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14 November 2024

**ASX Release – Company Announcement**

# Nufarm FY24 results presentation

Attached is Nufarm Limited's (ASX: NUF) (Nufarm) FY24 results presentation which will be delivered by Nufarm Executives today at 9:00am AEDT.

CEO, Greg Hunt and CFO, Paul Townsend will provide an overview of the full year financial results for analysts and investors via webcast and teleconference.

A briefing for investors will be held at 9:00am AEDT on the same day. Participants looking to join the teleconference must pre-register at:
https://s1.c-conf.com/diamondpass/10042691-djr6q2.html

Participants will receive a calendar invitation and a unique code which should be quoted when dialing into the call.

The webcast of the results announcement will also be available live at:
https://webcast.openbriefing.com/nuf-fyr-2024/

If you wish to view the presentation live via the webcast it is recommended that you log in 10 to 15 minutes prior to start time.

An archived version will be available at http://www.openbriefing.com/OB/5709.aspx on demand and on the Nufarm website later that day.

- ends -

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# Nufarm FY24
# Full Year Results



Nufarm

Grow a better tomorrow

# Disclaimer

**General**

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Before making an investment decision, you should consider, with or without the assistance of a financial advisor, whether an investment is appropriate in light of your particular investment needs, objectives & financial circumstances. Past performance is no guarantee of future performance.

**Non-IFRS information**

Nufarm Limited results are reported under International Financial Reporting Standards (IFRS) including Underlying EBIT & Underlying EBITDA which are used to measure segment performance. The presentation also includes certain non-IFRS measures including Underlying net profit after tax & Gross profit margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources & assess operational management. Non-IFRS measures have not been subject to audit or review. Certain figures may be subject to rounding differences. Refer to Appendices for the definitions of non-IFRS information & a reconciliation of Underlying EBIT & Underlying EBITDA to Operating profit. All market share information in this presentation is based on management estimates based on internally available information unless otherwise indicated. All amounts are in Australian dollars unless otherwise stated.

# FY24 Results Overview

## CEO, Greg Hunt

# Key messages

**Reduced working capital and debt. Clear plans for reducing costs and improving returns.**

**Significant reduction in working capital and debt**

- EBITDA at midpoint of revised guidance range given on 15 August.
- Net working capital 30% below prior year.
- Net debt 25% below prior year.
- Net leverage 2.0 times FY24 EBITDA.
- No final dividend for FY24.

**Clear priorities to improve returns**

- Reducing costs and working capital.
- Increased focus on improving return on funds employed.
- Scaling our growth platforms.

**Responsibly managing for sustainable growth**

- Tightly managing costs and balance sheet.
- Targeted investment.
- Continuing to scale omega-3 and biofuels platforms.

**Underlying EBITDA**
$313m
Down 29% on prior year

**Basic EPS[1]**
(6.3cps)
Down 122% on prior year

**ROFE**
4.0%
Down 490 bps on prior year

**Net Leverage**
2.0 x
+0.1 times on prior year

1. Basic earnings per share (EPS) excludes material items.

# Achievements in FY24



**Navigating competitive CP pricing. Investing in innovation and continuing to scale growth platforms.**

**Crop Protection**

- Strong demand for Nufarm products.
- Increased price competition impacted results, particularly in North America.
- Strong uptake of new product pipeline.
- Improving the efficiency with which we manage working capital.

**Seeds**

- Strengthening and expanding our positions across canola, sorghum and sunflower seeds.

**Omega-3**

- Achieved target of $50m omega-3 sales.
- Expansion in planted area and improvement in omega-3 profile from the 2024 crop.
- Acquired licence for omega-3 camelina from Yield10.

**Biofuels**

- Successful expansion and geographical diversification of carinata planting.
- Focusing on production from best advantaged markets, optimising cost of goods and establishing market value.
- Annex IX category[1] inclusion recognises carinata as one of few scalable agricultural technologies to meet the criteria for SAF mandates.

1. European Union Renewable Energy Directive

# Segment performance

## North America Crop Protection

- Strong demand for Nufarm products.
- Selling prices and margin impacted by increased price competition.
- Stable results from Turf & Ornamental and Canada.
- Successful launch of Duplosan products in Canada. Further launches planned for FY25.

## Europe Crop Protection

- Nufarm volume and margins held well in the European domestic market.
- Strong performance in higher margin TNVV crops mitigated pricing pressure on foundational products.
- Wyke export sales and margin impacted by weaker demand, particularly North America and China green roofs markets.

## APAC Crop Protection

- Strong demand for Nufarm products in Australia partly offset by low 2,4-D prices.
- Poor farmer economics impacted New Zealand volumes, however margins improved.
- Continued growth in Asia.
- Expansion of 2,4-D capacity Laverton (well positioned for US 2,4-D duties on Chinese and Indian imports).

## Seed Technologies

- Solid hybrid canola performance in Australia and expanded South America position.
- $50m omega-3 revenue. Expanded grower base. Improved genetics. Acquired omega-3 camelina licence from Yield10
- Carinata expansion tempered by wet conditions in Argentina. Launched in Brazil.

| $m | FY24 | FY23 | Change |
|---|---|---|---|
| **Revenue - Underlying** | | | |
| *Crop protection* | | | |
| APAC | 865 | 971 | -11% |
| North America | 1,266 | 1,260 | 1% |
| Europe | 808 | 857 | -6% |
| ***Total Crop protection*** | ***2,939*** | ***3,088*** | ***-5%*** |
| Seed Technologies | 407 | 393 | 4% |
| Corporate | 0 | 0 | 0% |
| **Nufarm Group** | **3,346** | **3,481** | **-4%** |
| **EBITDA - Underlying** | | | |
| *Crop protection* | | | |
| APAC | 88 | 88 | 0% |
| North America | 82 | 161 | -49% |
| Europe | 124 | 166 | -25% |
| ***Total Crop protection*** | ***294*** | ***415*** | ***-29%*** |
| Seed Technologies | 83 | 98 | -15% |
| Corporate | -65 | -73 | -12% |
| **Nufarm Group** | **313** | **439** | **-29%** |
| **EBIT - Underlying** | | | |
| *Crop protection* | | | |
| APAC | 72 | 71 | 1% |
| North America | 47 | 128 | -63% |
| Europe | 18 | 74 | -76% |
| ***Total Crop protection*** | ***137*** | ***273*** | ***-50%*** |
| Seed Technologies | 37 | 53 | -29% |
| Corporate | -67 | -74 | -10% |
| **Nufarm Group** | **107** | **251** | **-57%** |
| **Europe (EUR)** | | | |
| Revenue | 491 | 538 | -9% |
| EBITDA - Underlying | 75 | 105 | -29% |
| EBIT - Underlying | 11 | 47 | -77% |
| **North America (USD)** | | | |
| Revenue | 834 | 837 | 0% |
| EBITDA - Underlying | 55 | 107 | -48% |
| EBIT - Underlying | 32 | 85 | -63% |

# Near term priorities[1]

**Focused on reducing cost, improving return on capital and supporting growth platforms.**

- Reducing costs
  - $50m annualised savings in overhead costs by end FY25.
- Reducing inventory
  - 25-day year on year reduction in inventory by end FY25.
- Accelerating actions towards improved return on funds employed.
  - Improvement in profit and capital efficiency in Europe.
- Clear priorities for growth.
  - Targeted investment.
  - Continuing to scale omega-3 and biofuels.

