



Ricegrowers Limited (SunRice) Chairman's address – Laurie Arthur, Chairman

Welcome everyone, it is great to be here with you today in Leeton at the centre of the Riverina rice growing industry.

I also want to welcome those A and B Class Shareholders, and other valued stakeholders, who are viewing today's Annual General Meeting via the webcast.

A few weeks ago, many of us came together in Griffith to celebrate the Australian rice industry at the Australian Rice Growers' Conference hosted by the RGA which concluded with the Rice Industry Awards & Gala Dinner. I have to say that this year's conference was once again delivered to a high standard and the sentiment amongst participants was very positive. Congratulations to the organising committee, which comprised staff from the RGA, AgriFutures Australia and SunRice, for delivering such a great event.

Financial Year 2023 delivered an exceptional set of financial results for the SunRice Group, including the highest recorded revenue in the company's history.

This financial performance demonstrates the resilience of SunRice's business model and the strength of the Growth strategy, allowing us to deliver value to both classes of shareholders. This included the highest ever naturally determined paddy price of \$461 per tonne for our A Class shareholders, and a record fully franked dividend of 50 cents per share to our B Class shareholders.

And these record results, which exceeded the previous records set in FY2022, were achieved despite widespread inflationary pressures that continued to impact our operations during this time.

I believe the FY2023 performance once again firmly validates our rice pool model which, although subject to commodity price fluctuations just like many other commodities, has an inherent flexibility that allows it to adapt to market conditions and realise new opportunities as they arise.

The inherent resilience of the SunRice business is based on our people and partners; some of the world's most skilled rice growers, our dedicated and innovative employees, and our business partners, locally and around the world. I just want to recognise all those that have contributed to this year's impressive performance and thank them.

Our Sustainability Strategy also remains an important commitment of the company to create long-term value for our stakeholders and I know firsthand the pride our growers take in passing their land onto future generations, in a better state than when they started to farm it. In Financial Year 2023 we saw good progress against the targets in our Sustainability Strategy, including our water productivity targets. Across the CY22 Riverina rice crop, a 1.06 t/ML average irrigated water use efficiency was achieved.

The 2023 results put the business in a strong position in the year ahead, which Rob Gordon will talk to in more detail in his Group CEO presentation.

After harvesting 417,000 paddy tonnes in CY21 and 688,000 paddy tonnes in CY22, which was our largest crop in five years, we are now processing and marketing the recently harvested 2023 crop of 500,000 paddy tonnes, representing a third year of strong Australian rice production.

While opportunities still exist in the short term for our Australian rice in international markets, these are expected to be countered to a degree by Northern Hemisphere markets returning from drought earlier than expected, particularly in the United States, which will increase competition and potentially reduce global rice prices in both consumer and tender markets this year.



Given these circumstances, the paddy price range of \$390 to \$450 per tonne announced in February 2023 for the CY23 crop remains in place at this stage.

As we look ahead to planting for the CY24 Riverina crop, favourable seasonal conditions are expected to result in a fourth consecutive year of abundant Australian rice production. Our ability to market a large Australian rice crop could be limited in the short term by the availability of premium international markets.

Earlier this month, incoming SunRice Group CEO Paul Serra and I welcomed the Hon. Chris Minns MP, Premier of NSW and the Hon. Tara Moriarty MLC, Minister for Agriculture and Regional NSW, for a meeting and tour of the SunRice Leeton Mill. It was a productive and positive visit in which we were able to share a presentation about the SunRice Group business, the Riverina rice industry, and the important contribution our company and the industry make to the Regional NSW economy.

One important issue that was discussed was the Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES) independent report which was delivered to the NSW Agriculture Minister in late May 2023. Although we understand the ABARES report is still under consideration by the NSW Government, we continue to advocate for the retention of the structured marketing arrangements, known as rice vesting, beyond 30 June 2027.

