



Ridley Corporation Limited

Appendix 4D Half year report

ABN 33 006 708 765

Results for announcement to the market

Reporting period: Half year ended 31 December 2022
Previous corresponding period: Half year ended 31 December 2021
Release date: 16 February 2023

		\$A millions
Revenue from ordinary activities	Up 25.4% to	637.9
EBITDA before Individually Significant Items ¹	Up 12.8% to	44.1
Consolidated EBITDA	Down 5.2% to	44.1
Net profit after tax before Individually Significant Items ¹	Up 20.3% to	21.0
Net profit after tax from ordinary activities attributable to members and Total comprehensive income	Down 7.2% to	21.0

¹ There were no Individually Significant Items ("ISIs") in the period, refer Note 4 for details on ISIs in the previous corresponding period.

	31 December 2022	31 December 2021
Net tangible asset backing per ordinary share	\$0.76	\$0.72

Dividends

The Board has determined to pay an interim dividend of 4.00 cents per share (**cps**), fully franked and payable on 27 April 2023 for a cash outlay of approximately \$12.7 million (**m**).

	Amount per security (cents)	Franked amount per security at 30% tax rate
Final 2022 Dividend per share (Paid 27 October 2022)	4.00	4.00
Interim 2023 Dividend per share	4.00	4.00

Ex-Dividend date: 5.00 pm on 5 April 2023
Record date: 5.00 pm on 6 April 2023
Payment date: 27 April 2023

Further detail of the above figures is set out on the following pages and in the Group's separate results investor presentation.

16 February 2023

Delivering the Growth Plan

FY23 1H Results

The highlights of the Ridley Corporation Limited consolidated group (**Ridley or Group**) FY23 1H results are:

- Earnings before Interest, Tax, Depreciation and Amortisation (**EBITDA**) before Individually Significant Items of \$44.1m, representing an increase of \$5.0m (12.8%) on the previous corresponding period driven by the ongoing execution of Ridley's Growth Strategy.
- Operating cashflow was \$56.5m³ which is an increase of \$22.7m (67.2%) on the previous corresponding period.

SUMMARY (\$ million unless otherwise stated)	Dec 2022	Dec 2021	Movement
EBITDA ¹ - before Individually Significant Items ("ISI's") ²	44.1	39.1	▲ 5.0
NPAT before ISI's	21.0	17.4	▲ 3.6
ISI's (tax effected)	-	5.2	▼ 5.2
NPAT and Total comprehensive income	21.0	22.6	▼ 1.6
Operating cashflow ³	56.5	33.8	▲ 22.7
Consolidated cash inflow	(2.8)	65.9	▼ 68.7
Net debt	25.7	17.2	▲ 8.5
Leverage ratio (times) ⁴	0.3x	0.2x	▲ 0.1x
Earnings Per Share – before ISI's (cents)	6.6	5.5	▲ 1.1
Earnings Per Share (cents)	6.6	7.1	▼ 0.4

¹ Calculated as NPAT of \$21.0m adjusted for Finance Costs (\$2.1m), Tax (\$8.5m), Depreciation and Amortisation (\$12.6m).

² There were no Individually Significant Items ("ISI's") in the period, refer Note 4 for details on ISI's in previous corresponding period.

³ Calculated as EBITDA of \$ 44.1m, plus decrease in Working Capital (\$12.8m)

⁴ Calculated as Net debt / Last 12 months EBITDA per banking facility covenant calculations.

The Directors believe that the presentation of the unaudited non-IFRS financial summary above is useful for users of the accounts as it reflects the underlying financial performance of the business.

Segment Performance

The Packaged Feeds and Ingredients segment contributed EBITDA of \$ 33.0m, a 21.9% increase on the previous corresponding period. The Ingredient Recovery business delivered strong results from accessing premium markets with differentiated products. Higher selling prices for protein meals and tallows more than off-set increased raw material and manufacturing costs. The branded Packaged Products volumes grew 5% (vs pcp) as the business gained market share in the rural farming sector and increased production for urban pet food customers. Sales in the Aquafeed business declined as extrusion capacity was allocated to pet food production. NovaqPro™ increased volumes sold to domestic customers (vs pcp) and made yield improvements in manufacturing NovaqPro™ in Thailand, which more than off-set the rising costs of production.