**Sustainably reducing cost**

**Improving return on capital**

**Focused growth**

1. For forward looking statements refer to the disclaimer on page 2 of this presentation.



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# Financial Performance

CFO, Paul Townsend

# Financial summary

## Strong focus on reducing net debt and leverage.

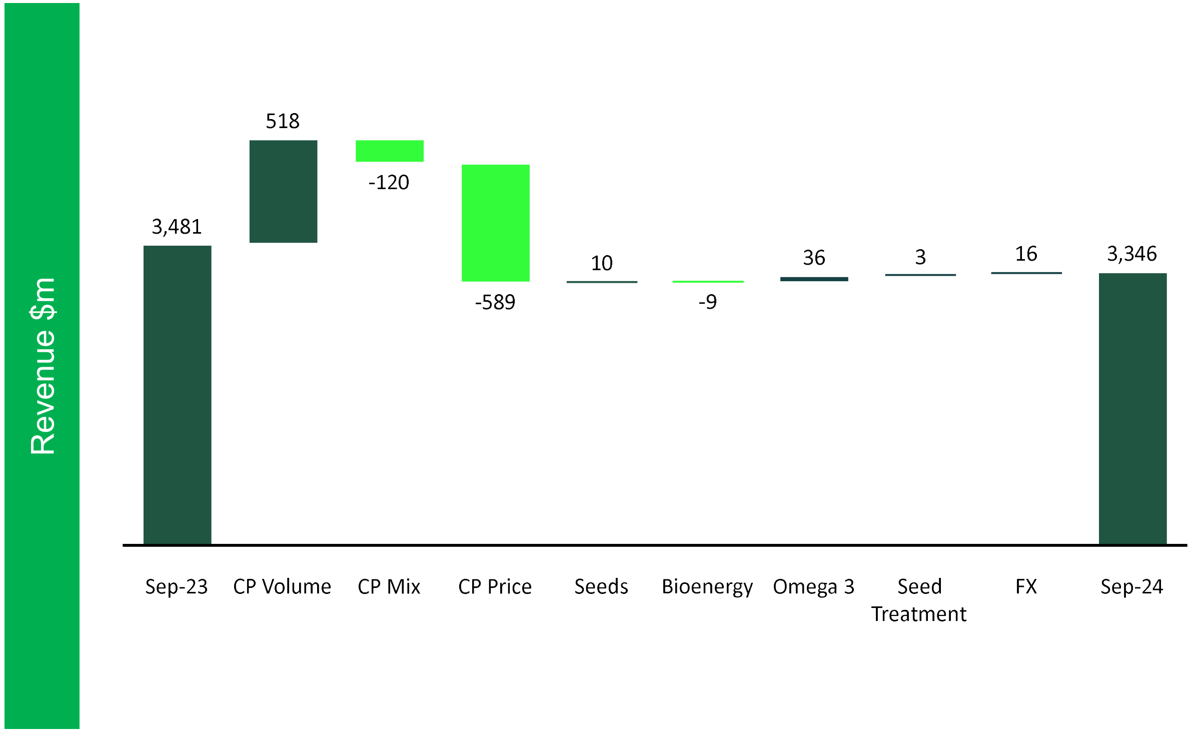
| AUDm | FY24 | FY23 | Change % |
|---|---|---|---|
| Revenue | 3,346 | 3,481 | (4)% |
| Underlying gross profit | 895 | 1,021 | (12)% |
| Underlying gross profit margin | 26.7% | 29.3% | (2.6)ppt |
| uEBITDA | 313 | 439 | (29)% |
| uEBIT | 107 | 251 | (57)% |
| Underlying Net Profit after Tax | (4) | 122 | (103)% |
| Statutory Net Profit after Tax | (6) | 111 | (105)% |
| Underlying net financing costs | (108) | (85) | 28% |
| aNWC to Sales | 42.6% | 41.9% | 0.7ppt |
| Net Debt | 635 | 850 | (25)% |
| Leverage | 2.0 X | 1.9 x | 0.1x |
| Basic earnings per share – excluding material items | (-6.3) cps | 29.2 cps | (122)% |
| ROFE | 4.0% | 8.9% | (4.9)ppt |

EBITDA and EBIT for FY23 restated to exclude Equity Profits from Associates.

# Revenue bridge



**Strong crop protection volume growth, revenue declined 4% due to lower selling prices.**




- Crop protection (CP)
  - Strong growth in volume.
  - Revenue negatively impacted by a reduction in selling prices.
  - Stronger contribution from foundational products drove negative mix impact.
- Seeds
  - Increase in seeds revenue driven by hybrid canola performance.
  - Strong growth in omega-3 revenue.
  - Biofuels impacted by a reduction in licencing revenue.



