

Allied Farmers Limited Annual General Meeting

Tuesday, 27 November 2018

ALLIED FARMERS

Welcome & Introduction

ALLIED FARMERS

Annual Financial Statements

ALLIED FARMERS

Allied Farmers Limited

	2018	2017
	\$m	\$m
Income	18.6	17.4
Expenses	16.2	15.0
Taxation	0.2	0.2
Net Profit	<u>2.2</u>	<u>2.2</u>
Parent Owners Share	1.5	1.6

Allied Farmers Limited

CONTINUING DIVISIONS

	2018	2017
	\$m	\$m
LIVESTOCK		
Revenue	18.2	17.3
Pre-Tax Profit	2.6	2.7
INVESTMENTS		
Revenue	0.4	0.0
Impairments	-	-
Profit (Loss)	0.4	0.0
CORPORATE		
Income	0.0	0.1
Costs	0.5	0.3
Interest	0.1	0.1
Profit (Loss)	(0.6)	(0.3)

Allied Farmers Limited

GROUP BALANCE SHEET

	2018	2017
	\$m	\$m
ASSETS		
Receivables	14	8
Cash	1	2
Fixed Assets	4	4
Other Assets	1	1
	<u>20</u>	<u>15</u>
LIABILITIES & EQUITY		
Borrowings	6	5
Other incl. Creditors	11	8
Equity	3*	2*
	<u>20</u>	<u>15</u>

** Does not include assessed value of investment in subsidiaries or increase in value of rural fixed assets*

Significant Milestones

- Acquired further share in Redshaws Livestock – now 52%
- Continued expansion in South Island
- NZ Farmers Livestock – Good 2nd half after reduced 1st half
- One off gain for Asset Management Services
- Finance subsidiary ahead of plan

Current Performance

Livestock mixed - some regions ahead of last year
- some behind – M bovis impact

Meat Processing ahead of last year
- expanded into Manawatu

Corporate / AFIL costs lower than last year

ON TRACK TO BE SIGNIFICANTLY AHEAD OF FIRST HALF OF LAST YEAR

Dividend

0.2 cents per share

161.5 M shares \$323,000

Fully Imputed

Gross Dividend 0.278 cents per share

Record Date 14 December 2018

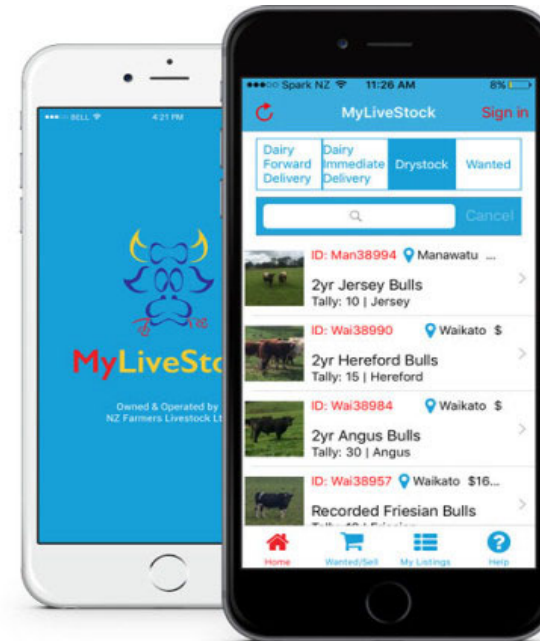
Payment Date 18 January 2019

Allied Farmers - Rural CEO - Steve Morrison

ALLIED FARMERS

NZ FARMERS LIVESTOCK

- NZ Farmers Livestock Agency
- MyLivestock platform and App
- Redshaw Livestock
- Farmers Meat Export Ltd - expanded
- Livestock Finance – Bullplan and general
- Associated Auctioneers JV interests (SML)



REDSHAW LIVESTOCK LTD

Working with Farmers for Farmers

MyLivestock.co.nz

NZ FARMERS LIVESTOCK

- Experienced and growing team
- Adding value for clients - every day
- Sales/purchase channel & Deal closure
- Win-Win business
- Moving with (or ahead of) the times

Working with Farmers for Farmers



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NZ FARMERS LIVESTOCK

Today:

- Ongoing Growth – recruitment, acquisition, Northland, South Island, yards
- NZFLL Group EBT
- Dairy challenges
- Solid livestock agency performance
- FMEL growth – tally and price, trial
- Redshaws in line with acquisition basis
- M bovis challenge
- Financial management
- Very good bank support
- Financially robust

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NZ FARMERS LIVESTOCK

Looking Forward:

- Building & supporting teams
- Developing new agents
- Building networks
- Robust contracting arrangements
- Developing FMEL business
- Building value
- Enhancing control and process



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NZ FARMERS LIVESTOCK

- Health and Safety of our staff a key priority
- Significant efforts to ensure compliance



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NZ FARMERS LIVESTOCK

Future Focus

- Informed Growth
- Market share
- MyLivestock/App/CRM
- Bottomline performance
- A platform and support for wider Allied Farmers progress



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Thank you



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Questions

Business Resolutions

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Resolution 1.
Re-election of Andrew McDouall
(retiring by rotation)

Resolution 2. Election of Marise James

Resolution 3.

Remuneration of Auditors

General Business

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