The Bulk Stockfeeds segment contributed EBITDA of \$17.9m, representing a \$0.7m or 3.9% decline on the pcp. As previously signalled, wet conditions in Q2 provided for a challenging transition to the new crop which impacted on Q2 margins. The segment delivered strong market share gains across the major species – monogastric volumes were up 2%, despite the challenges COVID and the wet conditions had on the poultry sector and ruminant volumes were up by 9%, driven by new diary customer wins. Improved asset utilisation due to increased volumes more than off-set the macro manufacturing cost pressures.

Corporate costs of \$6.7m represent an increase over the corresponding period of \$0.2m (2.9%). This primarily reflects the inflationary impact on salary costs and additional accruals required for the long-term employee incentives, which are linked to the improved financial performance of the Company.

There was a \$0.3m increase in finance costs in the period to \$2.1m which primarily reflects higher interest rates.

Cashflows and debt

Strong operational performance resulted in a net operating cash inflow of \$56.5m for FY23 1H (FY22 1H: \$ 33.8m). This operating cash inflow was offset by capital expenditure of \$15.2m, payment of tax of \$17.1m, payment of dividends of \$12.8m, long term incentive plan share purchase of \$7.2m, share buyback of \$2.9m, lease liabilities of \$2.5m and net finance costs of \$1.9m.

Inventory values decreased from \$117.1m to \$111.0m as the business shortened its hold of strategic inventory held previously to help manage the challenging supply chains that existed in prior periods. This decrease was partially offset by the higher cost of raw materials included in the inventory value. These higher raw material costs related to the impact of macro challenges in the supply chain. Debtors remain well controlled.

Net Debt was \$25.7m at 31 December 2022 compared with \$22.9m at 30 June 2022. With underlying operations and dividends funded through operating cashflow, the increase related to the \$2.9m cost of the share buy-back in the period. The Gearing and Leverage ratios at 31 December 2022 have increased slightly to 17.1% and 0.3x respectively with increases in borrowings, however these ratios remain well within covenant conditions.

Outlook

Second half earnings (EBITDA before significant items) are expected to improve on the previous corresponding period with the business well positioned to grow earnings through;

- the momentum in the underlying business segments,
- increased asset utilisation from de-bottlenecking solutions, and
- the ongoing delivery of the Growth Plan.

Cash generation is expected to support maintenance capital, investment for growth, dividends and the continuation of the share buy-back.

Whilst macro-economic conditions are challenging, the business is taking proactive steps to reduce the potential impact of inflationary pressures.

For further information please contact:

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Chief Financial Officer
Ridley Corporation Limited
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RIDLEY CORPORATION LIMITED

Directors' Report for the half year ended 31 December 2022

The Directors present their report on the consolidated entity consisting of Ridley Corporation Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2022.

Directors

The Directors of Ridley Corporation Limited at any time during or since the end of the half year and up to the date of this report are as follows:

M McMahon	Q L Hildebrand	R J van Barneveld
P M Mann	E Knudsen	R Jones
J Raffe (appointed 1 Sep 2022)	D Lord (resigned 24 Nov 2022)	

Review of Operations

The review of operations is set out on pages 2 and 3.

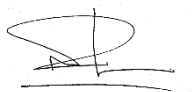
Rounding of Amounts to Nearest Thousand Dollars

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial statements. Amounts in the directors' report and the consolidated financial statements have been rounded off to the nearest thousand dollars in accordance with that legislative instrument, unless otherwise indicated.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is on page 5 and forms part of the Directors' report.

Signed and lodged from Melbourne on 16 February 2023 in accordance with a resolution of the Directors.