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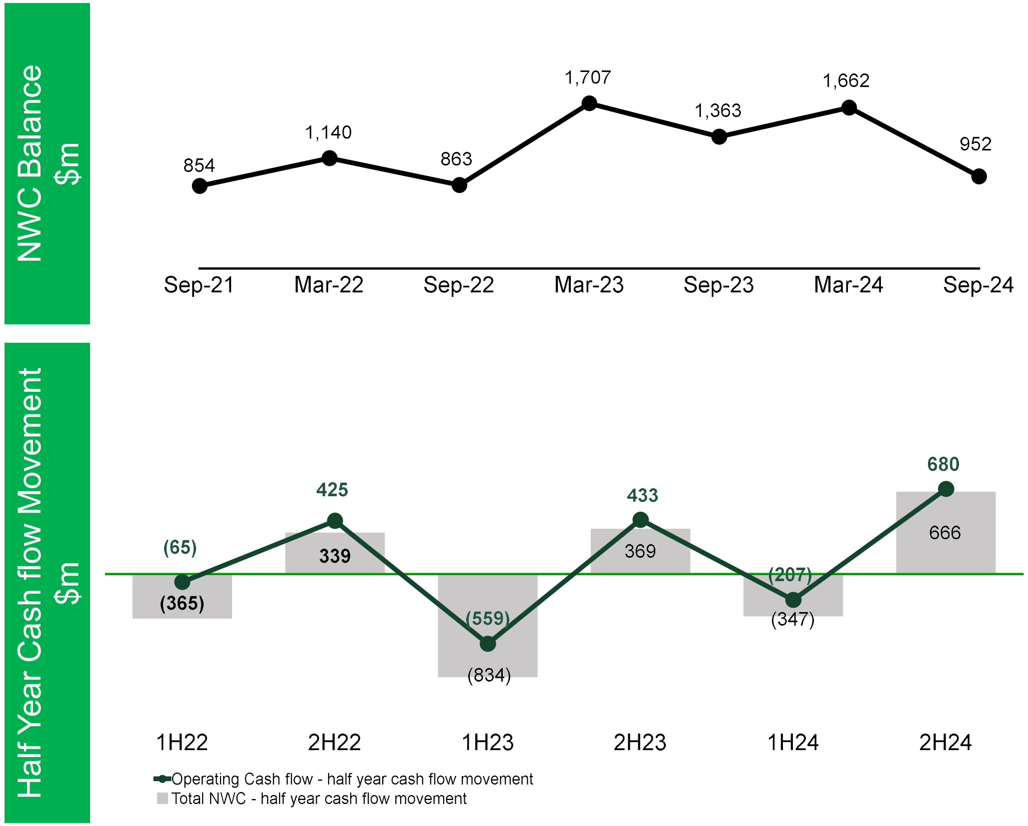
# Operating Cash Flow

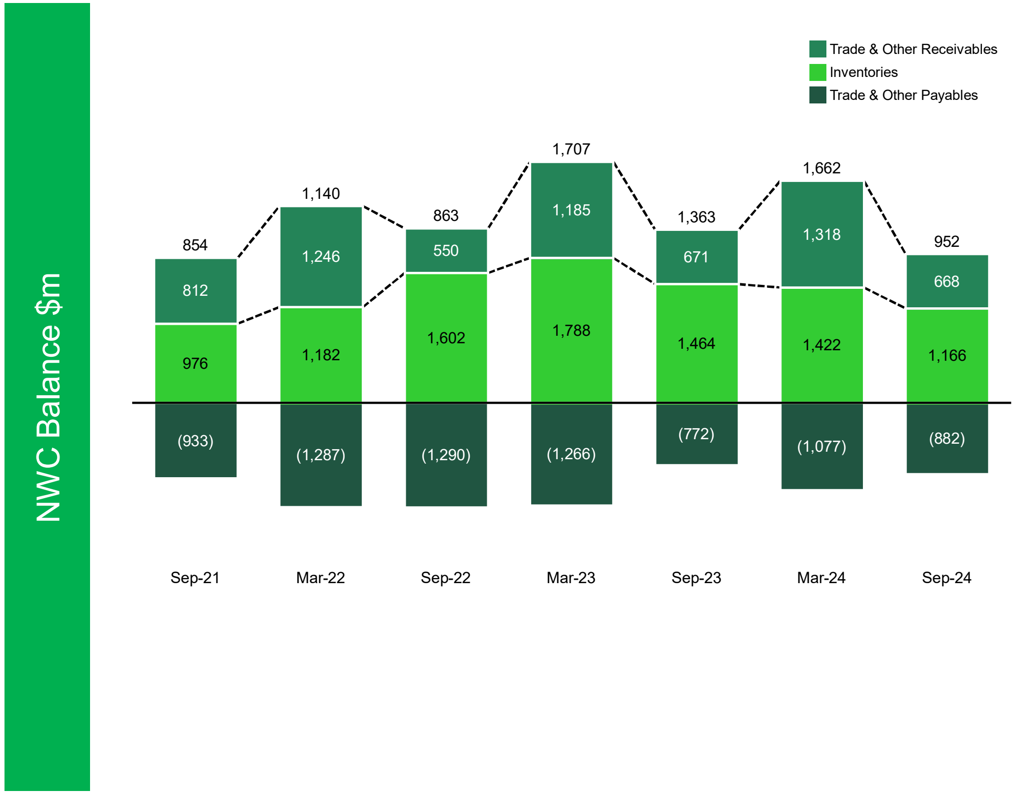
**Operating cash flow $472m. Net working capital down 30% YoY.**




- Net working capital 30% reduction on prior year, reflecting inventory reduction, normalisation of payables and strong receivables collections.
- Net working capital reduction of $710m on 1H, reflecting seasonal movement in working capital and reduction in inventory.
- Operating cash flow of $472 million for FY24. Strong cash conversion reflecting NWC reduction.

# Net working capital

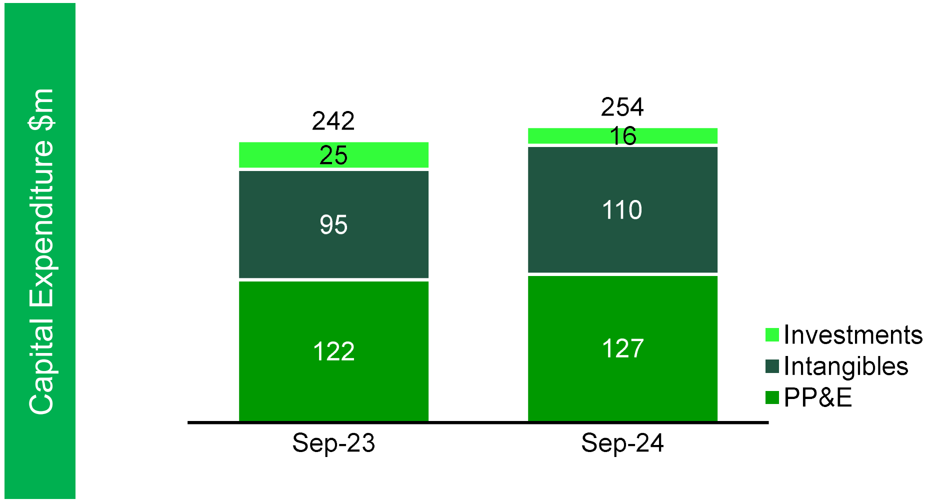
**Inventory down 20% on prior year. Actions underway to drive further reduction in inventory days.**




- Inventory down 20% YoY. Actions underway to drive further sustainable reduction in inventory days.
- Normalisation of payables as the business moved to a more normal cadence of replenishment.
- Proactive management of receivables collections, leading to receivables in line with prior year.
- Half on half receivables reduction of $650m.

# Capital expenditure

**Disciplined capital investment targeting licence to operate, projects with near-term payoff and growth platforms.**




- Targeted investments to address HSE and plant reliability (Wyke) and growth (Chicago Heights, Laverton 2,4-D).
  - Strong near-term payoff – reducing plant downtime and strategically expanding capacity.
- Steady CP intangibles expenditure to support new product introductions.
- Investment in Seeds platforms is a high priority.
- FY25 capital expenditure c. $230m
- Transcend (Wyke) subject to a Final Investment Decision during 1H25.



