Appendix 4D:
Half-Year Report

Ricegrowers Limited (ASX – SGLLV)

ABN:	Financial Half-Year Ended:	Lodgement Date:
55 007 481 156	31 October 2024	19 December 2024

Lodged with the ASX under Listing Rule 4.2A. This information should be read in conjunction with the Annual Report for the year ended 30 April 2024 and any public announcements made by Ricegrowers Limited ("SunRice" or "Group") since the start of the current financial year, in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange.

About SunRice's structure

The structure of Ricegrowers Limited (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 investors.sunrice.com.au.

Reporting Period and Reported Information

The current reporting period is the half-year ended 31 October 2024 (1H FY25) and the previous corresponding reporting period is the half-year ended 31 October 2023 (1H FY24).

Results for Announcement to the Market

				$000
Revenue from ordinary activities	Down	0.7%	TO	912,468
Profit after tax	Up	4.5%	TO	31,925
Profit after tax attributable to B Class shareholders	Up	4.3%	TO	31,253

	Current period	Previous corresponding period
Net tangible assets backing per B Class Share ($)	7.72	7.61
Basic earnings per B Class Share (cents)	47.2	46.9
Diluted earnings per B Class Share (cents)	46.6	45.8

Interim dividend

Amount per security (cents per B Class Share)	15.0	15.0
Franked amount per security (100% franking rate applicable) (cents per B Class Share)	15.0	15.0
Date the dividend is payable		24 January 2025
Record date to determine entitlements to the dividend		27 December 2024

Ricegrowers Limited's Dividend Reinvestment Plan (DRP) is currently suspended.

Commentary on Results for The Period

Details of the results of the Group for the period ended 31 October 2024 are included in the attached Interim Financial Report.

The Group's performance in the first half of FY25 was driven by a range of different dynamics. Notably:

- Profit margin growth was achieved in the Rice Food, Riviana Foods and CopRice segments and was supported by improved product mix, the realisation of manufacturing and logistics efficiencies and cost control initiatives, which all contributed to an increase in Group EBITDA and NPAT compared to 1H FY24.
- Volumes grew in some markets and product categories, including Rice Cakes, Rice Flour and Toscano's bakery goods. The ample supply of US rice also enabled substantial growth in US export volumes. However, it contributed to lower pricing in some markets, particularly global tender markets. The Group also faced challenges including cost of living pressures impacting the Food Service sector and consumer spending patterns in Australia, as well as the contraction of the ruminant sector in Australia and New Zealand. Combined, these pricing and demand challenges resulted in the slight drop in Group revenue compared with the prior corresponding period.
- The Group acquired SavourLife during the period, bolstering its participation in branded high growth, higher margin companion animal categories. The Group also acquired the Simply Delish business in 1H FY25, which is expected to enable Riviana Foods to expand its presence in the chilled channel through its own vertically integrated supply chain.

As in prior years, the first half results are not expected to reflect the proportional full year results of the Group, because the second half of the year is generally more positively influenced by seasonal factors and consumption habits during festive periods.

Details of associates

The SunRice Group has the following associates:

Name of associate

Pagini Transport (incorporated in Papua New Guinea). Principal activity: Transport

Rice Breeding Australia Limited (incorporated in Australia). Principal activity: Research into the delivery of new and improved rice varieties

Reporting entity percentage holding

Pagini Transport: 30.44% (31 October 2023: 30.44%)

Rice Breeding Australia Limited: 33.33% (31 October 2023: 33.33%)

Controlled Entities

On 30 August 2024, Ricegrowers Limited acquired 100 per cent of the share capital in SavourLife Pty Ltd and SavourLife IP Pry Ltd.

There have been no other changes in controlled entities in the six months period to 31 October 2024.

Other Information Required

Please refer to the attached Interim Financial Report and the 2024 Annual Report for other information required.

Interim Financial Report

For The Half Year Ended 31 October 2024

Ricegrowers Limited & Controlled Entities
ABN 55 007 481 156

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This interim financial report covers the consolidated entity consisting of Ricegrowers Limited and its controlled entities. The interim financial report is presented in Australian dollars.

Ricegrowers Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Ricegrowers Limited
57 Yanco Avenue
LEETON NSW 2705

Its shares are listed on the Australian Securities Exchange (code SGL/SGLLV).

Your Directors present their report on the consolidated entity consisting of Ricegrowers Limited and the entities it controlled at the end of, or during the half year ended 31 October 2024.

1. Directors

The following persons were Directors of Ricegrowers Limited during the financial period and up to the date of this report:

LJ Arthur (Chairman)
P Serra (Chief Executive Officer)
JMJ Bradford (Deputy Chairman)
L Catanzaro
AJ Crane
M De Bortoli
ID Glasson
IR Mason
JL Zanatta

2. Company Secretary

K Cooper

3. Review of operations

The SunRice Group overview

The SunRice Group had a positive 1H FY25, largely delivering in line with expectations. The Group reported revenue of $912 million, compared to $919 million in the prior corresponding period (1H FY24); Earnings Before Interest, Tax, Depreciation, Amortisation and Impairment (EBITDA) of $67.9 million and Net Profit After Tax (NPAT) of $31.9 million, up 7% and 5% respectively on 1H FY24.

While some of the headwinds previously foreshadowed impacted the Group during 1H FY25, our active management of these challenges and focus on leveraging the Group's brands while realising new opportunities, led to the improvement of profit margins and a solid set of results for the period.

Accordingly, the Group was pleased to revise the CY24 Paddy Price range for our Riverina rice growers from $370 - $430 to $380 - $420 per tonne for medium grain rice, and to declare an interim dividend of 15 cents per B Class Share.

Total Shareholder Return[1] (TSR) for 1H FY25 was 48.2%, compared to the ASX300 Accumulation Index TSR of 17.2%.

Pleasingly, following the increased liquidity in our B Class Shares over recent years and particularly during 1H FY25, SunRice was selected for inclusion in the S&P/ASX Agribusiness Index (XAG) by S&P Dow Jones. The index tracks the performance of leading and emerging ASX-listed agribusiness companies.

Our performance drivers in a strategic and global context

From a top line perspective, whilst broadly consistent with the prior corresponding period, 1H FY25 was impacted by a number of conflicting dynamics.

Volume opportunities and challenges

The return of ample rice supply in the Northern Hemisphere underpinned substantial growth in United States (US) export volumes compared to 1H FY24.

Other key pockets of growth across the Group included the Papua New Guinea (PNG) rice market where we grew market share; our Flour business, which expanded its customer base; the Rice Cakes business, which benefited from expanded ranging and distribution in Australian retail channels; and the consistent performance of our Toscano brand in the bakery category.

Sales into the branded pet food channel in Australia, particularly in dog food (supported by the Group's acquisition of SavourLife in August 2024), also contributed to growth during the period.

All of these positive developments were built on the strength of the Group's brands and the quality and breadth of our product portfolio.

Other areas of our business were however under pressure during 1H FY25 which partly offset these gains. This included operational and in-market macro-economic challenges in some of our Middle East and Pacific markets; increased competition in some US distribution channels; cost of living pressures impacting the Food Service sector and consumer spending patterns in Australia; and the contracting equine and dairy feed sectors in both Australia and New Zealand.

Pricing and foreign exchange pressures

Ample rice supply in the Northen Hemisphere also significantly impacted pricing and competition in some markets, resulting in price deflation and the slight downturn in overall Group revenue. This was particularly relevant in some US distribution channels and in global tender markets (both out of the Rice Pool business and the US), where tender prices were particularly high at the start of FY24 and progressively fell by as much as two thirds in some cases at the beginning of FY25.

