ASX ANNOUNCEMENT

11 August 2022

Presentations to the Australian Rice Growers' Conference

Please find enclosed presentations which the SunRice Group CEO and Global Rice CEO will speak to at the Australian Rice Growers' Conference today.

Authorised by Kate Cooper, General Counsel and Company Secretary

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About SunRice's structure

The structure of SunRice contains non-standard elements including its dual class share structure comprising A Class Shares and B Class Shares.

A Class Shares confer on their holders the right to vote at general meetings but no right to dividends. A Class Shares are not quoted on ASX and may only be held by rice growers who meet the production quotas prescribed by the SunRice constitution. No person may hold more than 5 A Class Shares. In practical terms the voting rights held by A Class Shareholders give those shareholders the right to control the election of directors and any changes to SunRice's constitution.

B Class Shares are quoted on ASX and confer on their holders the right to receive dividends, as determined by the directors from time to time. Holders of B Class Shares do not generally have the right to vote at general meetings of SunRice. This means B Class Shareholders have no right to vote on the election of directors of SunRice. No person may hold more than 10% of the total number of B Class Shares on issue.

For more details of the non-standard elements of SunRice's structure see: https://corporate.sunrice.com.au/investors/



Update from the SunRice Group CEO

11 August 2022

(ASX:SGLLV)

Important notice and disclaimer

This presentation has been prepared by Ricegrowers Limited (SunRice) and provides summary information only.

SunRice has prepared this presentation in good faith believing the statements made in it to be true as at the date of the presentation. SunRice is not otherwise warranting the accuracy of the information provided, noting that the presentation includes forward-looking statements reflecting SunRice's current expectations.

These statements are expressed in good faith and the expectations and beliefs are genuinely held but no representation or warranty is being made by SunRice that the matters stated in this presentation will in fact be achieved or prove to be correct. Forward-looking statements are subject to risks, uncertainties and assumptions that could cause the actual results or achievements of SunRice to differ materially from expectations.

These risks and uncertainties include changes in rice crop harvests, global rice market supply and demand, supply chain costs and availability; increased costs and demand for production inputs; changes in product pricing assumptions, changes in equipment life or capability; and environmental or social factors which may affect a licence to operate.

SunRice does not undertake to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation, or to reflect the occurrence of unanticipated events. All figures are expressed in Australian dollars unless stated otherwise.

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A global food group with diverse products and markets

Rice Pool Business

Australian Rice Pool Business

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

#1 rice brand in Australian and New Zealand grocery

#1 rice brand in Australian food service channels

Profit Businesses

Riviana Foods

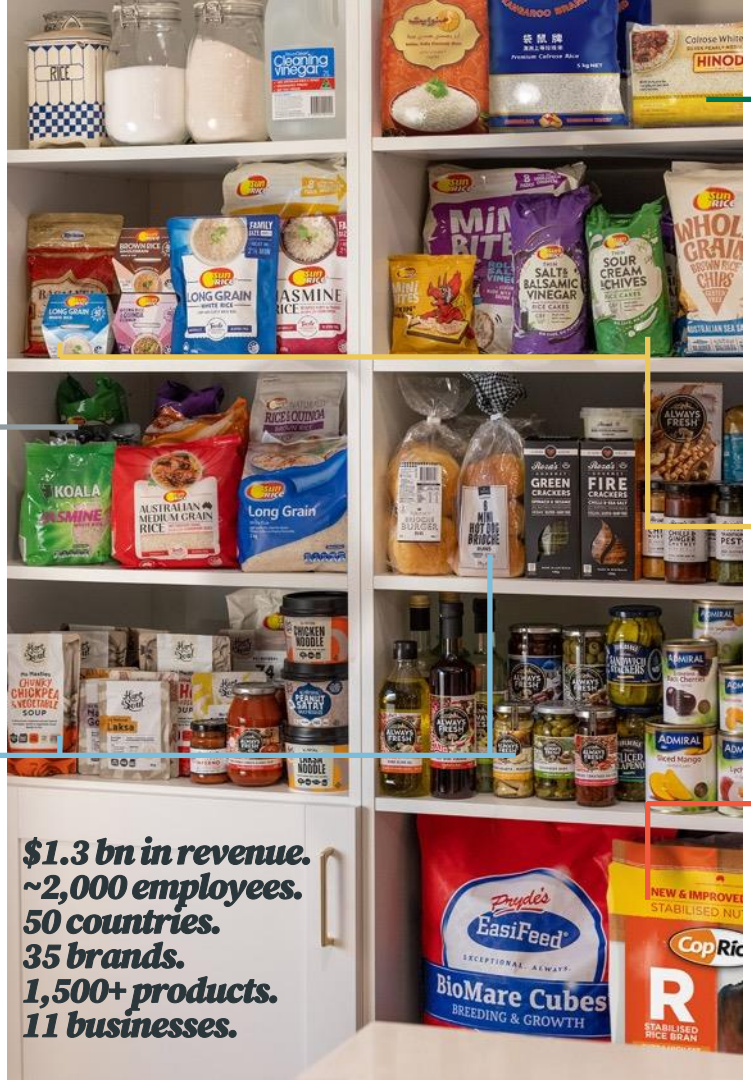
Brand-led gourmet food business building on "special occasions" and key consumer trends.

#1 pickled vegetables brand in Australia

#1 pizza base brand in Australia

#1 olives brand in Australia

#1 waffle brand in Australia



Profit Businesses

International Rice

A growing global supply chain and distribution network, delivering quality and sustainability.

#1 or **#2** medium grain rice brand in five Middle Eastern markets

#1 rice brand across six other Pacific Island markets

#1 rice brand across PNG & the Solomon Islands

#1 rice brand in Hawaii, USA

Rice Food

Innovation in healthy snacking and food ingredients aligned to global food trends.

#1 rice cakes brand in Australia and New Zealand

#1 microwave rice brand in Australia

CopRice

Innovative animal nutrition that utilises SunRice's Riverina rice by-products.

#1 equine sports lifestyle brand in Australia

#1 equine breeding brand in Australia

Growth Strategy in action

Building organic growth

Driving product innovation
Using capabilities and deep insights with consumers, we've met evolving global food trends while leveraging our brands.

Expertise in sourcing rice to match pricing and preferences
Growing global supply chain and multi-origin, multi-price point strategy.

Integrating sustainability into our supply chain
SunRice's Sustainability Strategy directly relates to our Growth Strategy.







Pursuing strategic growth

Further penetrating high value segments
Pryde's EasiFeed was acquired by CopRice in FY2022, providing increased presence in the high-value branded equine market.

Delivering transformative earnings for Riviana
Acquisition of KJ&Co Brands in FY2021 has offered transformative scale for Riviana.

Underpinning new category and geographical reach
Roza's Gourmet acquisition in FY2019 has delivered new reach and markets to Riviana Foods.