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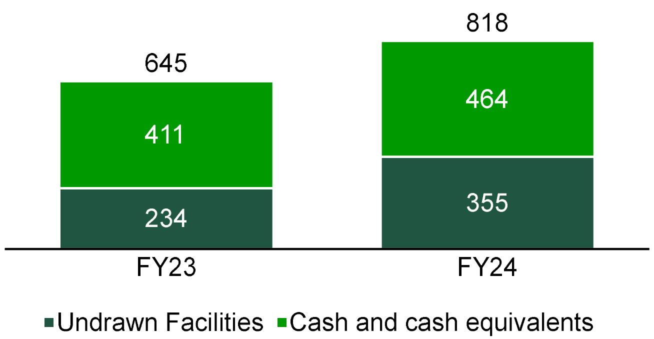
# Net debt

**Net debt down 25% YoY. Net leverage 2.0 x. Strong achievement in the face of cyclically lower EBITDA.**


- Net debt $635m, down $215m or 25% on prior year.
- Net Leverage at 2.0x FY24 EBITDA.
- Reduction in debt driven primarily by management of net working capital.
- $355m funding headroom at balance date, up from $234m last year




The ABL is secured against Receivables and Inventory and accommodates seasonal movements in Nufarm's working capital. Core Net Debt comprises all other borrowings net of cash balances. Principally these borrowings are Nufarm's US Senior Subordinated Notes, SLF and local borrowing facilities. An Australian based financial institution provides a payables financing facility that is available to suppliers to Nufarm. As of 30 September 2024, drawings of $122m had been made under this facility (2023 $32m).

# Outlook

**CEO, Greg Hunt**

1. For forward looking statements refer to the disclaimer on page 2 of this presentation.

# Outlook[1]



- Well positioned for growth in crop protection as industry conditions improve.
  - Solid demand.
  - Pricing remains competitive.
  - Stable AI prices - do not expect the same deflationary impact from falling AI prices as seen in FY24.
- Targeting growth in canola, sorghum and sunflower seeds.
  - Supportive crop prices and multiple long term demand drivers in food, feed and energy.
- Strong outlook over the medium to long term for plant based omega-3 products.
  - Recent downward pressure on fish oil pricing with prices remaining well above long term average.
  - Outlook driven by constrained supply of fish oil and growing demand for omega-3 products.
  - Ongoing reduction in cost of goods and global deregulation are key value drivers.
  - Building a platform for sustainable growth.
- Strong long term fundamentals for biofuels supported by mandates.
  - Volatility in pricing and GHG premiums ahead of markets transitioning to mandated use.

1. For forward looking statements refer to the disclaimer on page 2 of this presentation.

# Outlook[1]

- Management is focused on reducing cost and working capital, improving return on funds employed and supporting our growth platforms.
- Achievement of our FY26 revenue aspirations of $3.8 to $3.9b in crop protection will be largely dependent on a return to long term average pricing. [2]
- We continue to aspire to achieve $600-$700m in revenues in seed technologies in FY26 and expect to double omega-3 revenue in FY25, subject to market pricing.
- NWC at the end of 1H25 is expected to be in line with 1H24, with a higher investment required to support growth in omega-3.
- Targeting $50m of annualised savings in overhead costs by the end of FY25.
- Inventory 25-day year on year reduction by the end of FY25.
- Accelerating actions towards improved return on funds employed in Europe.

1. For forward looking statements refer to the disclaimer on page 2 of this presentation.
2. Based on our pricing achieved from FY20 to FY24 indexed using a long term industry inflation rate.

# Q&A

# Appendices

# Appendix 1: Non-IFRS disclosures & definitions[1]



| Term | Definition |
|---|---|
| Gross profit margin | Gross profit as a percentage of revenue |
| Underlying gross profit | Gross profit excluding the impact of material items |
| Underlying gross profit margin | Underlying gross profit as a percentage of revenue |
| Underlying SG&A | Sales, marketing and distribution expenses plus general and administrative expenses excluding the impact of material items |
| Underlying EBIT | Earnings before net financing costs, taxation excluding the impact of material items |
| Underlying EBITDA | Underlying EBIT before depreciation, amortisation and excluding the impact of material items |
| Underlying net external interest | Financial income, plus interest expense – external, plus interest expense - amortisation of debt establishment transaction costs, plus lease liability – interest expense, excluding the impact of material items. |
| Underlying net profit after tax | Profit/(loss) for the period attributable to the equity holders of Nufarm Limited excluding the impact of material items |
| Underlying income tax benefit/(expense) | Income tax benefit/(expense) excluding the impact of material items |
| Underlying effective tax rate | Underlying income tax benefit/(expense) divided by underlying net profit after tax |
| Net debt | Current loans and borrowings, plus non-current loans and borrowings, plus cash and cash equivalents |
| Net working capital | Current trade and other receivables, plus inventories less current trade and other payables |
| Average net working capital | Net working capital measured at each month end as an average |
| ANWC/sales (%) | Average net working capital as a percentage of rolling 12 months revenue |
| ANWC/sales excluding external corporate (%) | Average net working capital as a percentage of rolling 12 months revenue excluding non-operating corporate revenue |
| Leverage | Net debt / rolling 12 months underlying EBITDA |
| Interest coverage ratio | Rolling 12 months underlying EBITDA / rolling 12 months net external interest |
| Gearing % | Net debt / (net debt plus equity) |
| Return on funds employed (ROFE) | 12 months rolling underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt) |
| Underlying net operating cash flow | Net cash from operating activities excluding the impact of material items cash flows |
| Underlying net investing cash flow | Net cash from investing activities excluding the impact of material items cash flows |

