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Chair's Address

Sanford's annual financial result to 30 September was a record that achieved significant media attention. NPAT was \$63.7m, more than triple the prior year NPAT, and its adjusted EBIT of \$105.2m was 142% of the prior year number. The share price increased by 12% to \$6.85 over the two trading days following announcement. This record result corroborates the Board's primary focus on total shareholder return via share price and dividends. This is the second consecutive year that Sanford had its strongest-ever adjusted EBIT result compared with all prior years. To cap things off, the Deloitte Top 200 Awards recognised Sanford as one of three finalists in this year's Business NZ Most Improved Performance Award.

The Board has declared a final dividend of 5.0 cents per share. Sanford continues to emphasise the management of its operating cashflow, capital expenditure and debt in setting its dividend policy. The Board congratulates David Mair and his team for achieving this outstanding result. David was appointed Managing Director of Sanford on 01 May 2024, having joined the Board on 07 November 2022. David is resetting the direction of the Group. He will describe the key elements of Sanford's operational performance and strategic direction in his address to you shortly.

Directors and the Board

David is the only director that is up for re-election at this year's Annual Shareholders' Meeting (ASM). The Board presently comprises six directors: three independent and three non-independent. The Board remains comfortable with its composition and spread of directors at this time in terms of their mix of skills. I announced at last year's ASM, when I was re-elected a director for a further three years, that I was approaching the 10-year mark as a director and would not therefore seek re-election to that position. Accordingly, I plan to retire from the Board during calendar year 2026, at which time the Board will appoint a new Chair.

Climate Reporting Disclosures (CRD)

Reporting against the new climate reporting standards was required from the financial year beginning on or after 01 January 2023, being 01 October 2023 for Sanford.

The recent CRD reporting amendments are expected to move the compliance threshold from a market capitalisation of \$60 million to \$1 billion for listed issuers next year. In addition, the Financial Markets Authority has issued a waiver for Sanford's FY25 CRD reporting requirements. While welcoming the changes proposed, the Board has determined that Sanford will continue to meet the previous disclosure and audit requirements, with our Sustainability Report due to be issued in January 2026.

Key Stakeholders

Sanford's success depends on sourcing the right stakeholders and establishing successful relationships with them, particularly our shareholders, customers and staff. I want to thank you as shareholders for your confidence in Sanford to achieve a strong result this year. I also thank our customers and staff for their ongoing commitment to the Company. These stakeholder relationships depend on our licence to operate, which emphasises the role of the community in our stakeholder mix. Finally, I thank my Board colleagues for their contribution.

Sir Robert McLeod
Chair