Securing a global supply chain
Purchase in FY2019 of a rice processing mill in Vietnam expanded the Group's international rice supply capability.









Strategic acquisitions

FY2022 acquisition
Pryde's EasiFeed, Australia

FY2021 acquisition
KJ&Co Brands, Australia



FY2021 acquisition
Dairy nutrition business, New Zealand

FY2021 acquisition
Riverbank Stockfeeds' dairy and beef assets, Australia

FY2020 acquisition
Feedrite's extrusion business, Australia

FY2019 acquisition
Roza's Gourmet, Australia

FY2019 acquisition
Lap Vo rice processing mill, Vietnam

FY2017 acquisition
Fehlbergs, Australia

FY2017 Sunfoods
35% minority buy out, United States

A GLOBAL FOOD COMPANY

History of performance

The model has diverse industry and market exposure, with leading brands in core categories

A history of innovation and business transformation have established solid foundations for SunRice, and created growth opportunities ahead

Consistent dividends through the cycle with record dividend declared in FY2022

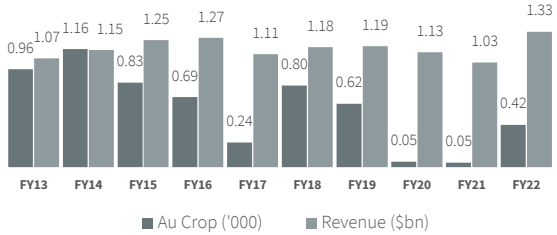
All years refer to Financial Years ending 30 April.
With 'Australian production' graph, 'FY22' correlates with 'crop year 21' or 'CY21'.

^ FY2022 dividend includes 5cps special dividend.

#Investment period from 1May 2016 until 29 April 2022, TSR considers movement in share price and dividends paid, and assumes all dividends are invested on the dividend payment date. ASX 300 accumulation index extracted from Bloomberg (AS52T Index).

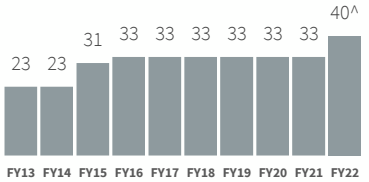
Australian production (t) and Group revenue ($b)

$1 billion+ in turnover



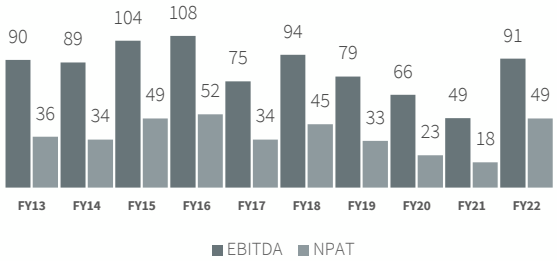
Dividends (c per B Class Share)

Consistently strong dividends



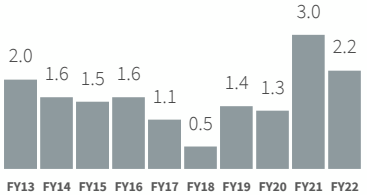
Group EBITDA & NPAT ($m)

Resilience demonstrated



Net Debt / EBITDA ($m)

Balance sheet flexibility



SINCE THE BEGINNING OF FY17:

Total Shareholder Return
150%
Compared to ASX 300 accumulation index TSR of 81%#

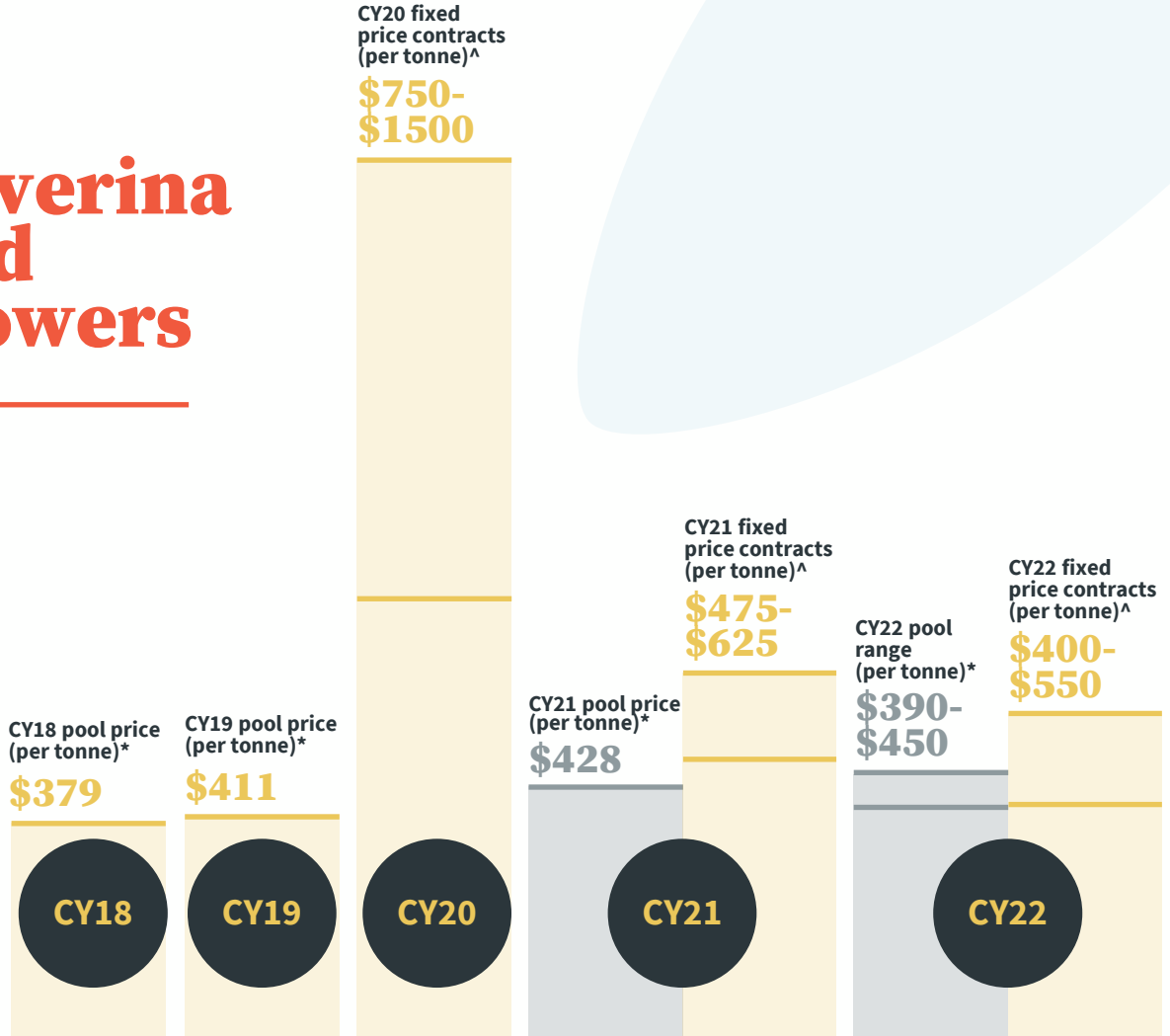
Dividends
$121m
Declared to B Class Shareholders