M P McMahon
CHAIR



Q L Hildebrand
MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Ridley Corporation Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Ridley Corporation Limited for the half-year ended 31 December 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Julie Carey

Partner

Melbourne

16 February 2023

**CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	Note	December 2022 \$'000	December 2021 \$'000
Revenue	2	637,869	508,725
Cost of sales		(581,245)	(463,439)
Gross profit		56,624	45,286
Finance income	2	144	15
Other income	2	240	9,598
Expenses:			
Selling and distribution		(7,184)	(6,678)
General and administrative		(18,349)	(14,919)
Finance costs	3	(2,059)	(1,736)
Profit before income tax		29,416	31,566
Income tax expense		(8,460)	(8,986)
Net profit after tax attributable to members of Ridley Corporation Limited		20,956	22,580
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		20,956	22,580
Total comprehensive income for the period attributable to members of Ridley Corporation Limited		20,956	22,580
Earnings per share			Cents
Basic / Diluted earnings per share		6.6 / 6.4	7.1 / 6.8
Basic / Diluted earnings per share – before individually significant items		6.6 / 6.4	5.5 / 5.3

The above consolidated condensed statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED CONDENSED BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	December 2022 \$'000	June 2022 \$'000
Current assets			
Cash and cash equivalents		39,272	27,078
Receivables		144,591	133,126
Inventories		111,011	117,131
Total current assets		294,874	277,335
Non-current assets			
Property, plant and equipment	7	250,348	246,902
Intangible assets	8	74,736	74,972
Deferred tax asset		4,838	8,157
Total non-current assets		329,922	330,031
Total assets		624,796	607,366
Current liabilities			
Payables		221,018	206,626
Provisions		14,936	15,112
Tax liability		-	11,860
Total current liabilities		235,954	233,598
Non-current liabilities			
Payables		7,569	7,374
Borrowings		65,000	50,000
Provisions		320	364
Total non-current liabilities		72,889	57,738
Total liabilities		308,843	291,336
Net assets		315,953	316,030
Equity			
Share capital		222,248	225,114
Share based payment reserves		2,832	3,146
Retained earnings		90,873	87,770
Total equity		315,953	316,030

The above consolidated condensed balance sheet should be read in conjunction with the accompanying notes.

**CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

\$'000	Share capital	Share based payment reserve	Retained earnings	Total
Balance at 1 July 2022	225,114	3,146	87,770	316,030
Profit for the period	-	-	20,956	20,956
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	20,956	20,956
Transactions with owners recorded directly in equity:				
Dividends paid	-	-	(12,780)	(12,780)
Treasury share buy-back and release of Long Term Incentive Plan ¹	-	-	(7,176)	(7,176)
Treasury share buy-back ²	(2,866)	-	-	(2,866)
Transfer to Retained Earnings	-	(2,103)	2,103	-
Share-based payment transactions	-	1,789	-	1,789
Total transactions with owners recorded directly in equity	(2,866)	(314)	(17,853)	(21,033)
Balance at 31 December 2022	222,248	2,832	90,873	315,953

¹ During the current reporting period, the Group purchased its own shares on- market at a value of \$7.2m for the purpose of allocating these shares to eligible employees as a part of the Group's Long Term Incentive Plan. As at 31 December 2022, all of these shares have been issued to the eligible Employees.

² On 18 August 2022, the Group announced the plan to buy back ordinary shares of Ridley Corporation Limited on- market up to a total value of \$20m between 12 October 2022 to 30 June 2023. As at 31 December 2022, 1.5 million shares at a total consideration of \$2.9m have been bought back and cancelled.

**CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR
ENDED 30 JUNE 2022**

\$'000	Share Capital	Share Based Payments Reserve	Retained Earnings	Total
Opening balance at 1 July 2021	225,114	1,706	60,725	287,545
Profit for the year	-	-	42,430	42,430
Other Comprehensive (Loss) / Income for the year	-	-	-	-
Transactions with owners recognised directly in equity:				
Issue of share capital	-	(1,868)	1,868	-
Dividends paid / declared	-	-	(17,253)	(17,253)
Share based payment transactions	-	3,308	-	3,308
Total transactions with owners recognised directly in equity	-	1,440	(15,385)	(13,945)
Balance at 30 June 2022	225,114	3,146	87,770	316,030