Revenues generated by our Trukai business in PNG were also impacted during the period by the depreciation of the PNG Kina (PGK) against the AUD, which negatively affected the AUD conversion of Trukai's PGK denominated revenue in the Group's consolidated results.

The Group continued to implement appropriate pricing strategies where possible to help partially absorb inflationary headwinds including the higher global rice prices resulting from India's export ban on non-Basmati rice varieties, and the ongoing sharp depreciation of the PGK against USD denominated rice imports in PNG.

Profitability

Despite the challenges impacting revenue and profitability in some of our core international rice markets, the Group improved overall profitability in 1H FY25, primarily through improved mix, cost savings programs and profit margin growth in our complementary businesses, including Riviana Foods, CopRice and Rice Food.

This growth was fuelled by a range of factors, such as manufacturing efficiencies, raw material usage optimisation, reduced logistics and distribution costs and the successful implementation of other cost controlling initiatives, including direct procurement savings. Further details are available in the following segment overview.

1 Investment period COB 30 April to COB 31 October 2024, TSR considers movement in B Class Share price and dividends paid, and assumed all dividends are reinvested on the dividend payment date.

Segment performance drivers

Australian Rice Pool Business

Rice Pool

Strong Riverina rice supply, with a CY24 harvest of 618,000 paddy tonnes, together with refreshed packaging for SunRice's core rice range, a reshaped promotional and marketing approach and our ability to leverage opportunities in the UK following the ratification of the UK Free Trade Agreement in 2023, underpinned strong branded and traded sales across key domestic and international markets in 1H FY25. This performance was further supported by the weak AUD favouring USD denominated rice exports during the period.

Volume growth however slowed in parts of the Middle East due to some operational challenges associated with a change in one of our distribution partners as well as the local geopolitical situation, and the flow-on impact it had on the credit worthiness of some of our customers, requiring careful management and delaying some of our product shipments.

Global tender prices continued to fall over the last 12 to 18 months to more historical levels in line with the available global supply. This had a significant impact on the Rice Pool and primarily drove the downturn in revenue compared to 1H FY24.

In addition to these top line dynamics, paddy returns continue to be impacted by a range of other factors in FY25. Favourable factors include the lower asset financing charges delivered to the Corporate segment (in line with a slightly lower cost of capital and a reduced average net asset position) and the drier CY24 crop, which is requiring less energy intensive aeration than the CY23 crop. However, the impact of the variable seasonal conditions on the CY24 crop is resulting in significantly lower average milling yields. The related effects on throughput and milling rates, along with the ongoing impacts of tensions in the Red Sea on shipping costs and lead times, represent major challenges that are expected to impact the CY24 paddy price as discussed in 'Our outlook'.

REVENUE ($000's)	1H FY25	1H FY24
	183,024	**195,482**
	-6%	

EBITDA ($000's)	1H FY25	1H FY24
	-	-

NPBT ($000's)	1H FY25	1H FY24
	-	-

Profit Businesses

International Rice

Overall volumes grew in the International Rice segment in 1H FY25 due to ample Northern Hemisphere rice supply underpinning a significant increase in US export volumes, and brand strategy delivering market share gains in PNG.

The return of Northern Hemisphere volumes however also contributed to the significant fall in global tender and export pricing, which almost fully offset the volume effect on the top line. Increased rice production also drove competition on both volume and price in US distribution channels as well as a competitive landscape in delivering higher returns to local US growers, both of which further impacted our profitability in these markets.

The ongoing high cost of internationally sourced rice, largely driven by the Indian ban on non-Basmati rice exports (which was recently lifted), also continued to place pressure on margins in key Pacific markets. In PNG, this was compounded by the ongoing sharp devaluation of the PGK against USD denominated rice imports. These FX pressures had a double effect on the reported numbers, as the concurrent depreciation of the PGK against the AUD also negatively impacted the translation of Trukai's results into the consolidated Group results. While the Group continued to review its pricing strategies in these markets to help partially absorb inflationary impacts, price sensitivity remains a risk, with low-cost operators supplying increasing volumes of cheaper, lower quality rice. Pleasingly though, our brand strength continues to build momentum in some of our larger Pacific markets, notably PNG. Similar to the Rice Pool, geopolitical tensions in parts of the Middle East also slowed growth opportunities in this segment, particularly our expansion into diverse rice categories.

REVENUE ($000's)	1H FY25	1H FY24
	418,801	**420,947**
	-1%	

EBITDA ($000's)	1H FY25	1H FY24
	24,996	**26,430**
	-5%	

NPBT ($000's)	1H FY25	1H FY24
	18,465	**19,629**
	-6%	

Rice Food

Through the additional ranging and distribution of Rice Cakes products in Australian retail channels, new export opportunities for the Flour business, new product launches (such as flavoured microwave rice cups and protein chips) and increased investment in brand building, our Rice Food segment was able to grow volumes in 1H FY25, despite the ongoing pressures from lower priced offerings, particularly in the Microwave Rice category.

Trade spend efficiencies and the effect on the current period of pricing strategies implemented in the prior year to help partially absorb inflationary impacts, further supported the segment's revenue gains compared to 1H FY24 and contributed to improved profit margins.

These profit margins were further supported by the realisation of manufacturing efficiencies across most production lines and more optimal raw material sourcing and utilisation mix in flour production. Initiatives to optimise the product portfolio also played a key part in driving improved profitability in this segment.

REVENUE ($000's)	1H FY25	1H FY24
	65,521	**58,792**
	+11%	

EBITDA ($000's)	1H FY25	1H FY24
	7,746	**4,578**
	+69%	

NPBT ($000's)	1H FY25	1H FY24
	6,954	**3,397**
	+105%	

Riviana Foods

On a similar basis to FY24, Riviana Foods' top line performance in 1H FY25 continued to be fuelled by the growth of the Toscano brand in the bakery category, with volumes up approximately ~20% on 1H FY24. Similar growth rates were also achieved in the Hart & Soul portfolio of products, on the back of a successful soup season.

Operational changes in our logistics network and savings in distribution costs further supported the improvement in profit margins across the business, despite challenges with the availability of raw materials for some of our manufactured products.

Riviana Foods' performance was however impacted by competition from lower priced offerings in the premium biscuits and pickled vegetables categories, which hampered the performance of our Always Fresh brand.

High cost of living pressures in Australia continued to impact volumes in the Food Service sector, although a favourable change in product mix during the period neutralised the effect of this volume loss on the top line.

A rationalisation review of Riviana Foods' overall product portfolio in 1H FY25 is expected to be beneficial for longer term profitability, despite impacting the topline in the current period.

In May 2024, Riviana Foods acquired a branded and third-party manufacturer, Simply Delish, to add to its portfolio. Simply Delish (which manufactures some of our Roza's Gourmet chilled products), is expected to enable Riviana Foods to expand its presence in this channel through its own vertically integrated supply chain.

REVENUE ($000's)	1H FY25	1H FY24
	117,297	**111,190**
	+5%	

EBITDA ($000's)	1H FY25	1H FY24
	3,581	**1,811**
	+98%	

NPBT ($000's)	1H FY25	1H FY24
	1,731	**774**
	+124%	

CopRice

CopRice's performance in 1H FY25 continued to be supported by its companion animal division, which delivered revenue growth against the prior corresponding period, driven by growth in both branded and contract-manufacturing businesses. Growth in the CopRice dogfood and cat litter branded range was driven by commercial initiatives to expand distribution and seek consumer preferences in store.

The Group completed the acquisition of the premium petfood business SavourLife in August 2024, further bolstering our participation in high growth, higher margin branded categories. SavourLife is a highly differentiated purpose driven brand, with a social mission to save and rehome abandoned rescue dogs; a proposition that resonates with consumers and gives us an exciting platform to help drive growth into the future. The acquisition remains on track to be earnings per share accretive for the Group in the first full financial year of ownership.