Capex
$151m
Invested in the business

Acquisitive growth
$113m
Invested in strategic acquisitions

Maximising Riverina production and returns for growers

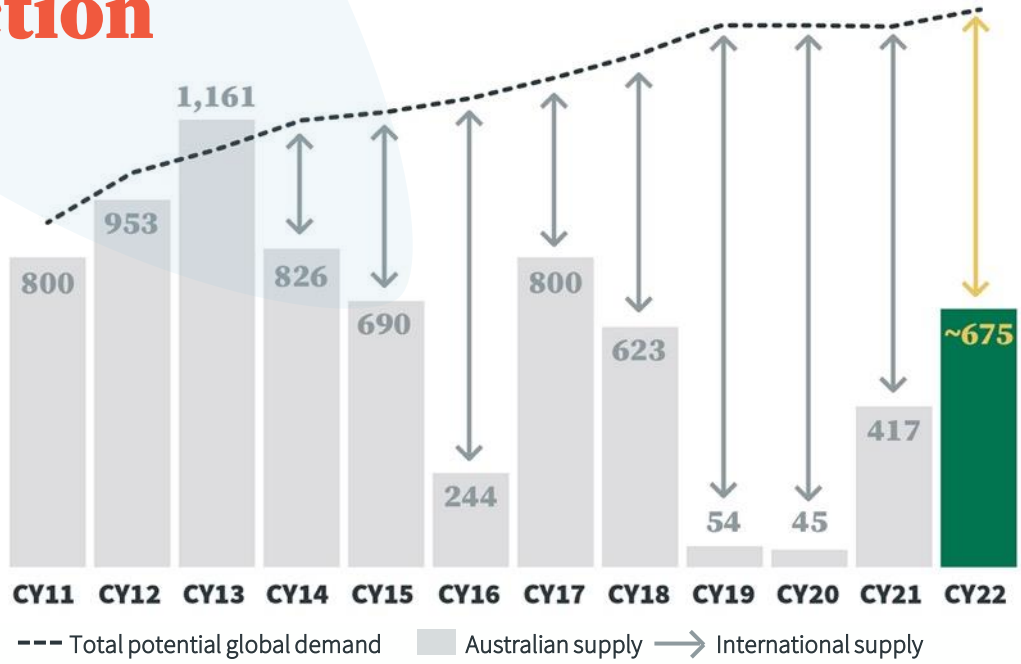
We've delivered strong returns to growers, including the record CY21 pool price of $428 per tonne for medium grain Reiziq.



* Per paddy tonne for medium grain Reiziq
^ Per paddy tonne range for all other non-Reiziq varieties offered in that year

2024 Growth Strategy in action

Multi-origin, multi-market strategy performing strongly



* Paddy tonnes equivalent assuming average milling yields based on source country . This figure represents total demand based on current supply sources and existing market conditions, and potential opportunities given global rice market dynamics.

Close to 1.5 million paddy tonnes of demand*

11 source countries


Australia


Cambodia


China


Pakistan


Taiwan


Thailand


Vietnam


USA

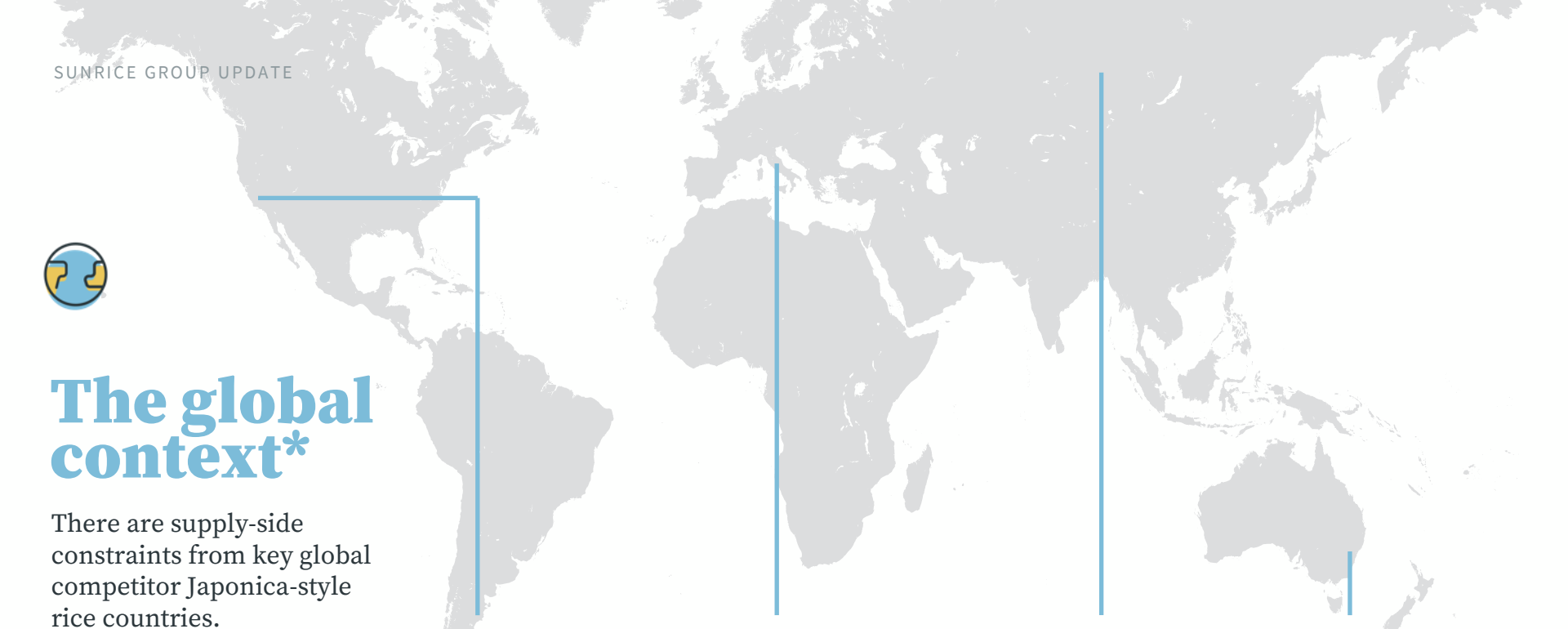

India


Uruguay


Italy

The global context*

There are supply-side constraints from key global competitor Japonica-style rice countries.