The above consolidated condensed statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	December 2022 \$'000	December 2021 \$'000
Cash flows from operating activities		
Receipts from customers	693,670	563,580
Payments to suppliers and employees	(636,901)	(530,204)
Other revenue received	174	293
Net interest and other finance costs paid	(1,852)	(1,403)
Income taxes paid	(17,080)	(6,874)
Net cash from operating activities	38,011	25,392
Cash flows from investing activities		
Payments for property, plant and equipment	(15,247)	(6,062)
Payments for intangible assets	(105)	(398)
Proceeds from assets held for sale	-	57,427
Net cash from / (used in) investing activities	(15,352)	50,967
Cash flows from financing activities		
Share based payment transactions	(206)	(484)
Share purchases - LTIP	(7,176)	-
Share buyback	(2,866)	-
Increase in / (Repayment of) borrowings	15,021	(78,014)
Dividends paid	(12,780)	(6,231)
Payments for lease liabilities	(2,458)	(3,782)
Net cash used in financing activities	(10,465)	(88,511)
Net movement in cash held	12,194	(12,152)
Cash at the beginning of the period	27,078	39,904
Cash at the end of the half year	39,272	27,753

The above consolidated condensed statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements
For the half year ended 31 December 2022

Note 1 – Basis of preparation of interim financial report

These condensed consolidated interim financial statements, comprising parent entity Ridley Corporation Limited, its subsidiaries and the Group's interest in equity accounted investments, as at, and for the six months ended, 31 December 2022, have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, International Financial Reporting Standard IAS 34 *Interim Financial Reporting* and the *Corporations Act 2001*. This 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 report for the year ended 30 June 2022.

These interim financial statements were approved by the Board of Directors on 16 February 2023.

The principal accounting policies adopted in the preparation of these interim financial statements are consistent with those applied by the Group in its consolidated financial statements as at, and for the year ended, 30 June 2022. There are no new accounting standards having material impact.

New accounting standards and interpretations

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current half year.

Note 2 – Revenue and other income

	CONSOLIDATED	
	December 2022 \$'000	December 2021 \$'000
Revenue		
Sale of goods	637,869	508,725
Finance income	144	15
Other income		
Rental income	28	30
Gain on sales of residual property site assets	-	2,949
Gain on sale of Westbury extrusion plant	-	6,356
Other	212	263
	240	9,598

Note 3 – Finance Costs

	CONSOLIDATED	
	December 2022 \$'000	December 2021 \$'000
Interest expense	1,799	1,418
Interest expense on lease liabilities	201	246
Amortisation of borrowing costs	59	80
Unwind of discount on deferred consideration	-	(8)
	2,059	1,736

**Notes to the financial statements
For the half year ended 31 December 2022**

Note 4 – Individually Significant Items

Individually Significant Items before income tax and related disclosure in Consolidated Condensed Statement of Comprehensive Income:

	December 2022 \$'000	December 2021 \$'000
Gain on sale of Westbury extrusion plant (Other Income)	-	6,356
Gain on sale of land assets held for sale (Other Income)	-	2,949
Software-as-a-Service (General and Administrative expenses)	-	(1,926)
Total Individually Significant Items gain / (loss) before income tax	-	7,379

There were no individually significant items in the half year ended 31 December 2022.

Note 5 - Dividends

Dividends paid during the half year:

Half year ended 31 December 2022 **\$'000**

An FY22 Final Dividend of 4 cents per share, franked to 100%, was paid on 27 October 2022, comprising cash payment of \$12,645,000 and employee loan application of \$135,000.

12,780

Half year ended 31 December 2021 **\$'000**

An FY21 Final Dividend of 2 cents per share, franked to 100%, was paid on 29 October 2021, comprising cash payment of \$6,231,000 and employee loan application of \$159,000.

6,390

Note 6 – Segment reporting

Operating Segments

The Group determines and presents operating segments based on information that internally is provided to and used by the Managing Director, who is the Group's Chief Operating Decision Maker (**CODM**).

Segment results reported to the Managing Director include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, cash and borrowings, income tax assets and liabilities and surplus property asset holding costs. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Notes to the financial statements
For the half year ended 31 December 2022

Note 6 – Segment reporting (continued)

Consistent with the prior period, Ridley is reporting segment information for:

- Packaged Feeds and Ingredients – comprising the Group’s premium quality, high performance animal nutrition feed and ingredient solutions delivered in packaged form ranging from 1 tonne down to 3kg bags. This reporting segment includes the Aquafeed Business Unit.
- Bulk Stockfeeds – comprising the Group’s premium quality, high performance animal nutrition stockfeed solutions delivered in bulk.