Trading conditions were more difficult in the equine feed and ruminant stockfeed businesses, driving the overall decline in the segment's revenue compared to the prior corresponding period. Equine feed sales were negatively impacted by cost-of-living pressures in Australia, particularly in the leisure segment where horse owners have relied more on abundant pasture and increasingly down-traded to cheaper feed alternatives. Ruminant stockfeed sales in both Australia and New Zealand were negatively impacted by the availability of pasture and cost pressures on dairy farmers.

Despite challenges in our revenue trajectory, CopRice remained able to lift its profit margins during 1H FY25 through numerous actions, including a favourable mix shift towards branded companion animal products; effective management and savings in direct procurement; and operational efficiencies and cost controls at our mills, manufacturing sites and in our transport network.

REVENUE ($000's)	1H FY25	1H FY24
	126,028	**129,452**
	-3%	

EBITDA ($000's)	1H FY25	1H FY24
	11,899	**7,909**
	+50%	

NPBT ($000's)	1H FY25	1H FY24
	8,652	**4,684**
	+85%	

Corporate

The Corporate segment's 1H FY25 performance was directly impacted by lower asset financing charges received from the Australian Rice Pool Business, due to a lower average net asset base in that business and a slightly reduced cost of capital (the basis on which the charges are calculated), compared to the prior corresponding period.

At EBITDA level, this shortfall was magnified by $1.1 million of property sales in the prior comparative period.

This was however largely offset at NPBT level by lower debt financing charges in 1H FY25, in line with lower average debt levels as the Group was able to direct strong cash generative earnings to repay a portion of its drawn debt facilities.

REVENUE ($000's)	1H FY25	1H FY24
	-	-

EBITDA ($000's)	1H FY25	1H FY24
	19,661	**22,546**
	-13%	

NPBT ($000's)	1H FY25	1H FY24
	8,629	**11,172**
	-23%	

Other operating income and expenses

Other notable changes in the Group's consolidated income statement for 1H FY25 include:

- A decrease in energy costs, as a result of the lower aeration required for the CY24 crop, which was harvested during dry conditions. This contrasts with the higher aeration required in the prior year for the CY23 crop, which was harvested during wet conditions;
- An increase in employee benefits expenses, primarily driven by increased activity in the Riverina following the receipt of a larger CY24 crop of 618,000 Paddy tonnes (CY23 crop: 500,000 Paddy tonnes); as well as increased activity in the US as larger volumes of rice became available post drought; and an increase in new employees joining the Group following the acquisitions of Simply Delish and SavourLife in 1H FY25; and
- An increase in contracted services, primarily associated with the work undertaken as part of the implementation of the Group's 2030 Growth Strategy.

Effective tax rate

The Group's effective tax rate for 1H FY25 was 28%, compared with 23% for 1H FY24. This rate continues to reflect the blended nature of the Group's local and international operations and was influenced by a change in the contribution of each of those various operations to Group profitability.

Operating, investing and financing cash flows

The Group continued to exercise financial discipline during 1H FY25 and to proactively manage its net working capital requirements.

Operating cash inflows of $96.4 million in 1H FY25 (1H FY24: $81.9 million) were largely driven by the strong EBITDA generated during the period and a reduction in the net working capital balance compared with 30 April 2024 (see 'Balance sheet items' for further details).

Investing cash outflows in 1H FY25 were $37.4 million (1H FY24: $8.5 million) and were largely driven by a combination of capital expenditure to maintain core assets; strategic capital expenditure to upgrade our Leeton, NSW manufacturing operations (see 'Capital management' for further details); and the amounts paid by Riviana Foods and CopRice to respectively acquire Simply Delish and SavourLife during the period.

Financing cash outflows were $49.4 million in 1H FY25 compared to $105.1 million in 1H FY2024. The lower amount in the current period is primarily due to the larger investing cash outflows during 1H FY25.

Balance sheet items

Net Debt[2] of $202.1 million and gearing[3] of 25% as at 31 October 2024 both decreased from $223.8 million and 27% respectively as at 30 April 2024. This improvement reflects the strong EBITDA generated during 1H FY25 and the decrease in Net Working Capital[4] from $465.7 million as at 30 April 2024 to $415.8 million as at 31 October 2024.

Our Net Working Capital movement has been largely driven by reduced stock holdings in our Trukai subsidiary as they progressively return to more historical levels following a period of significant shipping disruption; and a general improvement in the timing of cash collection across the Group.

The Group's leverage ratio[5] and Return on Capital Employed[6] (ROCE) were 1.4x and 13.5% as at 31 October 2024 respectively, compared to 1.6x and 12.7% as at 30 April 2024. The improvement in these metrics also aligns with the strong EBITDA generated during 1H FY25 and the reduction in Net Debt.

As at 31 October 2024, all remaining debt drawn down on our Seasonal facility related to Net Working Capital funding, with this Net Working Capital being primarily made up of near term marketable inventory for our captured markets.

Notably, no amounts were drawn down on the Group's Core facility as at 31 October 2024, as the acquisitions of Simply Delish and SavourLife were both funded from existing cash reserves.

Other notable changes in the Group's consolidated balance sheet as at 31 October 2024 include:

- Corresponding decreases in inventories and amounts payable to Riverina rice growers, which align with the business's seasonality, whereby these balances peak at harvest time around April each year; and
- An increase in intangible assets relating to brands and goodwill added as part of the Simply Delish and SavourLife acquisitions.

Banking facilities and covenants

Core and seasonal debt facilities remained unchanged during 1H FY25, however the Group was able to use its strong cash generative earnings to reduce average debt levels, in turn generating savings in finance costs compared to 1H FY24.

The Group maintains sufficient headroom to meet the covenants on its existing borrowings, and sufficient working capital and undrawn financing facilities to service its planned operating activities and fund some potential acquisition activity.

Capital management and interim dividend

The Group continues to maintain a responsible approach to its investment, divestment, and corporate development strategy to acquire value-accretive businesses and to monetise non-core assets (which in 1H FY24 had delivered $1.3 million in incremental Group profit).

During 1H FY25, we invested significant strategic capital expenditure in scoping and executing an upgrade of our Leeton, NSW manufacturing operations, which will bolster capacity and productivity and assist in the delivery of our commitments to transition to 100% recyclable, reusable or compostable packaging in our Rice Food segment. The project is on track to be fully operational in FY26.

The Group continues to explore a well-developed pipeline of potential strategic merger and acquisition opportunities, with the

2 Net Debt equals current plus non-current borrowings less cash and cash equivalents.
3 Gearing equals net debt divided by net debt plus equity.
4 Net Working Capital equals receivables plus inventories less current payables less amounts payable to Riverina rice growers less current tax liabilities (net of current tax receivables) less current provisions.
5 Leverage ratio equals net debt divided by EBITDA over the last 12 Months.
6 Return on Capital Employed (ROCE) equals EBIT divided by Capital Employed where EBIT is Earnings Before Interest and Tax over the last 12 months and Capital Employed is total assets (less cash) less total liabilities (less current and non-current borrowings).

acquisitions of Simply Delish and SavourLife completed during 1H FY25 as noted above.

Delivering consistency and quality of earnings through the cycle and value to our shareholders remains a focus for the Group, and a fully franked interim dividend of 15 cents per B Class Share was declared on 19 December 2024.

Seasonality

As in prior years, the first half results are not expected to reflect the proportional full year results of the Group, because the second half of the year is generally more positively influenced by seasonal factors and consumption habits during festive periods.