California is severely drought affected – with expectations the 2022 crop will be the smallest in over 50 years due to historically small water allocations on the west side of the Sacramento Valley

Drought has severely affected production in nine key countries in Europe, notably Italy, Spain and Portugal, with EU Japonica imports rising as a result

In Italy the Po River's level remained at a critically low level – with predictions of at least a 20% year-on-year drop in production

Russia has banned rice exports to most countries until the end of 2022

Australian supply has rebounded with the CY21 crop of ~675k currently being processed and marketed, and the outlook for CY22 favourable

* Source: S&P Global Platts Japonica Market Report, July 2022

The global context

The global rice market is complex, with considerable differences to other commodity trading markets, and current uncertainty.

REUTERS

COMMODITIES NEWS MAY 27, 2022 / 7:35 PM / UPDATED 2 MONTHS AGO

Thailand seeks rice price pact with Vietnam to boost 'bargaining power'

By Chayut Setboonsarng, Khanh Vu 3 MIN READ

BANGKOK (Reuters) - Thailand and Vietnam are in talk
price of their rice exports to increase their leverage in th
improve farmer incomes, a Thai government official said

"India, the world's top rice shipper, accounts for 40% of global supply but prices hit a five-year low this week."

Reuters
27 May 2022

Rice: WTO Members Call For End to India's Public Stockholding Programs

July 5, 2022
By Peter Bachmann, USA Rice

Last week, the United States and other World Trade Organization (WTO) Members announced during WTO meetings in Geneva that they are taking an unprecedented path of action by initiating consultations with India on their trade-distorting rice subsidies.

"India makes up nearly half of global rice trade and much of its exported rice benefits from the government-established floor price, and then exported at low prices, distorting trade," said **Bobby Hanks**, rice miller and chair of USA Rice.

"India makes up nearly half of global rice trade and much of its exported rice benefits from the government-established floor price, and then exported at low prices, distorting trade."

USA Rice, Ag Fax
5 July 2022

THE ECONOMIC TIMES | News
English Edition ▾ | Today's Paper

World's food supply faces new threat from lack of rain in India



Representative image

Rice could emerge as the next challenge for global food supply as a shortage of rain in parts of India, by far the world's biggest exporter, has caused planting area to shrink to the smallest in about three years.

The threat to India's rice production comes at a time when countries are grappling with soaring food costs and rampant inflation. Total rice planted area has declined 13% so far this season due to a lack of rainfall in some areas, including West Bengal and Uttar Pradesh, which account for a quarter of India's output.

"Rice could emerge as the next challenge for global food supply as a shortage of rain hit parts of India, by far the world's biggest exporter, has caused planting area to shrink to the smallest in about three years."

The Economic Times
3 August 2022

CNBC

Risk of protectionism

Protectionist measures "actually worsen price pressures at a global level for various reasons," she told CNBC's "Street Signs Asia." Feed and fertilizer costs for farming are already rising, and energy prices are adding to freight costs, she added.

"So there is a risk that we see more protectionism from countries," said Varma.

"There is a risk that we see more protectionism from countries."

CNBC
12 June 2022

Factors that can influence pool prices

We're focused on delivering the highest possible returns for Australian growers, but there are a number of global factors that can influence prices.

Factor	Current status
COVID-19 related impacts	
Foreign exchange fluctuations	
World rice prices	
Overhead recovery in the Riverina	
Milling yields	
Sea freight costs	

Structured marketing benefits all growers

The NSW Government's decision to extend the rice vesting arrangements for a further five-year period will benefit the majority of growers.

- Structured marketing allows our relatively small industry to compete effectively in complex global rice markets, including establishing leading branded positions in many of the ~50 countries around the world where SunRice sells Australian rice products
- The vesting arrangements only apply to export markets – the high-value domestic market is deregulated for the benefit of Australian consumers, and anyone is able to apply to the Rice Marketing Board to sell rice locally
- The structured export marketing allows SunRice to extract freight scale and export price premiums, which due to our unique structure are then evenly distributed back to growers who participate in the Australian Rice Pool
- The vesting and Sole and Exclusive Export License (SEEL) arrangements require the SunRice Group to be the buyer of last resort
- The vesting arrangements and SEEL have allowed the SunRice Group to continue investing deeply in the Riverina, including absorbing significant losses in the Rice Pool Business during recent low production years
- In the absence of vesting, other sellers would be allowed to take the same rice products to end markets – many of which have single government buying desks – which could lead unfavourable pricing
- A small few may benefit, but the weighted average return for the majority who participate in the Australian Rice Pool would likely be reduced

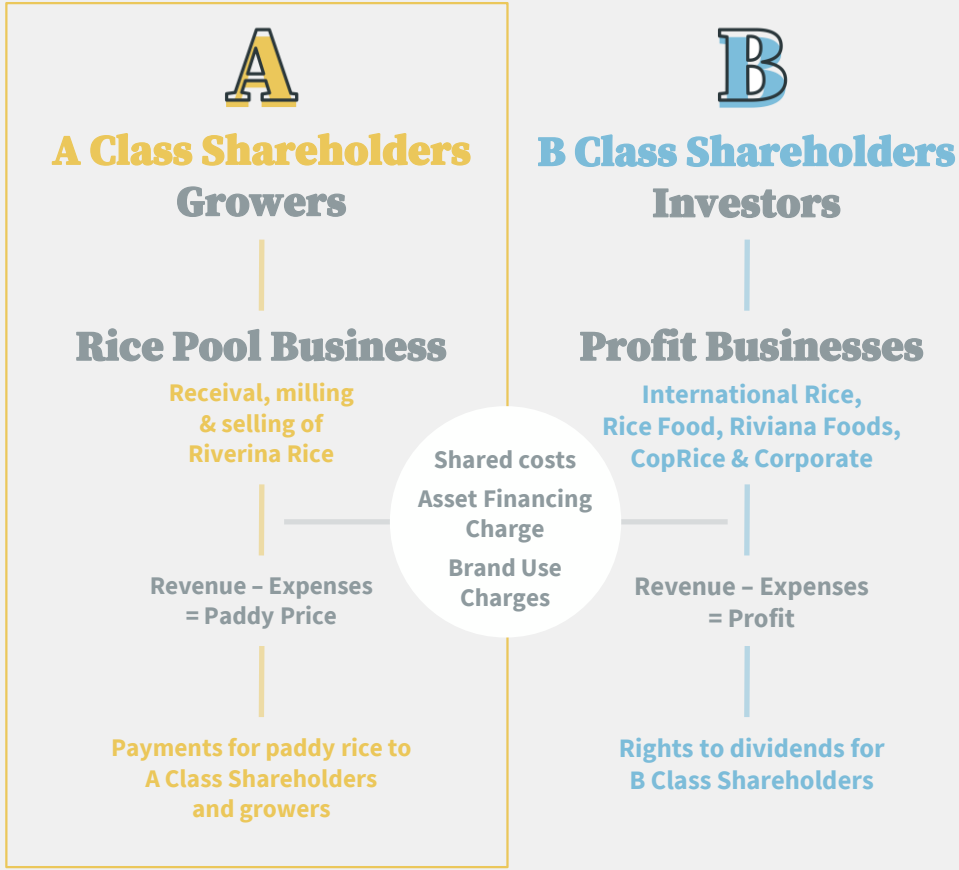
SunRice's unique structure ensures benefits flow to growers

The final price paid to growers who participate in the Australian Rice Pool is the weighted average revenue of all markets, with expenses subtracted. This is evenly distributed to all pool participants.