	BULK STOCKFEEDS	PACKAGED FEEDS & INGREDIENTS	CORPORATE	TOTAL
31 December 2022 in \$'000				
Total sales revenue	434,439	203,430	-	637,869
EBITDA before individually significant items	17,855	33,018	(6,749)	44,124
Depreciation & Amortisation (DA)	(7,592)	(5,049)	(8)	(12,649)
Finance costs	-	-	(2,059)	(2,059)
Reportable segment profit before income tax and before individually significant items	10,263	27,969	(8,816)	29,416
Individually significant items	-	-	-	-
Reportable segment profit before income tax	10,263	27,969	(8,816)	29,416
31 December 2022 in \$'000				
Segment assets	284,406	271,153	69,236	624,795
Segment liabilities	(175,694)	(63,733)	(69,415)	(308,842)

Notes to the financial statements
For the half year ended 31 December 2022

Note 6 – Segment reporting (continued)

	BULK STOCKFEEDS	PACKAGED FEEDS & INGREDIENTS	CORPORATE	TOTAL
31 December 2021 in \$'000				
Total sales revenue	341,540	167,185	-	508,725
EBITDA before individually significant items	18,588	27,063	(6,508)	39,143
Depreciation & Amortisation (DA)	(7,947)	(5,264)	(9)	(13,220)
Finance costs	-	-	(1,736)	(1,736)
Reportable segment profit before income tax and before individually significant items	10,641	21,799	(8,253)	24,187
Individually significant items	-	-	7,379	7,379
Reportable segment profit before income tax	10,641	21,799	(874)	31,566
30 June 2022 in \$'000				
Segment assets	280,233	269,816	57,315	607,366
Segment liabilities	(161,468)	(66,431)	(63,437)	(291,336)

Note that all tax assets and liabilities, and all cash and borrowings, have been disclosed within Corporate based on the parent entity responsibilities for the tax consolidated group and banking facilities and consistent with the central treasury function operation for the Ridley consolidated group.

**Notes to the financial statements
For the half year ended 31 December 2022**

Note 7 – Property, plant and equipment

31 December 2022 in \$'000	Land and Buildings	Plant and Equipment	Capital work in progress	Right of use assets	Total
Cost at 1 July 2022	85,804	319,617	31,177	25,968	462,566
Accumulated depreciation	(15,424)	(185,988)	-	(14,251)	(215,663)
Carrying amount at 1 July 2022	70,380	133,629	31,177	11,717	246,903
Additions	-	-	15,571	680	16,251
Transfers from plant under construction	259	7,522	(8,336)	-	(555)
Disposals	-	-	-	-	-
Depreciation	(1,029)	(8,968)	-	(2,254)	(12,251)
Carrying amount at 31 Dec 2022	69,610	132,183	38,412	10,143	250,348
At 31 December 2022					
Cost	86,063	327,139	38,412	26,648	478,262
Accumulated depreciation	(16,453)	(194,956)	-	(16,505)	(227,914)
Carrying amount at 31 Dec 2022	69,610	132,183	38,412	10,143	250,348
30 June 2022 in \$'000	Land and Buildings	Plant and Equipment	Capital work in progress	Right of use assets	Total
Cost at 1 July 2021	85,338	313,341	13,973	22,871	435,523
Accumulated depreciation	(13,326)	(167,768)	-	(9,627)	(190,721)
Carrying amount at 1 July 2021	72,012	145,573	13,973	13,244	244,802
Additions	185	15	23,746	3,251	27,197
Transfers	281	6,261	(6,542)	-	-
Other lease movements	-	-	-	(154)	(154)
Disposals	-	-	-	-	-
Depreciation	(2,098)	(18,220)	-	(4,624)	(24,942)
Carrying amount at 30 June 2022	70,380	133,629	31,177	11,717	246,902
At 30 June 2022					
Cost	85,804	319,617	31,177	25,968	462,566
Accumulated depreciation	(15,424)	(185,988)	-	(14,251)	(215,663)
Carrying amount at 30 June 2022	70,380	133,629	31,177	11,717	246,903

