b) will, or is likely to:
  - (i) give rise to a liability of the Underwriter under any applicable law; or
  - (ii) result in a contravention by the Underwriter or its affiliates of, or the Underwriter or its affiliates being involved in a contravention of, any applicable law.

If the Underwriter terminates its obligations under the Underwriting Agreement, the Underwriter will not be obliged to perform any of its obligations that remain to be performed.

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Elders



## **CORPORATE DIRECTORY**

### **Head Office**

Level 10, 80 Grenfell Street, Adelaide, South Australia 5000

### **Directors**

Mr Ian Wilton (Chair)

Mr Mark Allison

Ms Robyn Clubb

Ms Raelene Murphy

Mr John Lloyd

Mr Damien Frawley

Mr Glenn Davis

### **Company Secretaries**

Mr Peter Hastings

Ms Shannon Doecke

### **Legal Adviser**

#### ***MinterEllison***

Collins Arch, Level 20, 447 Collins Street, Melbourne, Victoria 3000

### **Lead Manager, Bookrunner and Underwriter**

#### ***Macquarie Capital (Australia) Limited***

Level 1, 1 Elizabeth Street, Sydney, New South Wales 2000

### **Registry**

#### ***Boardroom Pty Limited***

Level 8, 210 George Street, Sydney, New South Wales 2000

### **Shareholder enquiries:**

Elders Offer Information Line: 1300 121 053 within Australia or +61 2 8023 5457 outside Australia from 8.30am to 5.00pm (Sydney time) Monday to Friday

Website: [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### **Postal address for return of acceptances**

Elders Limited Retail Entitlement Offer

C/- Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001