Another important issue discussed during the visit was the Federal Government's intention to fully implement the Murray Darling Basin Plan. Riverina annual irrigators are the most impacted water users in the Murray Darling Basin and now, as of yesterday, the Federal Government has announced an agreement of Murray Darling Ministers to deliver the Basin Plan in full.

SunRice, working with the RGA, will continue to engage and put solutions to State and Federal Governments, seeking outcomes that will benefit the Australian economy, regional communities and the environment. These outcomes are not mutually exclusive.

There are a number of important items being considered at today's Annual General Meeting. The Board is seeking support from A Class Shareholders to adopt the Remuneration Report for the year ended 30 April 2023, and also for the re-election of our Non-Executive Director Ian Glasson for a further term of three years.

Ian was re-elected at the 2020 Annual General Meeting for a three-year term, and the Board (with Ian abstaining) recommends that shareholders support his re-election.

We will hold a separate B Class Meeting immediately following the conclusion of the Annual General Meeting, where B Class Shareholders will be asked to consider and approve the Long Term Incentive Award and One-Off Retention Award for our new Group CEO Paul Serra.

I will go into more detail regarding these resolutions later in today's proceedings.

Now there are a few acknowledgments that I want to make before closing.

As we all know, after nearly twelve years of service, Rob Gordon retires as Group CEO of the SunRice Group at the conclusion of this Annual General Meeting.

During Rob's tenure as Group CEO the business has further grown into a global food group and one of Australia's leading branded food exporters, despite the challenges of drought, floods, record low crops, and the COVID-19 pandemic.

Rob was instrumental in listing the company on the Australian Securities Exchange in 2019 and overseeing the development of a resilient business model, moving from largely selling an Australian rice crop to a truly multi-origin, multi-market food business which sources from 12 different countries.

Rob also oversaw the diversification of the Group's earnings through the acquisition of several complementary businesses, investment in our Lap Vo Mill in Vietnam and new market expansions, including more recently those arising under the Australia-United Kingdom Free Trade Agreement. I'd ask you to join me in thanking Rob for his service to the SunRice Group.



We also farewell two of our Grower Directors at the conclusion of this Annual General Meeting. At the 2021 Annual General Meeting a special resolution was passed to reduce the size of the SunRice Board from 10 to 9 directors which takes effect from the date of this AGM.

Accordingly, we farewell Dr Leigh Vial who decided not to seek re-election to the SunRice Board. Leigh has served as a Grower Director on the Board since 2015 and has made a strong contribution not only to this company, but the broader Australian rice industry including through his research work on a number of Australian Centre for International Agricultural Research (ACIAR) projects.

We also farewell Jeremy Morton. Jeremy has served on the Board since 2019 and was a member of the Grower Services and the Safety, Health and Sustainability Committee. I would like to thank Jeremy for standing in the Grower Director elections and also acknowledge his important contribution as Chair of the National Irrigators Council at this important time.

I'd ask you to join me in thanking both Jeremy and Leigh for their service.

And we congratulate Melissa De Bortoli on her successful election as a Grower Director on the SunRice Board. Melissa is known to us as a current director of the Rice Marketing Board of NSW and brings relevant knowledge of the rice industry. Melissa welcome and I look forward to working with you.

I also want to use this opportunity to acknowledge former SunRice director Noel Graham and congratulate him on being awarded the Member of the Order of Australia in the King's Birthday 2023 Honours List for his significant service to agriculture through the rice growing industry. Noel served on the board of SunRice for over 15 years until 2017 and was deputy chairman from 2013 to 2015.

Finally, I want to thank the President of the Ricegrowers' Association of Australia, Peter Herrmann, and the RGA for their efforts over the last twelve months, the Chair of the Rice Marketing Board of NSW (RMB) Victoria Taylor, the RMB Directors, as well as SunRice's staff and management team, and, last but not least, my fellow Board directors.

I look forward to working closely with our incoming Group CEO Paul Serra as we continue to look to build upon this year's strong performance.

I now invite our Group CEO Rob Gordon to make his final presentation and address as SunRice Group CEO.

Thank you.