ASX Announcement

7 March 2024

Letter to A Class Shareholders and Riverina rice growers

Attached is a letter from the Chairman to A Class Shareholders and Riverina rice growers regarding a revision to the CY23 Riverina rice pool range and the announcement of the opening range of the CY24 Riverina rice pool. The letter also attaches a SunRice Group Update presentation which will be presented by Group CEO Paul Serra today at the RiceX Industry Field Day in Jerilderie, NSW.

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/

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7 March 2024

Dear fellow rice growers

Revision of the CY23 Riverina rice pool range and announcement of the CY24 Riverina rice pool range

After a cold start to the crop year, following the warmer conditions in recent months, we are expecting the harvest of this year's crop will commence a few weeks earlier than usual for some of our growers.

I am pleased to be writing to update you in relation to the CY23 Riverina rice pool range and to announce the new CY24 Riverina rice pool range.

CY23

On 21 November 2023, I informed you of an updated range for the CY23 rice pool, currently being processed and marketed, of $410 to $450 per tonne for medium grain Reiziq.

I am now in a position to provide a further update of an increase to the lower end of the range from $410 to $415 and a reduction in the higher end of the range from $450 to $440 (new range of $415 to $440 per tonne for medium grain Reiziq). Given this increase to the lower end of the range, a one-off payment of $5 per tonne will be made to participating growers by Friday, 15 March 2024.

This updated range reflects the impact of several competing market dynamics, including:

- the strength of our brand, and the realisation of sales, in premium destination markets;
- increased rice supply from Northern Hemisphere markets returning from drought; and
- recent increases in freight costs due to disruption in the Red Sea caused by conflict in the Middle East.

CY24

I am also pleased to inform growers of the 2024 (**CY24**) Riverina rice pool range for rice harvested in coming months. The range for the CY24 pool is $370 to $430 per tonne for medium grain Reiziq.

As always, any range provided at this early stage remains broad due to the uncertainty which can arise from prevailing factors. This year, these factors include the increased rice supply from Northern Hemisphere markets returning from drought, and the disruption to the global shipping industry, particularly in the Red Sea.

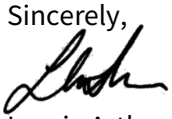
RiceX Field Day Presentation

I also **enclose** a presentation from our Group CEO Paul Serra which will be presented today at the RiceX Industry Field Day at Old Coree, Jerilderie.

I wish you all well for the upcoming harvest and we are hopeful for a good result at the end of the CY24 season. If you have any further questions, please reach out to Grower Services on 1800 654 557 or growerservices@sunrice.com.au.

Please don't hesitate to contact me on 0428 500 232, or feel free to reach out to your local Grower Director, if you would like to discuss the matters raised in this letter, or any other topics.

Sincerely,



Laurie Arthur
Chairman

Update from SunRice Group

Paul Serra, Group CEO

March 2024

Important notice & 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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For more details of the non-standard elements of SunRice's structure see: investors.sunrice.com.au

Agenda



- Factors that can impact pool prices
- CY23 Market Update
- Law of Diminishing Returns
- CY24 Market Update
- Q&A