1. Non-IFRS measures have not been subject to audit or review. Refer to the disclaimer on page 2 of this presentation .

# Appendix 2: Segment table

| Revenue - Underlying ($000s) | 2021 $000 | 2022 $000 | 2023 $000 | 2024 $000 | Change $000 | Change % |
|---|---|---|---|---|---|---|
| *Crop protection* | | | | | | |
| APAC | 858,407 | 1,038,424 | 970,504 | 864,600 | (105,904) | -11% |
| North America | 1,112,423 | 1,350,190 | 1,259,811 | 1,266,262 | 6,451 | 1% |
| Europe | 806,485 | 894,931 | 857,214 | 808,131 | (49,083) | -6% |
| ***Total Crop protection*** | ***2,777,315*** | ***3,283,545*** | ***3,087,529*** | ***2,938,993*** | ***(148,536)*** | ***-5%*** |
| Seed Technologies | 240,621 | 296,311 | 393,082 | 406,916 | 13,834 | 4% |
| Corporate | 197,715 | 193,114 | - | - | - | 0% |
| **Nufarm Group** | **3,215,651** | **3,772,970** | **3,480,611** | **3,345,909** | **(134,702)** | **-4%** |

| EBITDA - Underlying ($000s) | 2021 $000 | 2022 $000 | 2023 $000 | 2024 $000 | Change $000 | Change % |
|---|---|---|---|---|---|---|
| *Crop protection* | | | | | | |
| APAC | 111,550 | 134,534 | 87,959 | 88,232 | 273 | 0% |
| North America | 104,394 | 147,899 | 161,060 | 82,465 | (78,595) | -49% |
| Europe | 171,696 | 171,109 | 165,656 | 123,628 | (42,028) | -25% |
| ***Total Crop protection*** | ***387,640*** | ***453,542*** | ***414,675*** | ***294,325*** | ***(120,350)*** | ***-29%*** |
| Seed Technologies | 46,322 | 58,544 | 98,097 | 83,034 | (15,063) | -15% |
| Corporate | (72,855) | (65,335) | (73,418) | (64,618) | 8,800 | -12% |
| **Nufarm Group** | **361,107** | **446,751** | **439,354** | **312,741** | **(126,613)** | **-29%** |

| EBIT - Underlying ($000s) | 2021 $000 | 2022 $000 | 2023 $000 | 2024 $000 | Change $000 | Change % |
|---|---|---|---|---|---|---|
| *Crop protection* | | | | | | |
| APAC | 91,436 | 117,236 | 71,214 | 72,021 | 807 | 1% |
| North America | 71,716 | 117,121 | 127,918 | 46,697 | (81,221) | -63% |
| Europe | 45,953 | 41,346 | 73,583 | 17,938 | (55,645) | -76% |
| ***Total Crop protection*** | ***209,105*** | ***275,703*** | ***272,715*** | ***136,656*** | ***(136,059)*** | ***-50%*** |
| Seed Technologies | 17,817 | 27,201 | 52,667 | 37,394 | (15,273) | -29% |
| Corporate | (73,822) | (66,243) | (74,402) | (66,739) | 7,663 | -10% |
| **Nufarm Group** | **153,100** | **236,661** | **250,980** | **107,311** | **(143,669)** | **-57%** |

| ($000s) | 2021 $000 | 2022 $000 | 2023 $000 | 2024 $000 | Change $000 | Change % |
|---|---|---|---|---|---|---|
| **Europe (EUR)** | | | | | | |
| Revenue | 507,467 | 584,160 | 537,773 | 491,008 | (46,765) | -9% |
| EBITDA - Underlying | 108,409 | 110,710 | 104,718 | 74,873 | (29,845) | -29% |
| EBIT - Underlying | 29,388 | 25,849 | 46,595 | 10,562 | (36,033) | -77% |
| **North America (USD)** | | | | | | |
| Revenue | 837,768 | 969,409 | 836,541 | 833,592 | (2,949) | 0% |
| EBITDA - Underlying | 78,912 | 106,909 | 106,689 | 55,217 | (51,472) | -48% |
| EBIT - Underlying | 52,808 | 84,899 | 84,688 | 31,676 | (53,012) | -63% |

# Appendix 3: Underlying and statutory profit

| Continuing Operations | 12 months ending 30 Sep 2024 | | | 12 months ending 30 Sep 2023 | | |
|---|---|---|---|---|---|---|
| | Underlying $000 | Material items $000 | Total $000 | Underlying $000 | Material items $000 | Total $000 |
| **Revenue** | **3,345,909** | - | **3,345,909** | **3,480,611** | - | **3,480,611** |
| Cost of sales | (2,450,887) | (54,653) | (2,505,540) | (2,459,962) | 5,721 | (2,454,241) |
| **Gross profit** | **895,022** | (54,653) | **840,369** | **1,020,649** | 5,721 | **1,026,370** |
| | 26.7% | | 25.1% | 29.3% | | 29.5% |
| Sales, marketing and distribution expenses | (550,779) | - | (550,779) | (515,590) | - | (515,590) |
| General and administrative expenses | (191,064) | (6,514) | (197,578) | (214,441) | (16,114) | (230,555) |
| Research and development expenses | (49,647) | (4,835) | (54,482) | (44,677) | - | (44,677) |
| **Operating expenses** | **(791,490)** | **(11,349)** | **(802,839)** | **(774,708)** | **(16,114)** | **(790,822)** |
| Other income | 3,779 | 23,431 | 27,210 | 5,039 | - | 5,039 |
| **Operating profit** | **107,311** | **(42,571)** | **64,740** | **250,980** | **(10,393)** | **240,587** |
| D&A | (205,430) | (6,758) | (212,188) | (188,374) | | |
| **EBITDA** | **312,741** | **(35,813)** | **276,928** | **439,354** | | |
| **Share of net profits/(losses) of associates** | **(1,809)** | **-** | **(1,809)** | **(1,184)** | **-** | **(1,184)** |
| Net interest expenses | (98,753) | - | (98,753) | (77,415) | - | (77,415) |
| Net foreign exchange gains/(losses) | (9,435) | - | (9,435) | (7,161) | - | (7,161) |
| **Net financing costs** | **(108,188)** | **-** | **(108,188)** | **(84,576)** | **-** | **(84,576)** |
| **Profit before tax** | **(2,686)** | **(42,571)** | **(45,257)** | **165,220** | **(10,393)** | **154,827** |
| Income tax benefit/(expense) | (1,031) | 40,690 | 39,659 | (43,029) | (658) | (43,687) |
| **Profit for the period** | **(3,717)** | **(1,881)** | **(5,598)** | **122,191** | **(11,051)** | **111,140** |
| Profit/(loss) from discontinued operation, net of tax | - | - | - | - | - | - |
| **Profit for the period** | **(3,717)** | **(1,881)** | **(5,598)** | **122,191** | **(11,051)** | **111,140** |

# Appendix 4: Material items

| | 2024 $000 pre-tax | 2024 $000 after-tax | 2023 $000 pre-tax | 2023 $000 after-tax |
|---|---|---|---|---|
| *Material items by category:* | | | | |
| Idle plant capacity | (47,246) | (34,482) | - | - |
| Non-core asset disposals | 23,431 | 23,431 | - | - |
| Asset rationalisation and restructuring | (18,756) | (17,130) | (12,705) | (12,705) |
| Deferred tax asset recognition | - | 14,600 | - | - |
| Release of provision for LATAM tax liabilities | - | 11,700 | - | - |
| Transactions related to Russia and Ukraine | - | - | 2,312 | 1,654 |
| Total profit/(loss) | (42,571) | (1,881) | (10,393) | (11,051) |

## 30 September 2024 Material items

**Idle plant capacity**

During the financial year, the group has undertaken capital works programs which have disrupted normal operating capacity at both its Laverton (APAC) and Wyke (Europe) manufacturing sites and resulted in idle capacity charges. In Laverton, the group has invested in its 2,4-D production capability whilst sustainably reducing the cost of production. The 2,4-D synthesis production is typically operated on a 24- hour basis. The disruption has resulted in an extended closure of 2,4-D synthesis production throughout the period. In Wyke, the group has started preliminary works in respect of the multi-year capital investment plan to address manufacturing reliability, further improve HSE performance and increase production capacity. These preliminary works have resulted in extended shutdowns and lower production capacity than is typically achievable at the Wyke manufacturing site.