Risk management

The Group continued to review and monitor its exposure to the various risks detailed in our FY24 Annual Report. As at 31 October 2024, no new or significant changes to existing risks that could impact the financial performance or position of the Group were identified.

Our outlook

Similar to 1H FY25, the Group expects full year results to show revenue broadly consistent with FY24, moderate growth in EBITDA on the back of improved profit margins and NPAT impacted by a higher effective tax rate.

By remaining focused on driving branded product sales, delivering cost and procurement savings, as well as operational and manufacturing improvement initiatives across the Group, including investment in our Riverina operations, we are confident in our ability to deliver for the second half. Having said this, the headwinds described earlier in this report remain relevant for 2H FY25, particularly the ongoing impacts of Northern Hemisphere rice availability on both volume and price competition; geopolitical tensions in the Middle East affecting shipping and sales opportunities; ongoing competition from lower priced offerings; and the conditions in the ruminant and equine markets.

The CY24 Riverina harvest was another strong crop at approximately 618,000 paddy tonnes. However, several factors continue to weigh on anticipated pool returns, the most significant of which are the prevalence of lower whole grain mill out rates from the CY24 crop observed to date (similar to those experienced in CY18) and recent global tender pricing lows. Together these elements are expected to negatively impact CY24 pool returns in the order of $70 per tonne when compared to the CY23 crop. Despite these factors, SunRice is effectively managing costs and working to maximise the opportunities arising from a weaker AUD against the USD to help minimise their impact on CY24 paddy returns. Accordingly, the CY24 paddy price range has been updated from $370 - $430 to $380 - $420 per tonne for medium grain.

While the recently planted CY25 crop is smaller than the CY24 crop, volumes are pleasingly in line with our production capacity and should ensure another full milling program in FY26. We remain focused on driving grower returns in the Riverina as we manage the transition to a deregulated market for NSW-grown rice with the end of rice vesting in July 2025. This work includes modelling contracting options and other initiatives to help secure volume in the Riverina in line with market demand. A number of these options will be explored with growers in the new year in order to seek input before they are finalised.

Next year marks SunRice's 75th anniversary, and our relationship with Riverina growers - who originally founded 'Ricegrowers' as a co-operative in 1950 – will be front and centre as we celebrate this milestone and look to the future.

As communicated in FY24, the Group has reviewed its Growth Strategy to identify new opportunities as we look to evolve and build on the momentum created in recent years. We have commenced work on a range of initiatives to lay the foundations as we look to achieve these ambitious growth targets. Due to their transformative nature, many of these large initiatives will, if realised, contribute to the Group's performance over the longer term. Concurrently, our portfolio of strategic initiatives also includes projects expected to deliver benefits over a shorter time frame, especially in relation to unlocking efficiencies and effectiveness. We look forward to updating the market as this work progresses.

Critical to our 2030 Growth Strategy is the implementation of the Group's commitment to sustainability, and specifically our focus on achieving lower emissions rice and a diversified, resilient and increasingly traceable supply chain. The Group is pleased to report the following progress:

- The Science Based Target initiative (SBTi) validated our near-term and long-term science-based emissions reduction target in December 2024. Our commitment is aligned to reaching our net-zero target by 2050 and includes a Forestry, Land and Agricultural (FLAG) target;
- Further progressing the development of our Net Zero Roadmap, including modelling interventions against our emissions reduction targets. In line with the requirements of the SBTi, we will publish the Group's Net Zero Roadmap in June 2025;
- Supporting the Group's businesses to assess suppliers against our Supplier Sustainability Code, including human rights and deforestation, and drafting a new Code that clearly outlines our expectations of suppliers; and
- Undertaking further social and ethical audits (using the SMETA protocol) of our domestic and international operations, including further embedding our training on the ETI Base Code. Further information on our progress on modern slavery can be found in our *FY24 Modern Slavery Statement*.

We look forward to sharing further details at the full year.

4. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

5. Rounding of amounts to the nearest thousand dollars ($000's)

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and interim financial report. Amounts in the directors' report and interim financial report have been rounded off to the nearest thousand dollars, in accordance with ASIC Instrument 2016/191.

This report is made in accordance with a resolution of the Directors.

For and on behalf of the Board.

L Arthur
Chairman

P Serra
Director

19 December 2024

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor for the review of Ricegrowers Limited for the half-year ended 31 October 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Ricegrowers Limited and the entities it controlled during the period.

Eliza Penny
Partner
PricewaterhouseCoopers

Sydney
19 December 2024

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Consolidated Income Statement

For the half year ended 31 October

	Note	Half year October 2024 $000's	Half year October 2023 $000's
Sales revenue	2b	**910,671**	915,863
Other revenue		**1,797**	2,910
Revenue from continuing operations		**912,468**	918,773
Other income	2c	**355**	1,255
Changes in inventories of finished goods		**7,586**	(43,563)
Raw materials and consumables used		**(546,615)**	(510,278)
Freight and distribution expenses		**(98,865)**	(100,024)
Employee benefits expenses		**(106,040)**	(98,309)
Depreciation and amortisation expenses		**(15,170)**	(14,033)
Finance costs		**(8,625)**	(9,959)
Other expenses	2d	**(100,663)**	(104,206)
Profit before income tax		**44,431**	39,656
Income tax expense		**(12,506)**	(9,104)
Profit for the half year		**31,925**	30,552
Profit for the half year is attributable to:			
Ricegrowers Limited shareholders		**31,253**	29,966
Non-controlling interests		**672**	586
		31,925	30,552
Earnings per B Class Share for profit attributable to B Class Shareholders			
Basic earnings (cents per B Class share)	2e	**47.2**	46.9
Diluted earnings (cents per B Class Share)	2e	**46.6**	45.8

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the half year ended 31 October

	Half year October 2024 $000's	Half year October 2023 $000's
Profit for the half year	**31,925**	30,552
Items that may be reclassified to profit or loss		
Changes in fair value of cash flow hedges	**740**	(1,295)
Exchange differences on translation of foreign operations	**(4,425)**	3,935
Income tax relating to items of other comprehensive income	**(174)**	395
Other comprehensive (loss) / income for the half year, net of tax	**(3,859)**	3,035
Total comprehensive income for the half year	**28,066**	33,587
Total comprehensive income for the half year is attributable to:		
Ricegrowers Limited shareholders	**28,683**	33,168
Non-controlling interests	**(617)**	419
	28,066	33,587

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 31 October 2024 and 30 April 2024

	Note	31 October 2024 $000's	30 April 2024 $000's
Current assets			
Cash and cash equivalents		**45,527**	32,809
Receivables		**310,459**	329,539
Inventories		**521,564**	675,877
Current tax receivable		**2,448**	255
Derivative financial instruments		**3,296**	2,467
Total current assets		**883,294**	1,040,947
Non-current assets			
Property, plant and equipment		**263,539**	252,984
Investment properties		**2,900**	2,900
Intangible assets		**103,750**	81,282
Deferred tax assets		**18,103**	22,108
Derivative financial instruments		**304**	-
Investments accounted for using the equity method		**2,483**	2,606
Total non-current assets		**391,079**	361,880
Total assets		**1,274,373**	1,402,827
Current liabilities			
Payables		**241,703**	252,590
Amounts payable to Riverina Rice Growers		**143,196**	243,523
Borrowings	3b	**149,122**	146,035
Current tax liabilities		**4,639**	11,611
Provisions		**29,182**	32,206
Total current liabilities		**567,842**	685,965
Non current liabilities			
Payables		**970**	982
Borrowings	3b	**98,467**	110,540
Provisions		**2,011**	2,028
Total non-current liabilities		**101,448**	113,550
Total liabilities		**669,290**	799,515
Net assets		**605,083**	603,312
Equity			
Contributed equity	3c	**163,065**	161,467
Reserves	3d	**(7,066)**	(5,638)
Retained profits		**422,989**	420,771
Capital and resources attributable to Ricegrowers Limited shareholders		**578,988**	576,600
Non-controlling interests		**26,095**	26,712
Total equity		**605,083**	603,312