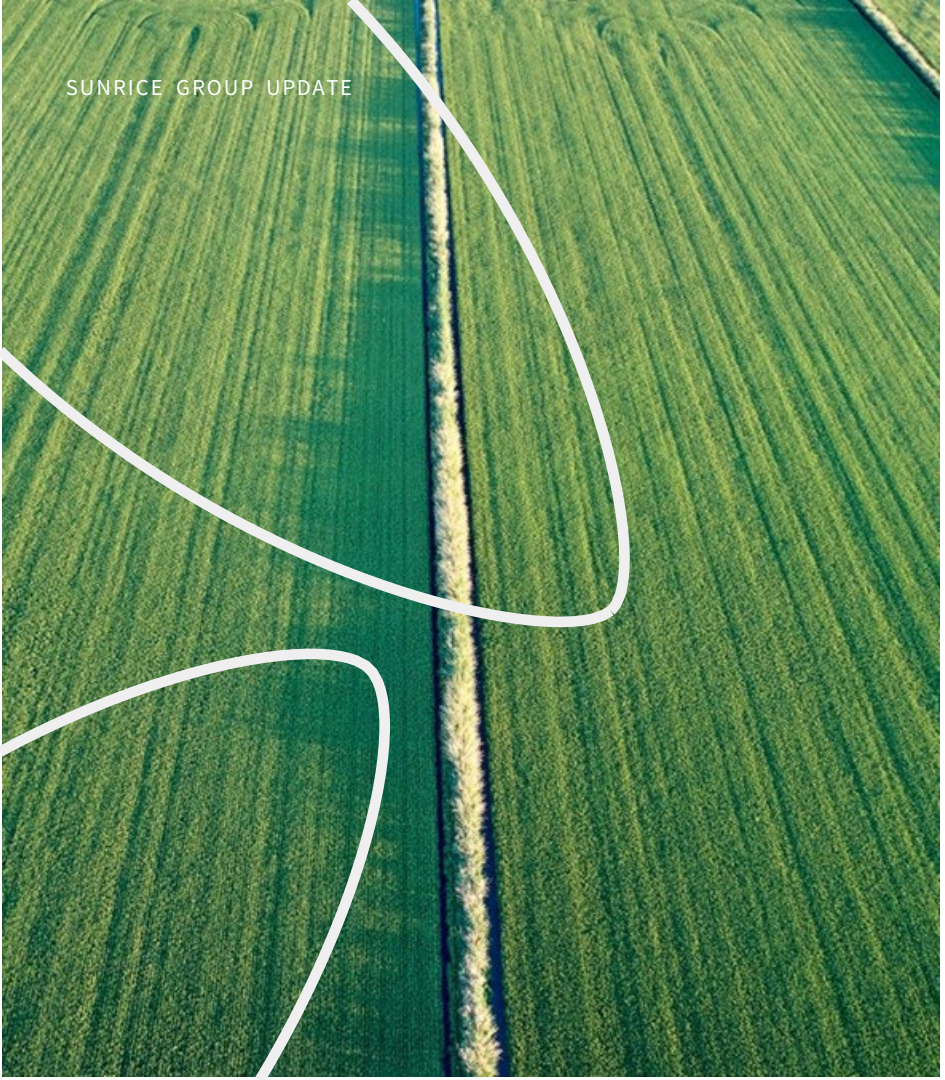
Factors that can influence pool prices

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

Factor
World rice prices – long grain
World rice prices – medium grain
Government policy
Foreign exchange fluctuations
Shipping costs
Overhead recovery & milling yields (Riverina)
Supply of Australian rice



CY23 Market Update



CY23 Market Update

Continued investment in our brands and realisation of volume growth in a number of premium markets, particularly in the Middle East, as well as through additional participation in government tenders, primarily in Japan before California, U.S. re-entry.

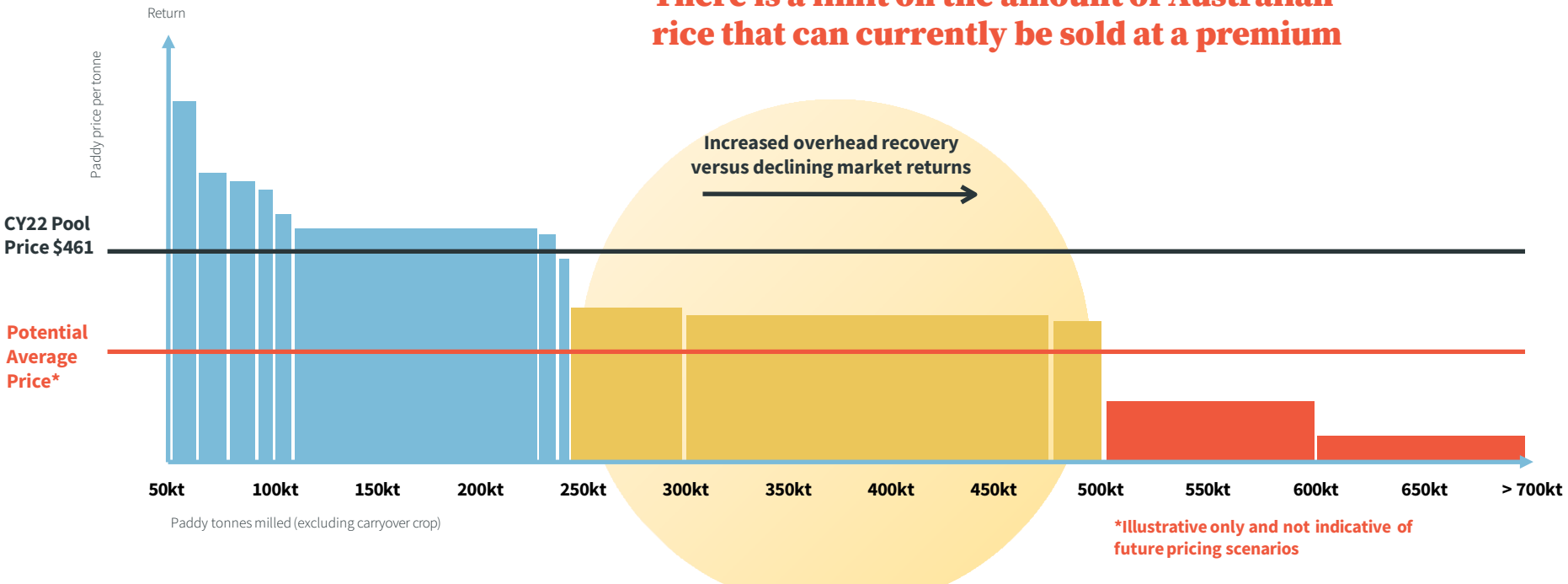
A healthy amount of the CY23 crop is expected to be carried over at the end of this financial year.