**Non-core asset disposals**

During September 2024, the group disposed non-core assets at Raymond Road and land adjoining the Laverton manufacturing site which were previously treated as assets held for sale. The sale generated proceeds of $45.8 million which was in excess of the carrying amount of assets and associated costs to sell, resulting in a one-off gain on disposal of $23.4 million recognised for the year. The gains on disposal have been offset by utilising previously unrecognised capital losses resulting in no tax payable.

**Asset rationalisation and restructuring**

As part of a broader asset base and cost structure review, the group has incurred asset write-down costs, accelerated amortisation for business exits, recognised restructuring provisions and incurred an FCTR (foreign currency translation reserve) loss on liquidation of dormant companies. In Europe, the group has made the decision to impair its assets in our equity accounted investee Crop.zone, whilst accelerating amortisation in specific European manufacturing assets that have been identified for future exit. In addition, a global cost review program is currently underway which has resulted in the recognition of initial redundancy provisions with respect to planned staff exits in FY25.

**Deferred tax asset recognition**

Australian Accounting Standards require that the group recognises a deferred tax asset arising from unutilised tax losses and tax credits to the extent that it is probable that future taxable profit will be available against which the tax losses and tax credits can be utilised, and that it recognises a deferred tax liability for all expected potential tax liabilities. The net recognition of the deferred tax assets of $14.6 million in respect of the tax losses during the year ended 30 September 2024, reflected improved financial performance and outlook for the Australian tax group.

**Release of provision for LATAM tax liabilities**

When Nufarm sold its LATAM operations in 2020, it retained ongoing responsibility for certain pre-disposal tax matters, some of which have now been finalised. Consequently, a reassessment has been performed of the appropriate amount of provision to retain for the remaining open matters, and $11.7 million of the tax provision was released for the year ended 30 September 2024.

# Appendix 4: Material items continued

| | 2024 $000 pre-tax | 2024 $000 after-tax | 2023 $000 pre-tax | 2023 $000 after-tax |
|---|---|---|---|---|
| *Material items by category:* | | | | |
| Idle plant capacity | (47,246) | (34,482) | - | - |
| Non-core asset disposals | 23,431 | 23,431 | - | - |
| Asset rationalisation and restructuring | (18,756) | (17,130) | (12,705) | (12,705) |
| Deferred tax asset recognition | - | 14,600 | - | - |
| Release of provision for LATAM tax liabilities | - | 11,700 | - | - |
| Transactions related to Russia and Ukraine | - | - | 2,312 | 1,654 |
| Total profit/(loss) | (42,571) | (1,881) | (10,393) | (11,051) |

## 30 September 2023 Material items

**Transactions related to Russia and Ukraine**

During the year ended 30 September 2023, the group has continued to assess the recoverability of assets, primarily trade receivables and inventories, in respect of the group's operations in Russia and Ukraine. The group has determined to cease operations in its Russian legal entity. The group continues to operate in Ukraine to support growers through sales of seed and crop protection products. The amounts recognised as material items during the year ended 30 September 2023 include reversals of previously recognised expenses pertaining to receivables and inventories, and the recognition in profit/(loss) of foreign currency translation reserve balances previously recognised in other comprehensive income. At 30 September 2023, the total remaining assets in Ukraine make up less than half a percent of total group assets.

**Asset rationalisation and restructuring**

During the year ended 30 September 2023, the group has ceased operating specific legal entities and begun liquidation proceedings. As a result, a non-cash material item has been incurred with respect to the recognition in profit/(loss)of foreign currency translation reserve balances previously recognised in other comprehensive income.

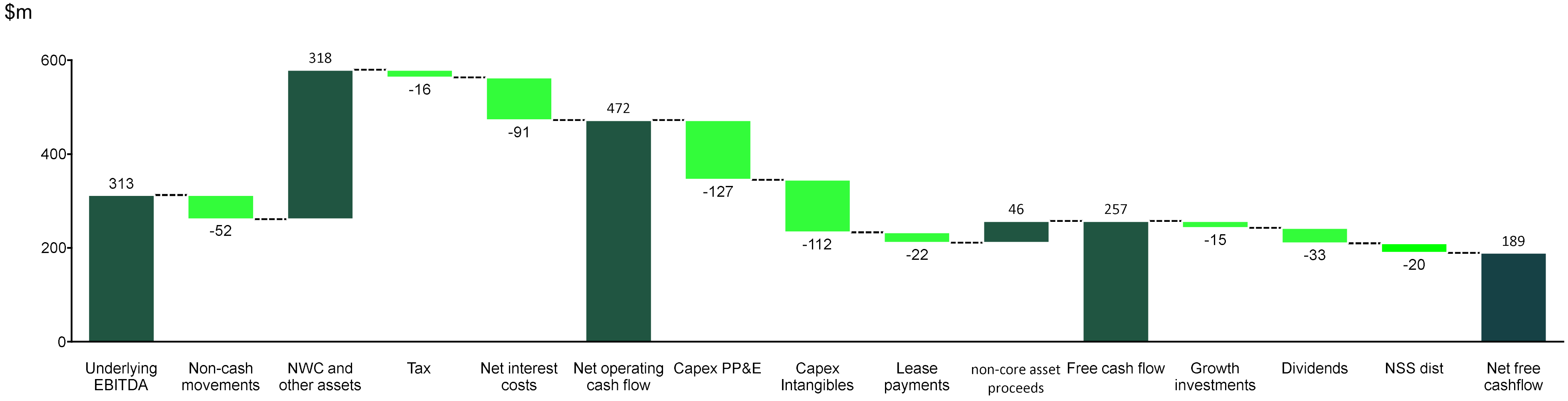
# Appendix 5: Cash flow

| 2024 | Underlying $000 | Material items $000 | Total group $000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net operating cash flows | 519,637 | (47,246) | 472,391 |
| **Cash flows from investing activities** | | | |
| Net investing cash flows | (253,244) | 45,787 | (207,457) |
| **Cash flows from financing activities** | | | |
| Net financing cash flows | (200,765) | - | (200,765) |
| Net operating, investing and financing cash flows | 65,628 | (1,459) | 64,169 |

| 2023 | Underlying $000 | Material items $000 | Total group $000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net operating cash flows | (124,630) | (990) | (125,620) |
| **Cash flows from investing activities** | | | |
| Net investing cash flows | (241,731) | - | (241,731) |
| **Cash flows from financing activities** | | | |
| Net financing cash flows | 185,980 | - | 185,980 |
| Net operating, investing and financing cash flows | (180,381) | (990) | (181,371) |