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the half year ended 31 October

	Attributable to Ricegrowers Limited shareholders					
	Contributed equity $000's	Reserves $000's	Retained earnings $000's	Total $000's	Non-controlling interests $000's	Total $000's
Balance as at 1 May 2024	**161,467**	**(5,638)**	**420,771**	**576,600**	**26,712**	**603,312**
Profit for the half year	**-**	**-**	**31,253**	**31,253**	**672**	**31,925**
Other comprehensive loss	**-**	**(2,570)**	**-**	**(2,570)**	**(1,289)**	**(3,859)**
Total comprehensive income / (loss) for the half year	**-**	**(2,570)**	**31,253**	**28,683**	**(617)**	**28,066**
Transactions with owners in their capacity as owners:						
Issue of treasury shares	**1,598**	**(1,598)**	**-**	**-**	**-**	**-**
Share based payments - value of employee services	**-**	**2,661**	**-**	**2,661**	**-**	**2,661**
Acquisition of treasury shares from employees	**-**	**(624)**	**-**	**(624)**	**-**	**(624)**
Allocation of treasury shares to employees	**-**	**703**	**-**	**703**	**-**	**703**
Dividends distributed	**-**	**-**	**(29,035)**	**(29,035)**	**-**	**(29,035)**
	1,598	**1,142**	**(29,035)**	**(26,295)**	**-**	**(26,295)**
Balance as at 31 October 2024	**163,065**	**(7,066)**	**422,989**	**578,988**	**26,095**	**605,083**

	Attributable to Ricegrowers Limited shareholders					
	Contributed equity $000's	Reserves $000's	Retained earnings $000's	Total $000's	Non-controlling interests $000's	Total $000's
Balance as at 1 May 2023	**152,526**	**(11,569)**	**392,487**	**533,444**	**23,202**	**556,646**
Profit for the half year	-	-	29,966	29,966	586	30,552
Other comprehensive income / (loss)	-	3,202	-	3,202	(167)	3,035
Total comprehensive income for the half year	**-**	3,202	29,966	33,168	419	33,587
Transactions with owners in their capacity as owners:						
Contribution of equity, net of transaction costs	6,414	-	-	6,414	-	6,414
Share based payments - value of employee services	-	3,652	-	3,652	-	3,652
Acquisition of treasury shares from employees	-	(2,150)	-	(2,150)	-	(2,150)
Allocation of treasury shares to employees	-	527	-	527	-	527
Dividends distributed	-	-	(25,253)	(25,253)	-	(25,253)
	6,414	2,029	(25,253)	(16,810)	-	(16,810)
Balance as at 31 October 2023	**158,940**	**(6,338)**	**397,200**	**549,802**	**23,621**	**573,423**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

For the half year ended 31 October

	Half year October 2024 $000's	Half year October 2023 $000's
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	**957,645**	972,926
Payments to suppliers (inclusive of goods and services tax)	**(607,958)**	(645,198)
Payments to Riverina Rice Growers	**(116,868)**	(116,803)
Payments of wages, salaries and on-costs	**(106,086)**	(98,367)
Interest received	**343**	374
Interest paid	**(8,847)**	(9,461)
Income taxes paid	**(21,874)**	(21,562)
Net cash inflow from operating activities	**96,355**	81,909
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	**(17,679)**	(9,729)
Payments for acquisition of business	**(21,086)**	-
Proceeds from sale of property, plant and equipment	**1,375**	1,255
Net cash outflow from investing activities	**(37,390)**	(8,474)
Cash flows from financing activities		
Proceeds from borrowings	**362,916**	150,144
Repayment of borrowings	**(378,921)**	(231,647)
Principal elements of lease payments	**(3,696)**	(2,595)
Payments to employees for Treasury Shares acquired through the Employee Share Sale Plan	**(624)**	(2,150)
Dividends paid to the company's B Class shareholders	**(29,035)**	(18,839)
Net cash outflow from financing activities	**(49,360)**	(105,087)
Net increase / (decrease) in cash and cash equivalents	**9,605**	(31,652)
Cash at the beginning of the half year	**32,809**	64,198
Effect of exchange rate changes on cash and cash equivalents	**(672)**	1,224
Cash and cash equivalents at the end of the half year	**41,742**	33,770

Reconciliation to cash at the end of the half year

Cash at the end of the half year as shown in the consolidated cash flow statement is reconciled to the related items in the consolidated balance sheet as follows:

Cash and cash equivalents	**45,527**	50,678
Deduct bank overdraft	**(3,785)**	(16,908)
	41,742	33,770

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

For the half year ended 31 October 2024

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1. Basis of preparation of half year report

This consolidated interim financial report for the half year reporting period ended 31 October 2024 has been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 April 2024 and any public announcements made by Ricegrowers Limited during the interim reporting period and up to the date of this interim financial report, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Income tax expense

In accordance with interim financial reporting requirements, the income tax expense is recognised based on the Group's estimate of the average effective annual income tax rate expected for the full financial year in each of the Group's taxing jurisdictions.

OECD Pillar Two model rules

The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules and it applies the AASB 112 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group expects to incur top-up taxes due to the Pillar Two legislation that was effective from 1 May 2024. Under the legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction in which it operates (which can differ from the effective tax rate calculated in accordance with AASB 112) and the 15% minimum rate.

The Group has estimated that the weighted average GloBE effective tax rates is slightly below 15% in a small number of the jurisdictions in which it operates. Estimated top-up tax required for these jurisdictions has been included in the Group's estimate of the average effective annual income tax rate expected for the full financial year in these taxing jurisdictions. The impact of this top-up tax on the Group's effective tax rate and the income tax expense recognised at 31 October 2024 is however not material.

New and amended standards adopted by the Group

The Group applied the following amendments for the first time on 1 May 2024:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101] and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101 and AASB Practice Statement 2];
- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements [AASB 7 & AASB 107].

As a result of the adoption of the amendments to AASB 101, the Group changed its accounting policy for the classification of borrowings: "Borrowings are classified as current liabilities unless at the end of the reporting period, the group has a right to defer settlement of the liability for at least 12 months after the reporting period." This new policy did not result in a change in the classification of Group's borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to AASB 101.

As disclosed in the 2024 Annual Report, the Group has supplier financial arrangements. The adoption of the amendments to AASB 107 and AASB 7 will result in the Group providing specific disclosures about these arrangements in the consolidated financial statements for the year ending 30 April 2025. The new disclosures are not required to be provided in this Interim Financial Report.

Impact of standards issued but not yet applied by the Group

In October 2023, the AASB amended AASB 121 to help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. These new requirements will apply for annual reporting periods beginning on or after 1 May 2025.

The Group does not expect these amendments to have a material impact on its operations or financial statements.

Significant changes and events in the current reporting period

For a detailed discussion about the Group's performance and financial position, refer to our review of operations on pages 2 to 6.

2. Group Performance

a. Segment information

The Corporate Management Team examines the Group's financial performance from a product and service perspective under six reportable segments. In aggregating operating segments into reportable segments, the Group has considered the requirements of accounting standard AASB *8 Operating Segments* and notably the existence of similarities in economic characteristics, nature of products, markets and customers.

Rice Pool

The receival, storage, milling, marketing and distribution of Riverina rice, directly to customers across many channels. This includes supplying Australian markets and exporting Riverina rice to global markets (including tender markets) across the Middle East, Asia Pacific, the U.S and Europe.