New CY23 rice pool range of $415-$440/t: increase to the lower end $410 to $415/t and a reduction in the higher end of the range $450 to $440/t.

The law of diminishing returns

Returns to pool growers are a weighted average of all of our markets. There is a finite amount of premium export markets.

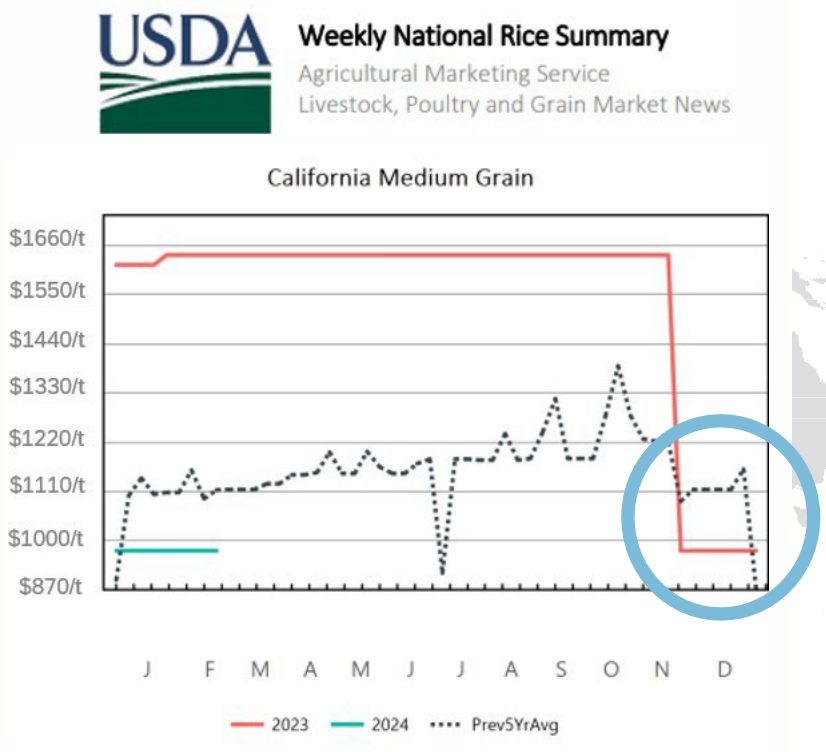
There is a limit on the amount of Australian rice that can currently be sold at a premium