# Appendix 6: Free cash flow

## Free cash flow driven by NWC reduction




- Operating cash flow generation is highly correlated with changes in Net Working Capital & underlying EBITDA
- NWC cash inflow driven by lower inventory
- Net free cash flow generated of $189m, post application to dividends & growth investments

# Appendix 7: Segment Information & reconciliation

| Revenue - Underlying ($000s) | 2024 $000 | 2023 $000 | Change $000 | Change % |
|---|---|---|---|---|
| *Crop protection* | | | | |
| APAC | 864,600 | 970,504 | (105,904) | (11%) |
| North America | 1,266,262 | 1,259,811 | 6,451 | 1% |
| Europe | 808,131 | 857,214 | (49,083) | (6%) |
| ***Total Crop protection*** | ***2,938,993*** | ***3,087,529*** | ***(148,536)*** | ***(5%)*** |
| Seed Technologies | 406,916 | 393,082 | 13,834 | 4% |
| Corporate | - | - | - | - |
| **Nufarm Group** | **3,345,909** | **3,480,611** | **(134,702)** | **(4%)** |

| EBITDA - Underlying ($000s) | 2024 $000 | 2023 $000 | Change $000 | Change % |
|---|---|---|---|---|
| *Crop protection* | | | | |
| APAC | 88,232 | 87,959 | 273 | 0% |
| North America | 82,465 | 161,060 | (78,595) | (49%) |
| Europe | 123,628 | 165,656 | (42,028) | (25%) |
| ***Total Crop protection*** | ***294,325*** | ***414,675*** | ***(120,350)*** | ***(29%)*** |
| Seed Technologies | 83,034 | 98,097 | (15,063) | (15%) |
| Corporate | (64,618) | (73,418) | 8,800 | (12%) |
| **Nufarm Group** | **312,741** | **439,354** | **(126,613)** | **(29%)** |

| EBIT - Underlying ($000s) | 2024 $000 | 2023 $000 | Change $000 | Change % |
|---|---|---|---|---|
| *Crop protection* | | | | |
| APAC | 72,021 | 71,214 | 807 | 1% |
| North America | 46,697 | 127,918 | (81,221) | (63%) |
| Europe | 17,938 | 73,583 | (55,645) | (76%) |
| ***Total Crop protection*** | ***136,656*** | ***272,715*** | ***(136,059)*** | ***(50%)*** |
| Seed Technologies | 37,394 | 52,667 | (15,273) | (29%) |
| Corporate | (66,739) | (74,402) | 7,663 | (10%) |
| **Nufarm Group** | **107,311** | **250,980** | **(143,669)** | **(57%)** |

| Operating profit reconciliation | 2024 $000 | 2023 $000 | Change % |
|---|---|---|---|
| Underlying EBITDA | 312,741 | 439,354 | (29)% |
| add Depreciation and amortisation excluding material items | (205,430) | (188,374) | 9 % |
| Underlying EBIT | 107,311 | 250,980 | (57)% |
| Material items impacting operating profit | (42,571) | (10,393) | 310 % |
| Operating profit | 64,740 | 240,587 | (73)% |

# Appendix 8: Constant currency results

| A$ million | Sep 2024 Reported | Sep 2024 Constant[1] currency | Sep 2023 Reported | Constant currency % Change |
|---|---|---|---|---|
| | 12 months ended | | | |
| Revenue | 3,345.9 | 3,323.5 | 3,480.6 | -5% |
| Underlying EBITDA | 312.7 | 314.3 | 439.4 | -28% |
| Underlying EBIT | 107.3 | 112.6 | 251.0 | -55% |

| A$1 = | FY24 | FY23 | % change |
|---|---|---|---|
| | Average exchange rates FY24 v FY23 | | |
| USD | 0.662 | 0.664 | 0% |
| EUR | 0.609 | 0.626 | -3% |
| GBP | 0.520 | 0.545 | -5% |

| A$1 = | FY24 | FY23 | % change |
|---|---|---|---|
| | Spot exchange rates FY24 v FY23 | | |
| USD | 0.693 | 0.648 | 7% |
| EUR | 0.618 | 0.611 | 1% |
| GBP | 0.516 | 0.530 | -3% |

Notes:
1. 12 months ended 30 September 2024 reported results converted at 12 months ended 30 September 2023 foreign currency exchange rates

# Appendix 9: Capital Management Principles

## Maintaining discipline while retaining flexibility

**Capital Management Framework**

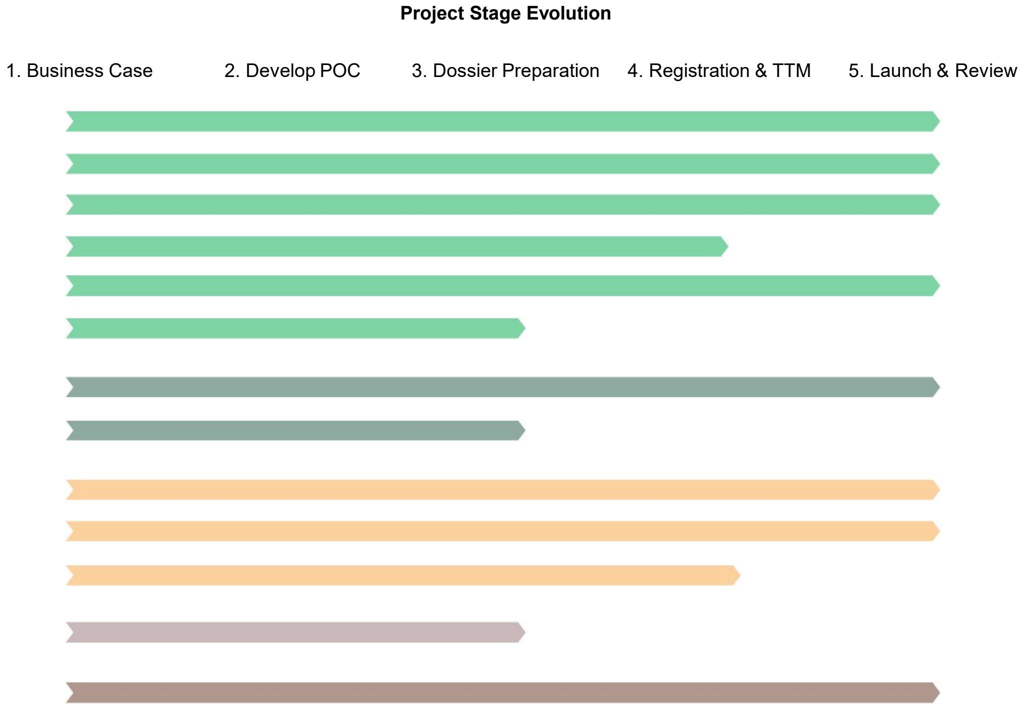
Sustained financial resilience throughout operating cycles to support growth & optimise returns to shareholders