Apart from Asset Financing Charges and Brand Use Charges, the SunRice Group does not take any additional margin.

The unique structure of our business allows the B Class Shareholders to support the Australian Rice Pool in lower production years, and then to extract those charges in years when it fully recovers its overheads.

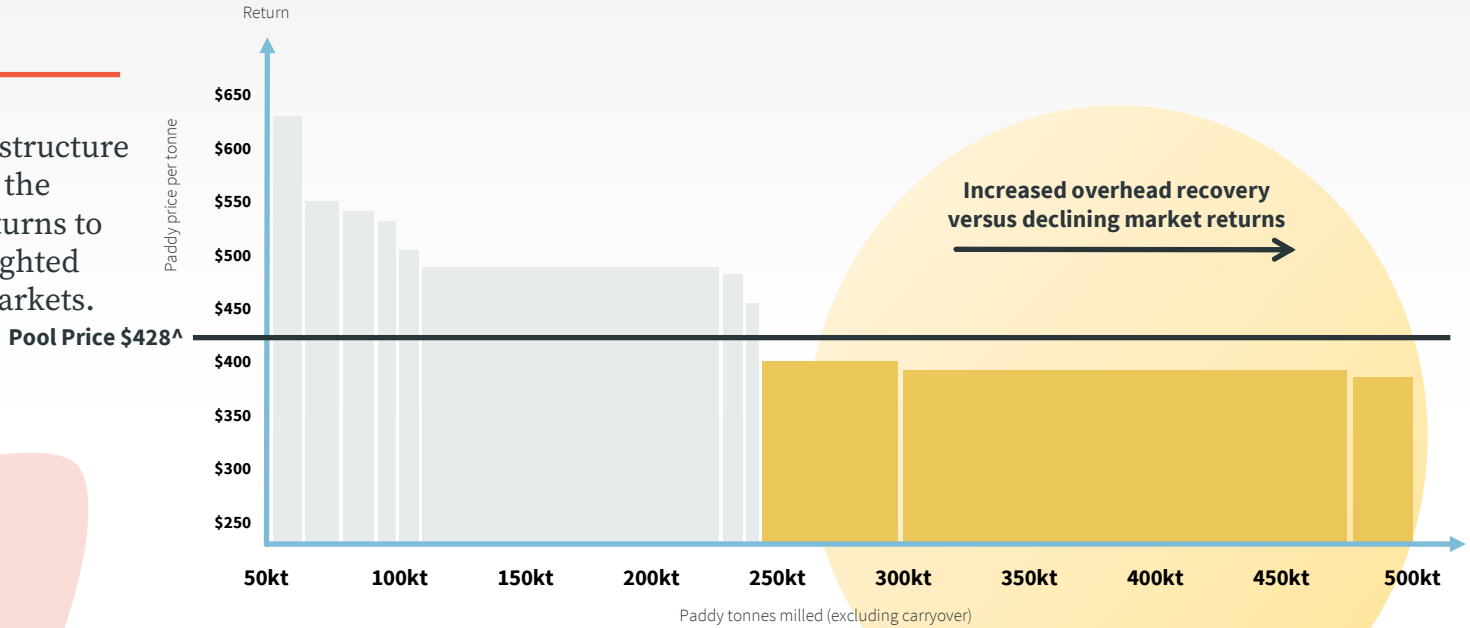
The unique structure of our business means that performance of the Rice Pool is shared evenly with pool participants.



Vesting supports the majority of growers

Because of the unique structure of our industry, and of the SunRice Group, the returns to pool growers are a weighted average of all of our markets.

There is a limit on the amount of Australian rice that can be sold at a premium



^ The CY21 final pool price is used for example purposes only, and is not an indication of future pricing

Vesting supports the majority of growers

If even a small number of the more premium export markets reduce in value, this could potentially impact the weighted average return for all pool participants.

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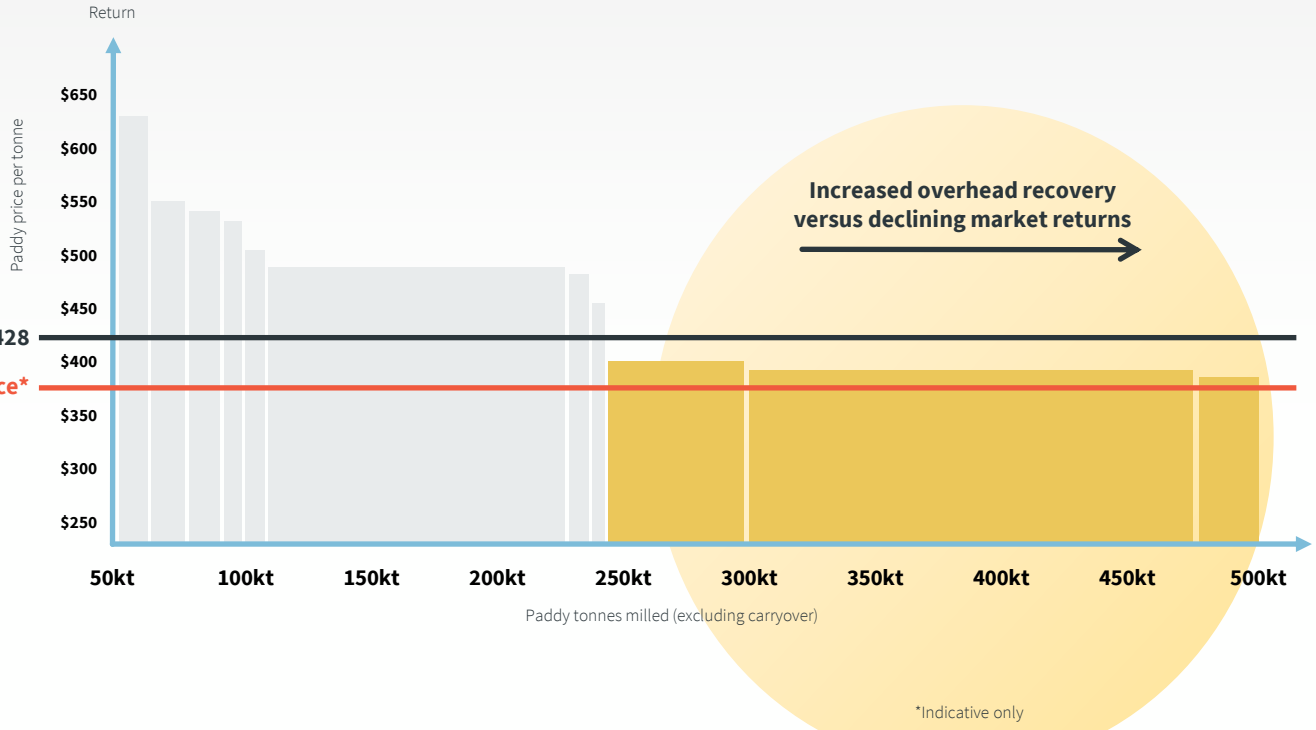