The Rice Pool also supplies some of the Group's local business units and global subsidiaries, which can purchase rice or by-products from the Rice Pool at commercial prices to use in their manufacturing processes or sell in their local markets, depending on availability.

In years where sufficient volume of rice is produced in the Riverina to achieve a naturally determined Paddy Price, the Rice Pool is at equilibrium, generating no residual profit or loss impacting the Group's profitability.

International Rice

The purchasing (including from the Rice Pool), processing, manufacturing, marketing and distribution of bulk or branded rice products through intermediaries to consumers, food service and processing customers in global markets (including tender markets) and the Australian market, where the varieties cannot be grown in Australia, including during times of low water availability.

International Rice is an aggregation of the main following operating segments:

- The Global Trading arm of the Group (Ricegrowers Singapore), which sources and sells bulk or branded rice products in Australia or overseas and in tender markets.
- Trukai, SolRice, SunFoods, Ricegrowers Vietnam, Ricegrowers New Zealand and Ricegrowers Middle East, which are separate legal entities that distribute or support the distribution of rice products either in their respective local markets or internationally. SunFoods and Ricegrowers Vietnam also mill and/or pack locally sourced rice.

The nature of products manufactured, the distribution process and the type of customers are comparable between these segments. The economic characteristics of the larger operating segments, measured by their gross margin, is also largely comparable when considering past and expected performance.

International rice also includes the Group's research and development Company (Rice Research Australia), which presents a different performance profile. It is the Group's assessment that this does not materially impact the aggregated reportable segment due to the small contribution of this subsidiary to International Rice.

Rice Food

The importation, local manufacturing, marketing and distribution of value-added rice-based products, including snacks, ingredients and microwave products, both in domestic and global markets.

This reportable segment is an aggregation of the Rice Cakes, Rice Flour, Microwave Rice and Snacks operating segments, which have similar economic characteristics, including their gross margin.

Riviana Foods (Riviana)

The distribution of both imported and locally manufactured branded specialty gourmet and special occasions food products to retail and food service customers in Australia and export markets.

CopRice

The manufacture (in both Australia and New Zealand) and distribution of bulk stockfeed to primary producers and branded packaged stockfeed, equine feed and companion animal feed products through retail and wholesale channels to customers across Australia, New Zealand and other export markets.

Corporate

The Corporate segment captures the income and cost of holding and financing assets (property, plant and equipment and brands) that it owns and are used by both the Rice Pool and the other segments. This includes intersegment charges for the use of SunRice brands (Brand Charges) and access to milling, packing, storage and warehousing assets (Asset Financing Charges). It also captures income and cost items that are not allocated to other business segments due to their Group corporate and/or non-recurring nature.

Australian Grain Storage is also aggregated into the Corporate segment.

From time to time, the Corporate segment receives dividends from the Group's subsidiaries which can form part of other segments of the Group. To provide a more representative view of the underlying activities of this segment, the reported EBITDA and Profit Before Income Tax for the Corporate segment is presented after dividend elimination.

a. Segment information (continued)

Performance

The following table sets forth the segment results for the period ended 31 October 2024:

	Rice Pool $000's	International Rice $000's	Rice Food $000's	Riviana $000's	CopRice $000's	Corporate $000's	Total $000's
Total segment revenue	**223,503**	**419,149**	**65,521**	**117,439**	**126,028**	**21,002**	**972,642**
Inter-segment revenue	**(40,479)**	**(348)**	**-**	**(142)**	**-**	**(21,002)**	**(61,971)**
Revenue from external customers	**183,024**	**418,801**	**65,521**	**117,297**	**126,028**	**-**	**910,671**
Other revenue							**1,797**
Revenue from continuing operations							**912,468**
EBITDA	**-**	**24,996**	**7,746**	**3,581**	**11,899**	**19,661**	**67,883**
Profit before income tax	**-**	**18,465**	**6,954**	**1,731**	**8,652**	**8,629**	**44,431**

The following table sets forth the segment results for the period ended 31 October 2023:

	Rice Pool $000's	International Rice $000's	Rice Food $000's	Riviana $000's	CopRice $000's	Corporate $000's	Total $000's
Total segment revenue	243,960	421,175	58,792	111,294	129,452	25,760	990,433
Inter-segment revenue	(48,478)	(228)	-	(104)	-	(25,760)	(74,570)
Revenue from external customers	195,482	420,947	58,792	111,190	129,452	-	915,863
Other revenue							2,910
Revenue from continuing operations							918,773
EBITDA	-	26,430	4,578	1,811	7,909	22,546	63,274
Profit before income tax	-	19,629	3,397	774	4,684	11,172	39,656

Sales between segments are carried out at arms length and are eliminated on consolidation. Revenue from external customers (which is entirely recognised at a point in time) is measured in a manner consistent with that of the financial statements.

The Corporate Management Team evaluates results based on Profit Before Income Tax. It also uses EBITDA to assess the performance of the segments, which is defined as earnings before net finance costs (asset financing charges are not considered a finance cost/income for the purpose of the EBITDA calculation), tax, depreciation, amortisation and impairment.

Below is a reconciliation of EBITDA to profit before income tax.

	October 2024 $000's	October 2023 $000's
EBITDA prior to Brand and Asset Financing charges	**54,332**	46,946
Brand and Asset Financing charges earned *	**13,551**	16,328
EBITDA	**67,883**	63,274
Finance costs - net	**(8,282)**	(9,585)
Depreciation and amortisation expense	**(15,170)**	(14,033)
Profit before income tax	**44,431**	39,656

*The Corporate segment earns a brand and asset financing charges from the Rice Pool. In the current and prior reporting periods, these charges were fully absorbed by the Rice Pool and contributed to the naturally determined Paddy Price. The corresponding income is reflected in the Corporate segment and resulted in a net benefit to the Group Net Profit Before Tax (31 October 2024: benefit of $13,551,000 and 31 October 2023: benefit of $16,328,000).

a. Segment information (continued)

The following table sets forth the segment net assets as at 31 October 2024:

31 October 2024	Rice Pool $000's	International Rice $000's	Rice Food $000's	Riviana $000's	CopRice $000's	Corporate $000's	Total $000's
Segment net assets	185,971	213,143	28,994	115,656	130,244	111,223	785,231
Receivables							310,459
Inventories							521,564
Payables (current)							(241,703)
Amounts payable to Riverina Rice Growers							(143,196)
Provisions (current)							(29,182)
Property, plant and equipment							263,539
Intangibles							103,750
Segment net assets							785,231

The following table sets forth the segment net assets as at 30 April 2024:

30 April 2024	Rice Pool $000's	International Rice $000's	Rice Food $000's	Riviana $000's	CopRice $000's	Corporate $000's	Total $000's
Segment net assets	182,557	292,608	26,578	100,322	109,238	100,060	811,363
Receivables							329,539
Inventories							675,877
Payables (current)							(252,590)
Amounts payable to Riverina Rice Growers							(243,523)
Provisions (current)							(32,206)
Property, plant and equipment							252,984
Intangibles							81,282
Segment net assets							811,363

Segment net assets comprise assets and liabilities that are measured in a manner consistent with that of the financial statements. Segment net assets for the purposes of segment reporting consist of the sum of property, plant and equipment (including right-of-use assets), intangibles, receivables, inventories, current payables and provisions and amounts payable to Riverina Rice Growers.