Notes to the financial statements
For the half year ended 31 December 2022

Note 8 – Intangibles

31 December 2022 in \$'000

	Software	Goodwill	Contracts	Assets under development	Total
Cost at 1 July 2022	18,077	69,904	2,685	4,997	95,663
Accumulated depreciation	(17,259)	(953)	(1,733)	(746)	(20,691)
Carrying amount at 1 July 2022	818	68,951	952	4,251	74,972
Additions	519	-	-	3	522
Amortisation	(221)	-	(417)	(120)	(758)
Carrying amount at 31 Dec 2022	1,116	68,951	535	4,134	74,736

As at 31 December 2022

Cost	18,596	69,904	2,685	5,000	96,185
Accumulated depreciation and amortisation	(17,480)	(953)	(2,150)	(866)	(21,449)
Carrying amount at 31 Dec 2022	1,116	68,951	535	4,134	74,736

30 June 2022 in \$'000

	Software	Goodwill	Contracts	Assets under development	Total
Carrying amount at 1 July 2021	1,412	68,951	1,688	3,842	75,892
Additions	-	-	-	650	650
Disposals	(2)	-	-	-	(2)
Amortisation charge	(592)	-	(736)	(240)	(1,568)
Carrying amount at 30 June 2022	818	68,951	952	4,251	74,972

At 30 June 2022

Cost	18,077	69,904	2,685	4,997	95,663
Accumulated amortisation and impairment	(17,259)	(953)	(1,733)	(746)	(20,691)
Carrying amount at 30 June 2022	818	68,951	952	4,251	74,972

**Notes to the financial statements
For the half year ended 31 December 2022**

Note 9 – Contingent liabilities

In the ordinary course of business the Group may be subject to legal proceedings or claims. Where there is significant uncertainty as to whether a future liability will arise in respect of these items, or the amount of liability (if any) which may arise cannot be reliably measured, these items are accounted for as contingent liabilities. Based on information available as of the date of this report, the Group does not expect any of these items to result in a material loss.

Note 10 – Fair values

Fair values versus carrying amounts

The carrying amount of financial assets and liabilities approximates their fair value. For financial assets and liabilities carried at fair value, the Group uses the following to categorise the method used:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). Valuation inputs include forward curves, discount curves and underlying spot and futures prices.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Note 11 – Events occurring after the balance sheet date

The Board has determined to pay an interim dividend of 4.00 cents per share (cps), fully franked and payable on 27 April 2023.

There are no other matters or circumstances that have arisen since 31 December 2022 that have significantly affected, or may significantly affect:

- (i) the consolidated entity's operations in future financial periods; or
- (ii) the results of those operations in future financial periods; or
- (iii) the consolidated entity's state of affairs in future financial periods.

Directors' Declaration

In the opinion of the Directors of Ridley Corporation Limited:

- a. the financial statements and notes set out on pages 6 to 16 are in accordance with the Corporations Act 2001 including:
- i. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - ii. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the six month period ended on that date; and
- b. there are reasonable grounds to believe that Ridley Corporation Limited will be able to pay its debts as and when they become due and payable.

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



M P McMahon
CHAIR



Q L Hildebrand
MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER

Melbourne
16 February 2023

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Independent Auditor's Review Report

To the shareholders of Ridley Corporation Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying **Half-year Financial Report** of Ridley Corporation Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Ridley Corporation Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2022 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Half-year Financial Report** comprises:

- Consolidated condensed statement of financial position as at 31 December 2022;
- Consolidated condensed statement of comprehensive income, Consolidated condensed statement of changes in equity and Consolidated condensed statement of cash flows for the Half-year ended on that date;
- Notes 1 to 11 comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Company and the entities it controlled at the Half year's end or from time to time during the Half-year.

The Half-year Period is the six months ended on 31 December 2022.

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*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

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



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 that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that gives a true and fair view and 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 the Half-year Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the Half-Year ended on that date, and complying with *Australian 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.

KPMG

Julie Carey
Partner

Melbourne

16 February 2023