*Illustrative only and not indicative of future pricing scenarios

California, US Supply dynamics

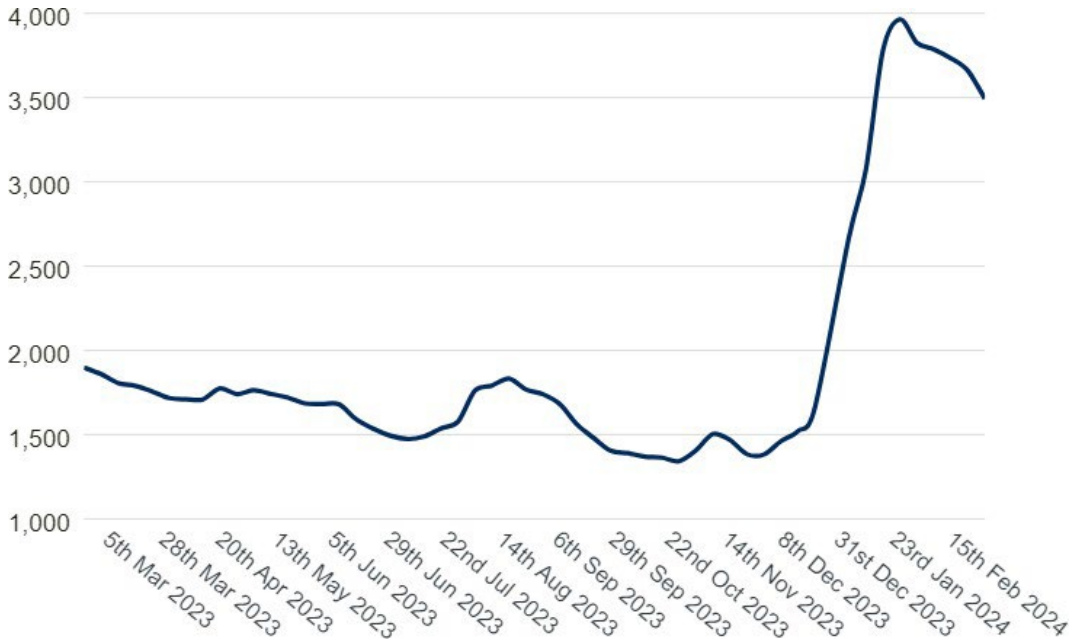
Return of California, U.S. supply impacts prices in November 2023



* Source: USDA Weekly National Rice Summary

Shipping Costs (2023 to Now)

Drewry World Container Index (WCI) – 29 February 2024



Source : https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry

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 and domestic factors that can influence prices.

Factor	Current status
World rice prices – long grain	
World rice prices – medium grain	
Government policy	
Foreign exchange fluctuations	
Shipping costs	
Overhead recovery & milling yields (Riverina)	
Supply of Australian rice	
Outcome	



CY24 Market Update



CY24 Opening Rice Pool Range

Today we announced the opening range for the CY24 Riverina rice pool: **$370 to $430 per tonne for bold medium grain**.

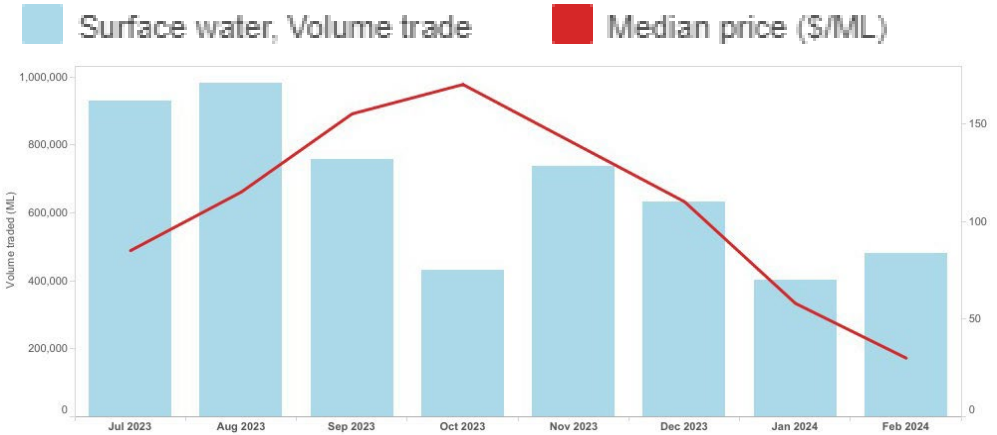
Australian Supply:

Southern Murray-Darling Basin Water Availability

El Nino continues to weaken

Source: ENSO Outlook 5 March 2024, BOM

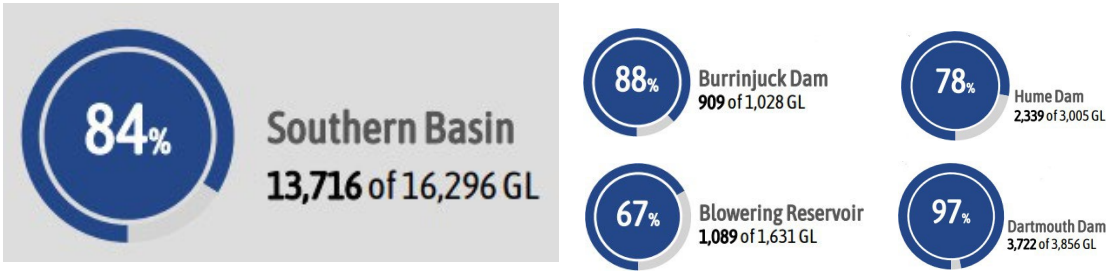
Allocation Water: Median Price and Volume Traded- July 23 to now



$25/ML

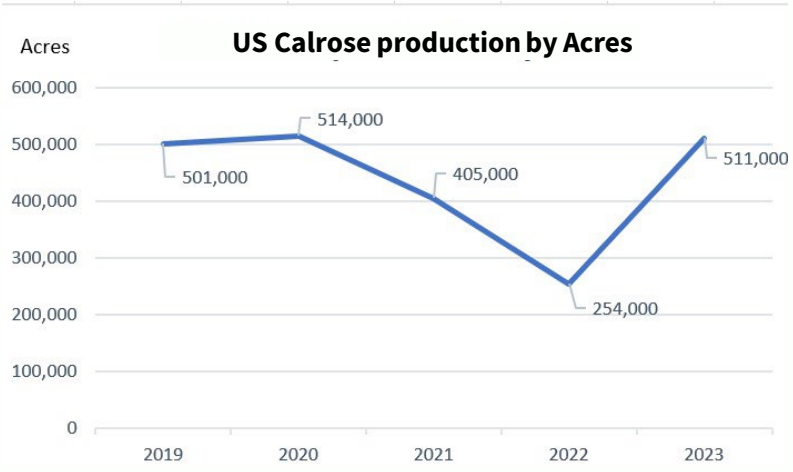
Source : http://www.bom.gov.au/water/dashboards/#/water-markets/mdb/at

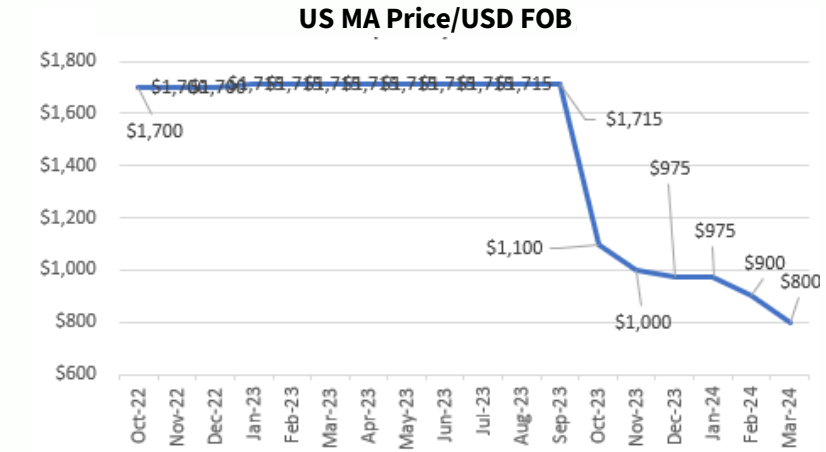
Total volume held in storage at 28 February 2024



Source https://www.mdba.gov.au/sites/default/files/water-storages-pdf/28-Feb-2024-Basin-Storage-20240228.pdf

Medium Grain Supply dynamics





Source: https://www.ers.usda.gov/webdocs/outlooks/107418/rcs-23h.pdf?v=9755.7

Source: Creed Rice Report March 2024

* Source: USDA Weekly National Rice Summary



Q&A