Items of property, plant and equipment are allocated to the segment that owns the assets as opposed to the segment that uses those assets. As a result, items of property, plant and equipment used by the Rice Pool segment are allocated to the Corporate segment.

b. Revenue

	Half Year October 2024 $000's	Half Year October 2023 $000's
Sales revenue		
Sale of goods - recognised at a point in time	**910,671**	915,863
Other revenue		
Interest received	**343**	374
Other sundry items	**1,454**	2,536
Total revenue from continuing operations	**912,468**	918,773

c. Other income

	Half Year October 2024 $000's	Half Year October 2023 $000's
Net gain on disposal of property, plant and equipment	**355**	1,255
Total other income	**355**	1,255

d. Other expenses

Profit before income tax includes the following expense items:

	Half Year October 2024 $000's	Half Year October 2023 $000's
Other expenses		
Contracted services	**18,952**	16,364
Advertising and artwork	**17,087**	16,500
Energy	**15,875**	21,644
Repairs and maintenance	**7,744**	7,355
Equipment hire and other rental expenses (not qualifying as leases)	**7,482**	6,758
Insurance	**6,293**	6,529
Motor vehicle and travelling expenses	**4,991**	5,146
Staff recruitment	**1,807**	2,270
Internet, telephone and fax	**1,356**	1,336
Research and development	**719**	547
Net foreign exchange losses	**6,484**	6,576
Other	**11,873**	13,181
Total other expenses	**100,663**	104,206

e. Earnings per B Class Share

	31 October 2024 Cents	31 October 2023 Cents
Basic earnings per B Class Share	**47.2**	46.9
Diluted earnings per B Class share	**46.6**	45.8

Reconciliation of earnings per B Class Share

	31 October 2024 $000's	31 October 2023 $000's
Profit for the half year (attributable to Ricegrowers Limited B Class Shareholders)	**31,253**	29,966
Weighted average number of B Class shares* for Basic earnings per B Class share	**66,257**	63,919
Adjustments for calculation of diluted earnings per B Class share:		
Unvested B Class Share Rights with service conditions only	**853**	1,562
Weighted average number of B Class shares* adjusted for the effect of dilution	**67,110**	65,481

* The weighted average number of B Class Shares for basic and diluted earnings per B Class Share takes into account the weighted average effect of changes in treasury shares and vested and exercisable B Class Share Rights.

f. Net tangible assets per B Class Share

	31 October 2024	31 October 2023
Net tangible asset backing per B Class Share	**$7.72**	$7.61

3. Capital and financial risk management

a. Dividends

On 27 June 2024, a fully franked final dividend of 40 cents per B Class Share and a fully franked special dividend of 5 cents per B Class Share (for a combined $29,139,156) were declared for the year ended 30 April 2024. The full amount was paid on 25 July 2024, which included $103,500 paid to the Ricegrowers Limited Employee Share Trust in relation to treasury shares.

Since the end of the half-year, the directors have recommended the payment of an interim dividend of 15 cents per B Class Share (2023: 15 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be distributed out of retained earnings at 31 October 2024, but not recognised as a liability at the end of the half-year, is $9,740,672.

b. Borrowings

	31 October 2024 $000's	30 April 2024 $000's
Current - Secured		
Bank overdrafts	**3,785**	-
Bank loans	**139,037**	140,790
Net accrued interest and capitalised borrowing costs	**(273)**	(205)
Lease liabilities	**6,573**	5,450
Total borrowings	**149,122**	146,035
Non current - Secured		
Bank loans	**83,470**	97,722
Net accrued interest and capitalised borrowing costs	**(185)**	(335)
Lease liabilities	**15,182**	13,153
Total borrowings	**98,467**	110,540

Net debt	31 October 2024 $000's	30 April 2024 $000's
Cash and cash equivalents	**45,527**	32,809
Borrowings - repayable within one year (including overdraft)	**(149,122)**	(146,035)
Borrowings - repayable after one year	**(98,467)**	(110,540)
Net Debt	**(202,062)**	(223,766)

Significant terms and conditions of bank facilities

The Group's bank borrowings are categorised as follows:

	31 October 2024 $000's	30 April 2024 $000's
Seasonal debt	**222,507**	238,512
	222,507	238,512

At 31 October 2024, the terms of the Seasonal bank facility (including trade finance and transactional banking facilities) remain unchanged compared to 30 April 2024. As some of the facilities are in USD Seasonal bank facility values changed to $483,992,000 (April 2024: $484,352,000), with a first tranche of $383,992,000 (April 2024: $384,352,000) maturing in April 2025 and a second tranche of $100,000,000 (April 2024: $100,000,000) maturing in April 2026. The trade finance and transactional banking component of the facility $181,069,000 (April 2024: 181,289,000) remained as an uncommitted facility.

At 31 October 2024, the Core bank facility remained unchanged compared to 30 April 2024 at $190,000,000, with a first tranche of $120,000,000 maturing in April 2026 and a second tranche of $70,000,000 maturing in April 2027. The Core bank facility remained undrawn at 31 October 2024.

The Group's Seasonal and Core bank borrowings are secured by registered equitable mortgages over all assets of the Obligor Group and a cross-guarantee between each member of the Obligor Group.

Under the terms of the banking facilities, the Group is required to comply with a set of financial covenants. The Group complied with these covenants throughout the reporting period.

In the current reporting period, Trukai Industries continued to benefit from a PGK 75,000,000 (AUD 27,918,000) uncommitted overdraft facility. This facility is secured against the assets of Trukai Industries under a General Security Agreement and remained undrawn at 31 October 2024.

c. Share capital

A Class Shares

A Class Shares have no nominal value but are voting shares held only by Riverina rice growers who meet the production quotas prescribed by the SunRice Constitution. A Class Shares are not classified as equity.

At 31 October 2024, 698 A Class Shares were on issue (30 April 2024: 674).

B Class Shares

B Class Shares are non-voting shares and entitle their holder to participate in dividends. B Class Shares are classified as equity.

The number of B Class Shares is detailed below.

	31 October 2024 Number of shares	30 April 2024 Number of shares
Total B Class Shares outstanding	**64,898,799**	64,519,680
Total Treasury Shares (B Class)	**39,013**	233,999
Total B Class Shares on issue	**64,937,812**	64,753,679

Movement in ordinary B Class Shares

	2024 Number of shares	2023 Number of shares	2024 $000's	2023 $000's
Balance at 1 May	**64,753,679**	**63,359,282**	**161,467**	**152,526**
Issue under Dividend Reinvestment Plan	-	1,001,550	-	6,414
Issue of treasury shares	184,133	-	1,598	-
Balance at 31 October	**64,937,812**	**64,360,832**	**163,065**	**158,940**

Dividend Reinvestment Plan

Although currently suspended (since 30 April 2024), the Company has established a Dividend Reinvestment Plan (DRP) under which holders of ordinary B Class Shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary B Class Shares rather than by being paid in cash.

The DRP was not available for the final and special dividends declared in June 2024. In 2023, B Class Shares had however been issued under the DRP at no discount to the prevailing weighted average market price at the time of the DRP offer.

Treasury shares

Treasury shares issued in the current period are B Class Shares in Ricegrowers Limited that are held as unallocated B Class Shares by the Ricegrowers Limited Employee Share Trust for the purpose of allocating B Class Shares that may be delivered in the future under Long Term Incentive Plans, Other Equity Plans and the matching component of the Employee Share Scheme (ESS).