| | | | | |
|---|---|---|---|---|
| **Principle** | **Optimising financial flexibility** | **Maintaining financial strength through the cycles** | **Optimising returns**<br>Apply free cash flow to growth &/or return capital to shareholders | |
| **Target** | Core statutory leverage target 1.5x – 2x | aNWC/Sales 35-40% | **Allocating funds for growth**<br>Growth opportunities<br>Target ROFE > Nufarm WACC | **Returns to shareholders**<br>Return excess funds to shareholders |
| **Considerations** | Maintain leverage commensurate with a credit rating that is expected to provide cost efficient funding on favourable terms<br><br>Capital structure & funding platform to be financially resilient through the cycles, which:<br>- ensures appropriate levels of liquidity<br>- reduces balance sheet risk | Focus on delivery of free cash flow<br><br>Free cash flow generation allows optionality in terms of capital allocation & returning capital to shareholders<br><br>Commitment to continuous improvement in net working capital management<br><br>Targeting breakeven free cash flow at low point in cycle excluding working capital movements | Growth opportunities to maximise cash flow & profitability<br><br>Disciplined capital evaluation & allocation processes to assess & optimise opportunities<br><br>Excess free cash flow post consideration of identified growth options is available for distribution to shareholders | Refreshed dividend policy aligns dividends with free cash flow - previously aligned with profit<br><br>Any dividend payment subject to compliance with core target leverage range of 1.5x-2.0x annualised and assessing cashflow across an appropriate cycle<br><br>Consideration given to capital return mechanisms; ordinary dividend payment vs share buy-backs or other capital returns |

# Appendix 10: Global crop protection product development pipeline

## Our crop protection pipeline crops, segments and geographies – selected products

| Segment | Estimated Global Market Value (USD) | Estimated Launch Year[1] | Product |
|---|---|---|---|
| Herbicides | $900m | 2023 | 2,4-D Formulation Lifecycle Extend |
| | $200m | 2024-25 | Dichlorprop-p & Mixture Formulation |
| | $220m | 2022 | SU Broadleaf Cereal Herbicide |
| | $50m | 2025-26 | Graminicide & Mixture Formulation |
| | $450m | 2024-28 | Grass & Broadleaf Herbicide |
| | $500m | 2027 | Residual Corn Herbicide (Cornado) |
| Fungicides | $1000m | 2023 | Joust - Triazole Straights & Mixtures |
| | $610m | 2027-2028 | Broad Spectrum Fungicide |
| Insecticides | $1300m | 2024-27 | Opterapro/ Naxypro (Chewing Pests) |
| | $750m | 2024-25 | Acetamiprid & Mixtures (Carnadine) |
| | $150m | 2024-26 | Systemic & Mixture Formulation |
| Other | $150m | 2026 | PGR in Oil Seed Rape (Canola) |
| Biologicals | $550m | 2024 - 2027 | Simpell / Exsolant (Spinosad) |




1. The estimated launch year indicated is for the first country. For products launched in more than one country, the estimated launch date may fall in different years
2. This is selected products only and not the complete pipeline.



Nufarm

# Appendix 11: FY24 Portfolio Solutions Milestones & Updates

## Foundational Solutions

**Joust/Gauntlet®**

- ✓ Fungicide containing prothioconazole.
- ✓ Registrations granted in Canada, UK, France, Czech Rep., Italy, Latvia, Moldova, Belgium, Hungary, Spain, Poland, Slovakia, Sweden, Germany, Ukraine and Romania.

**Carnadine®**

- ✓ Insecticide containing acetamiprid.
- ✓ Registrations granted in Czech Rep., Portugal, Spain, Italy, Greece, Poland, Romania, Austria, Germany, Hungary, Slovakia, Slovenia, Sweden, Baltics, Ukraine and Belgium.

**Credit / Crucial®**

- ✓ Herbicide containing glyphosate.
- ✓ New MIPA free Glyphosate 450 g/l was approved and launched in Australia.

## Innovative Solutions

**MOA**

- ✓ Agreement signed with MOA for the joint development of new mode of action herbicides.

**Duplosan®**

- ✓ Proprietary herbicide containing dichlorprop-p.
- ✓ Registration granted in Norway.
- ✓ States of Kansas and Montana in the US approved Duplosan as Special Local Needs product to control Kochia.

**Southpaw®**

- ✓ A unique 3-way herbicide.
- ✓ Registration granted in T&O in the US.

## Biological Solutions

**IBI-Ag**

- ✓ Agreement signed with IBI-Ag for the joint development of new bioinsecticides.

**Exsolant / Simpell®**

- ✓ Bioinsecticide containing Spinosad.
- ✓ First European registrations achieved in Greece, Czech Rep., Portugal and Italy.

**Cuproxat®**

- ✓ Fungicide containing copper sulfate.
- ✓ Registered in South Africa.

## Emerging Solutions

**Precision application**

- ✓ Australian GRDC and Nufarm announced a joint R&D collaboration in the use of "green on green" (precision application) technology in Australian agriculture.

**Kilter**

- ✓ Nufarm made a small investment in Norwegian company Kilter and secured distribution rights for their precision application robot for ANZ.

**Nucrop**

- ✓ Nufarm Poland won the innovation award at the Polish National Challenge in Agriculture conference.

## Integrated Solutions

**Precinct®**

- ✓ As a first, Precinct fungicide seed treatment was approved for use in carinata in the US.

**Sealicit**

- ✓ Successful innovation meeting with more than 40 distributors across Europe, highlighting the benefits of the product in managing pod shattering in canola.
- ✓ Approved for use on carinata, canola, soybeans and other crops in Canada.
- ✓ Approved for sale in Austria, UK, Germany, Romania, Baltics, Nordics, Poland, Hungary, Czech Rep.

Sources: Prof B Hankamer - Institute for Molecular Bioscience (IMB) UQ | Food & Agricultural Organisation of The United Nations;
United Nations Department of Economic & Social Affairs, Population Division: The World Population Prospects (2019), Phillips McDougall, Agribusiness intelligence 2017.