A new RD&E roadmap for the rice industry

The SunRice Group is a strong supporter of the new rice industry research, development and extension roadmap

The new Rice Extension structure is operating well within SunRice, and the formation of Rice Breeding Australia is progressing

This effort is about targeting investments around an ambitious new water productivity target of 1.5 tonnes per megalitre by 2027, and other RD&E initiatives

A GLOBAL FOOD COMPANY



Making a difference to places and lives everywhere through nourishing and delicious products.

SunRice Group



Global Rice update

11 August 2022

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Agenda

Australian rice supply

Market updates

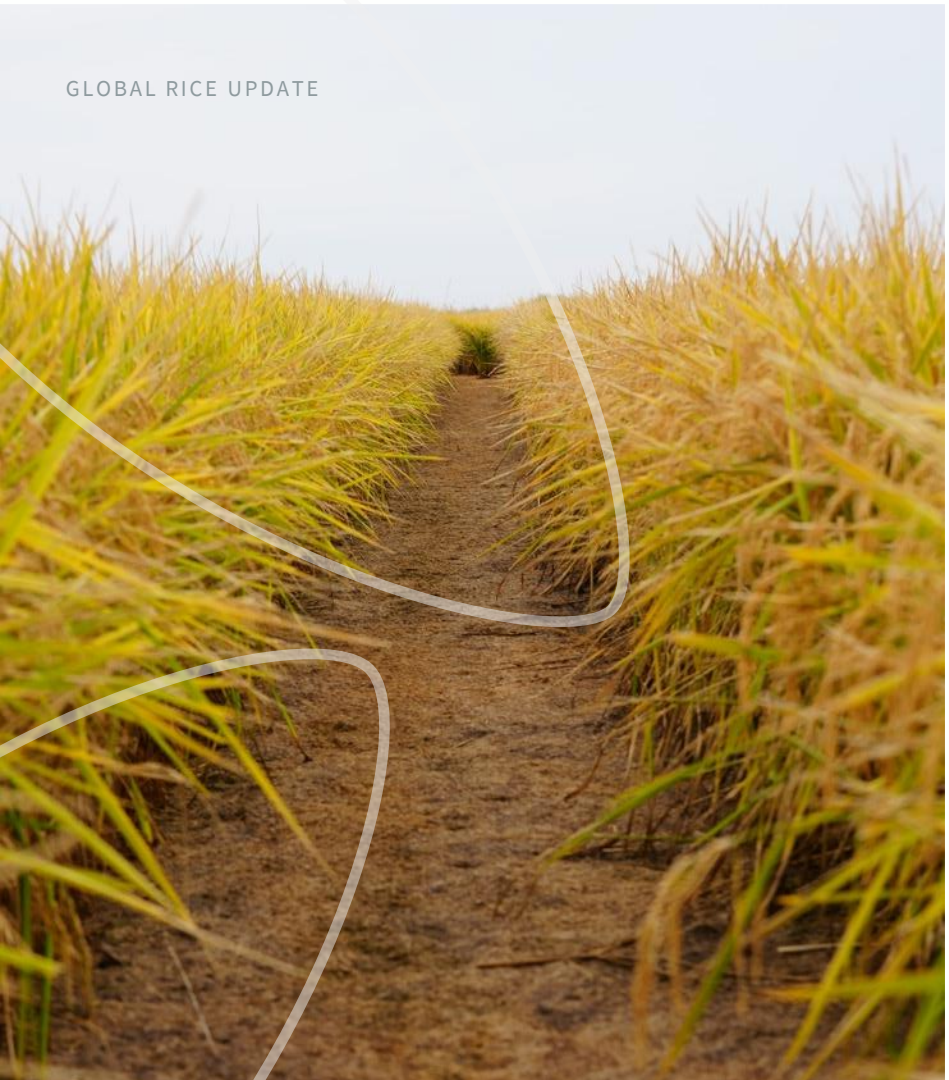
Australia and New Zealand

The Middle East

The United States

United Kingdom & North Asia





The Australian supply situation

We've just harvested the largest crop in five years at ~675,000 paddy tonnes

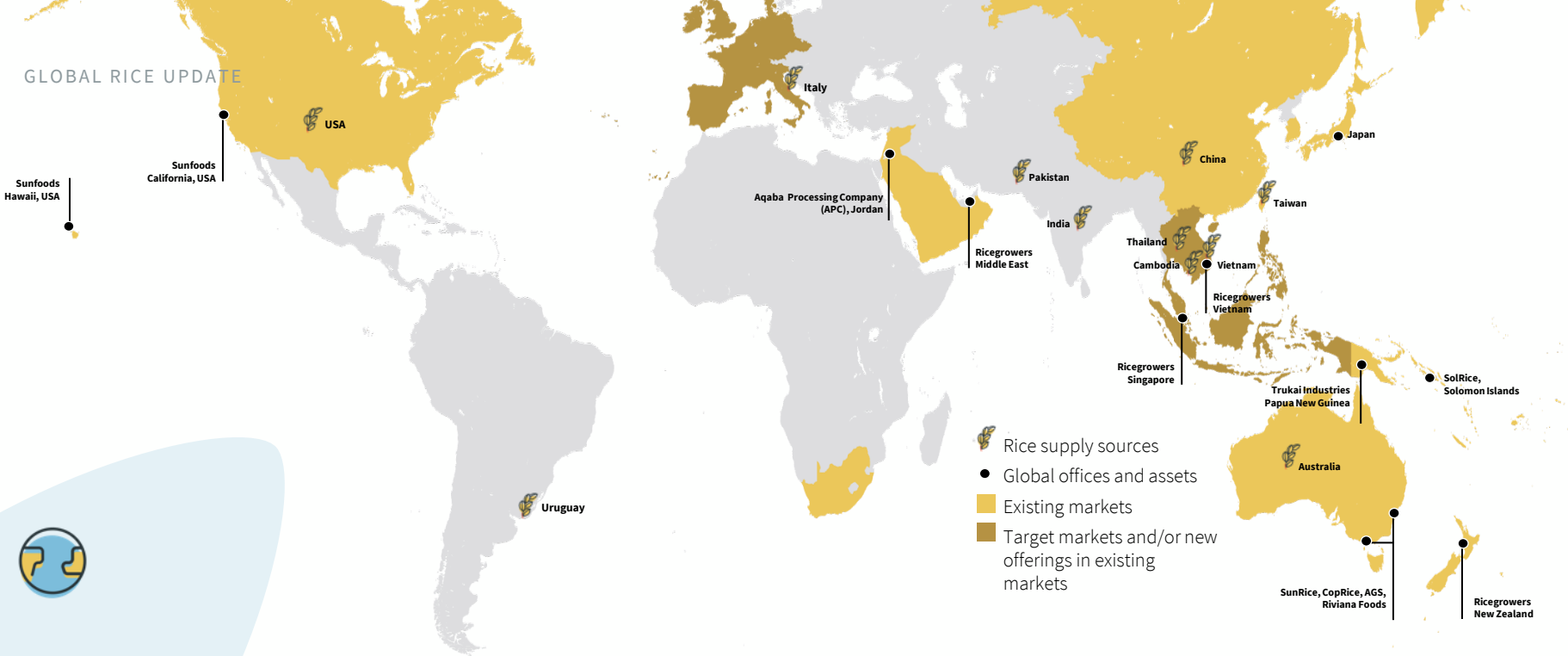
Looking ahead to planting for CY23, which will be marketed from 1 May 2023 to 30 April 2024, seasonal conditions, water availability and water pricing remain favourable