In 2024, Treasury shares were issued based on a 9-day volume-weighted average price (VWAP) prior to their issue date.

d. Reserves and retained profits

	31 October 2024 $000's	30 April 2024 $000's
Asset revaluation reserve	**4,917**	4,917
Foreign currency translation reserve	**(18,206)**	(15,070)
Hedging reserve - cash flow hedges	**2,328**	1,762
Transaction with non-controlling interests	**(7,956)**	(7,956)
Share-based payment reserve	**12,199**	12,220
Treasury shares reserve	**(348)**	(1,511)
Total reserves	**(7,066)**	(5,638)
Retained profits	**422,989**	420,771

d. Reserves and retained profits (continued)

Movement in Treasury Shares

	2024 Number of treasury shares	2023 Number of treasury shares	2024 $000's	2023 $000's
Balance at 1 May	**233,999**	**442,508**	**(1,511)**	**(2,948)**
Acquisition by the Ricegrowers Limited Employee Share Trust of treasury shares under the Employee Share Sale Plan*	72,970	338,468	(624)	(2,150)
Issue of Treasury Shares to the Ricegrowers Limited Employee Share Trust	184,133	-	(1,598)	-
Allocation of Treasury Shares (B Class) to employees under:				
- Employee Share Scheme - purchased shares	(80,910)	(81,204)	703	527
- Employee Share Scheme - shares offered for no consideration	(30,711)	(32,195)	264	207
- Employee Long Term Incentive Plan	(149,063)	(217,270)	1,106	1,448
- Other Equity plans	(191,405)	(72,638)	1,312	464
Balance at 31 October	**39,013**	**377,669**	**(348)**	**(2,452)**

* The average acquisition price during the reporting period was $8.55 per B Class Share (2023: $6.35)

e. Fair value measurements

The Group's assets and liabilities carried at fair value are mainly related to currency and interest rate derivatives.

The Group's financial instruments that are carried at fair value are valued using observable market data, as there is no price quoted in an active market for the financial instruments held (level 2). The fair value of derivative financial instruments is determined based on dealer quotes for similar instruments. The valuation inputs are calculated in accordance with industry norms and the inputs include spot market exchange rates and published interest rates.

The Group does not have any financial instruments that are carried at fair value using inputs classified as level 1 inputs. Fair value for investment property classified as level 3 is determined by an independent valuation and fair value for the contingent consideration is based on the assessment of probability of meeting each performance target. There were no transfers between levels for recurring fair value measurements during the period.

The table below presents the Group's financial assets and liabilities measured and recognised at fair value at the end of reporting period:

	31 October 2024 Level 2 $'000	31 October 2024 Level 3 $'000	31 October 2024 Total $'000	30 April 2024 Level 2 $'000	30 April 2024 Level 3 $'000	30 April 2024 Total $'000
Assets						
Investment property	**-**	**2,900**	**2,900**	-	2,900	2,900
Derivatives used for hedging						
- Foreign exchange contracts	**3,296**	**-**	**3,296**	2,467	-	2,467
- Interest rate swaps	**304**	**-**	**304**	-	-	-
Total assets	**3,600**	**2,900**	**6,500**	2,467	2,900	5,367
Liabilities						
Contingent consideration payable*	**-**	**1,528**	**1,528**	-	-	-
Total liabilities	**-**	**1,528**	**1,528**	-	-	-

* The contingent consideration payable arising from business combinations (refer to note 4a) is presented within current payables.

The Directors consider the carrying amounts of other financial instruments approximate their fair value, due to either their short-term nature or being at market rates. These financial instruments include trade receivables, trade payables, bank overdrafts, bank loans and amounts payables to Riverina rice growers.

f. Contingent liabilities

The Group had the following contingent liabilities not provided for in its interim financial statements at the end of the reporting period:

	31 October 2024 $000's	30 April 2024 $000's
Letters of credit	**6,228**	4,342
Guarantee of bank advances	**2,717**	2,432
Total contingencies	**8,945**	6,774

At 31 October 2024, the Group does not expect any material adverse outcome from any open or pending cases with third parties.

4. Group Structure

a. Business combinations

Simply Delish

In May 2024, SunRice's subsidiary, Riviana Foods Pty Ltd, completed the acquisition of the Simply Delish business for a total consideration of $4,886,000. Simply Delish (which manufactures some of our Roza's Gourmet chilled products), is expected to enable Riviana to expand its presence in the chilled channel through its own vertically integrated supply chain.

Details of the purchase consideration, the provisionally determined net assets acquired and goodwill are as follows:

Purchase consideration	Simply Delish $000's
Cash paid	2,699
Other non-cash consideration	1,187
Contingent consideration	1,000
Total purchase consideration	**4,886**

Fair value	$000's
Inventory	299
Property, Plant and Equipment (including right-of-use assets)	5,618
Employee benefits	(128)
Lease liabilities	(3,164)
Identifiable net assets acquired	2,625
Add: Goodwill	2,261
Net assets acquired	**4,886**

The goodwill is attributable to the synergies expected to arise after the Group's acquisition of the new business. It has been allocated to the Riviana Foods segment and none of it is expected to be deductible for tax purposes. The contingent consideration of $1,000,000 is due to be settled by May 2026, subject to the satisfaction of certain conditions.

Acquisition-related costs of approximately $461,000 were incurred across both 1H FY25 and FY24 and are included in other expenses in the consolidated income statement.

SavourLife

On 30 August 2024, SunRice's division, CopRice, completed the acquisition of 100% of the share capital in SavourLife Pty Limited and SavourLife IP Pty Limited (together SavourLife). SavourLife is a highly differentiated purpose driven brand, with a social mission to save and rehome abandoned rescue dogs; a proposition that resonates with consumers and gives us an exciting platform for growth into the future.

Details of the purchase consideration, the provisionally determined net assets acquired and goodwill are as follows:

Purchase consideration	SavourLife $000's
Cash paid	14,227
Contingent consideration	4,688
Total purchase consideration	**18,915**

Fair value	$000's
Receivables	3,416
Inventory	3,110
Brand	9,444
Payables	(5,823)
Employee benefits	(66)
Deferred tax	(2,833)
Identifiable net assets acquired	7,248
Add: Goodwill	11,667
Net assets acquired	**18,915**

The goodwill is attributable to SavourLife's strong position and synergies expected to arise after the Group's acquisition of the new business. It has been allocated to the CopRice segment and none of it is expected to be deductible for tax purposes. Subsequent to the acquisition and upon satisfaction of the underlying conditions, contingent consideration of $4,160,000 was paid with no remeasurement required. The remaining contingent consideration of $528,000 is due to be settled by 31 October 2025, subject to the satisfaction of certain conditions.

a. Business combinations (continued)

Acquisition-related costs of approximately $544,000 were incurred across both 1H FY25 and FY24 and are included in other expenses in the consolidated income statement.

The acquired business contributed incremental revenue of $2,900,000 and net profit after tax of $597,000 to the Group for the period from 30 August 2024 to 31 October 2024. If the acquisition had occurred on 1 May 2024, contributed revenue and contributed profit after tax for the period ended 31 October 2024 would have been approximately $8,700,000 and $1,791,000 respectively.

5. Other disclosures

a. Events occurring after the reporting period

The Directors are not aware of any matter or circumstance, since the end of the financial half year, not otherwise dealt with in this Interim Financial Report (in particular the interim dividend noted in note 3a) that has significantly, or may significantly, affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 8 to 23 are in accordance with the *Corporations Act 2001*, including:

i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
ii. giving a true and fair view of the consolidated entity's financial position as at 31 October 2024 and of its performance for the half year ended on that date; and

(b) there are reasonable grounds to believe that Ricegrowers Limited will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the directors.

For and on behalf of the Board.

L Arthur
Chairman

P Serra
Director

19 December 2024

Independent Auditor's Review Report

Independent auditor's review report to the members of Ricegrowers Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Ricegrowers Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated balance sheet as at 31 October 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and consolidated income statement for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Ricegrowers Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 October 2024 and of its performance for the half-year ended on that date

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that

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the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 October 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

Eliza Penny
Partner

Sydney
19 December 2024