This resurgence in Australian supply has the Rice Pool Business, and SunRice, well positioned for the coming year

This is particularly the case given the emerging drought conditions in key rice production areas around the globe

Australia is expected to be the "only premium Japonica rice origin to have a substantial exportable surplus for at least a year"*

* S&P Global Platts Japonica Rice Market Report, July 2022



Our global operations and markets

Given the resurgence in Australian production, the constraints on other global supply sources, and our global network of markets and operations – the Rice Pool Business is well placed for FY2023

Against this, FY2023 has started with worsening inflationary pressures, and continuing volatility and disruption to global shipping

Market snapshot: Australia and New Zealand



TVC creative assets



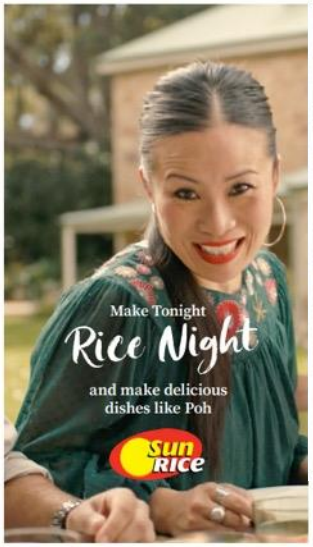




Microwave rice



Microwave bursts
Nov to Dec, Feb to Mar



Always on



Core rice



Kicking off on social channels
Mid Jul to Nov, and again Feb to Mar

TVC creative assets

Masterbrand TVC
July to December
(NEW LOOK)



TVC creative assets

Microwave rice bursts
November to December,
February to March



Building brand awareness through our social channels



Sustainability



Farmers



Mealtime moments



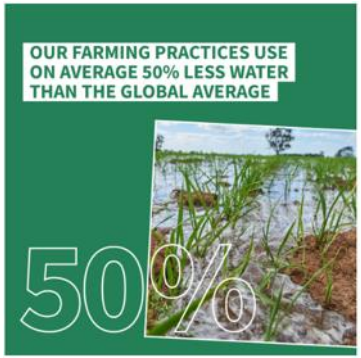
Product pantry



School of rice

Driving sustainability messages

Water productivity



AUGUST

Waste reduction



SEPTEMBER

Net zero



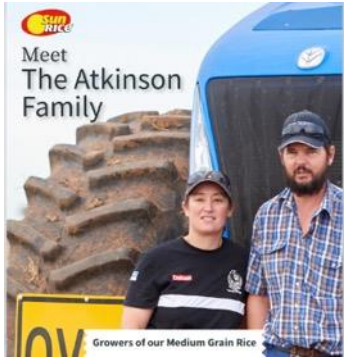
OCTOBER

Community



NOVEMBER

The Growers' Promise

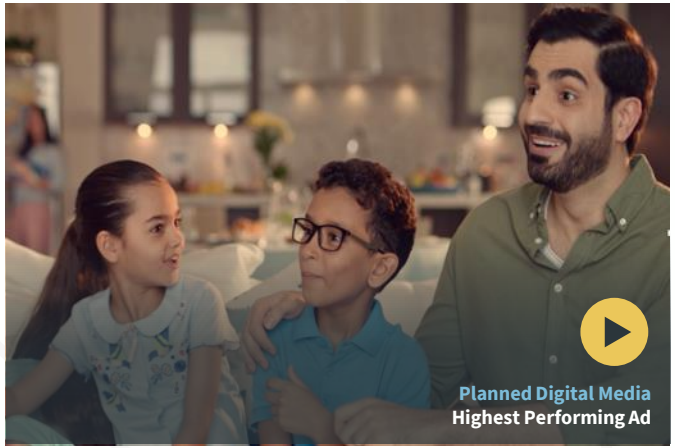


DECEMBER



Market snapshot: **Middle East**

SunRice Group













The Middle East

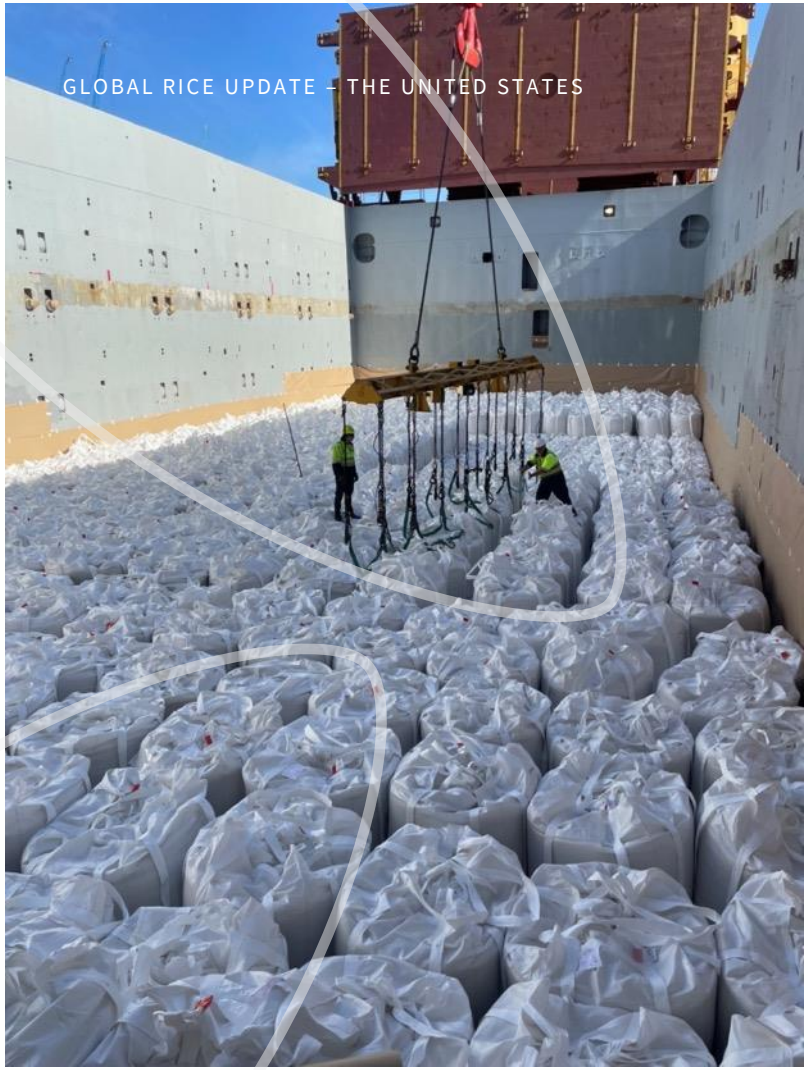
We are regaining momentum in key Middle East markets with the resurgence in Australian Riverina production

Advertising in the Middle East

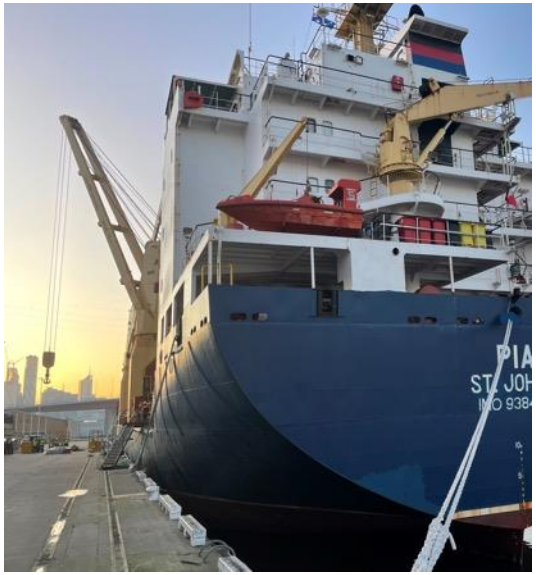




Market snapshot: **United States**









The United States

With drought in California, we've recently made a bulk shipment of Riverina rice via the Port of Melbourne

This will be packed into finished products at our SunFoods processing mill in Sacramento to supply the U.S. market

GLOBAL RICE UPDATE



Market snapshot: United Kingdom and North Asia









United Kingdom & North Asia

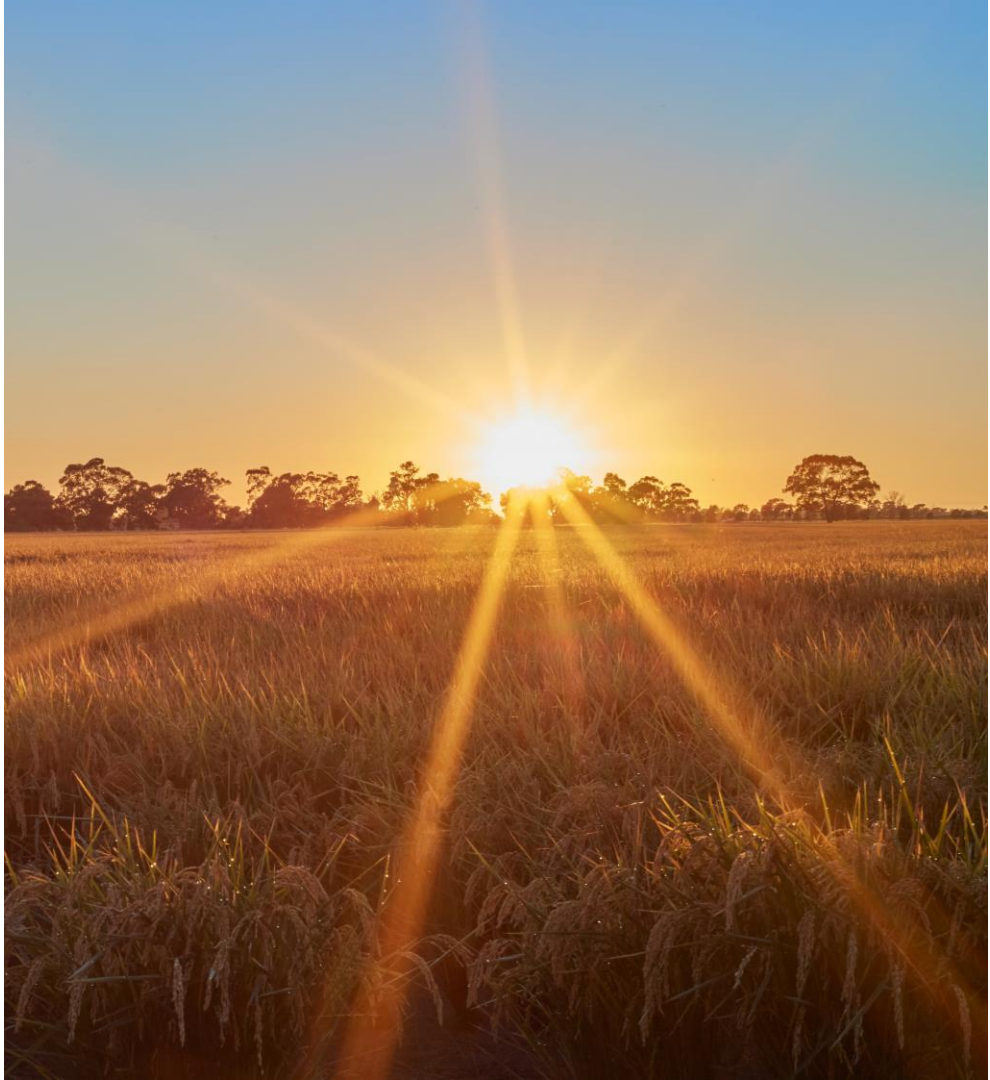
The removal of all short and medium grain tariff quota arrangements in the Australia-United Kingdom Free Trade Agreement is significant

We are waiting for both Governments to ratify the deal – but are working with our existing and new partners on our market expansion strategy in anticipation of the deal coming into effect

We're also returning to the Japan, South Korea and Taiwan tender markets

The outlook is positive

- Although there are continuing challenges and uncertainty, the outlook for the Australian Rice Pool remains positive
- With the resurgence in Australian production we're focused on returning Australian rice to premium markets
- The UK Free Trade Agreement presents a strong opportunity, and we're regaining momentum in the Middle East, returning to the North Asian tender markets and capturing opportunities in the United States
- We're also investing in new product development and packaging improvements, and other promotional and marketing initiatives in key markets





Making a difference to places and lives everywhere through nourishing and delicious products.

SunRice Group