RIDLEY

FY20 RESULTS

Business Reset and Ready to Grow with our Customers

Quinton Hildebrand, CEO

26 August 2020

INTRODUCTION

Business reset executed

Issues addressed:

- Large overhead structure, slow to meet customer needs
- Underutilisation of Murray Bridge feedmill
- Long standing legal claims
- Underperformance of the Novacq™ business unit

Progress announced:

- New organisational structure
- Changes to leadership team
- Wellsford feedmill construction complete and northern Victoria rationalisation underway
- Growth strategy delivering benefits

Performance:

13% **improvement in financial performance from ongoing operations**

Mark Morrissey
Operational Excellence Manager – Stockfeed
at Wellsford Feedmill

INTRODUCTION

Business reset in numbers

EBITDA
(from ongoing operations)

$64.3m

▲ 8.2% YOY growth

Lease Accounting

(AASB 16)

+$5.0m

1H Reset

Closure of Murray Bridge
$7.2m
($4.4m non-cash)

Restructure
$2.9m

Legal Claim Resolved
$1.9m

-$12.0m

2H Reset

Northern Victoria Rationalisation
$7.0m
($5.6m non-cash)

Simplified Structure
$1.3m

-$8.3m

Impairment Reset

Novacq™
$21.6m
(non-cash)

Moolap Land Development
$1.3m
(non-cash)

-$22.9m

NPAT

-$8.5m

New Wellsford construction + **Novacq™ Thailand investment**

▲ **$42.9m** development capex

Net Debt

$147.2m

Peak debt in May 2020

AGENDA

1. Financial Results
2. Business Update
3. Growth Strategy
4. Market Disclosure
5. Outlook

Silo bank - Wellsford Feedmill

Financial Results.

Strong operating performance.

1

PROFIT & LOSS SUMMARY

Consolidated Result - in ($m)	FY20	FY19	Analysis of result
EBITDA – Ongoing operations before significant items	64.3	59.4	Full year EBITDA result from Operations before significant items up $4.9m on prior year.
EBITDA impact of lease accounting standard	5.0	-	New standard generates favourable impact at EBITDA level which reverses through charging of DA and interest for a net unfavourable result of $0.26m.
Corporate Costs	(9.8)	(11.3)	Overall consistent with prior year after legal costs and internal restructure.
Consolidated EBITDA before significant items	59.5	48.1	Up $6.4m on prior year excluding favourable lease accounting impact.
Significant items before income tax	(43.2)	6.2	See separate schedule.
Consolidated EBITDA	16.3	54.3	
Depreciation and amortisation	(26.2)	(18.9)	First year of depreciation of new Westbury extrusion plant and $4.9m first time amortisation of capitalised leases.
Consolidated EBIT	(9.9)	35.4	
Net Finance costs	(5.8)	(5.0)	Commensurate with higher levels of debt due to capital program and new $0.4m of lease accounting interest charge.
Income Tax benefit / (expense)	7.1	(6.8)	Income tax benefit for the year after allowing for significant items.
Net (loss) / profit	**(8.6)**	**23.6**	
Other comprehensive income / (loss)	0.1	(0.4)	Available for sale asset disposed in the year for $1.9m proceeds and realisation of reserve.
Total Comprehensive (Loss) / Income	**(8.5)**	**23.2**	

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying profits of the business.

PROFIT & LOSS SIGNIFICANT ITEMS

Consolidated Result - in ($m)	FY20	FY19	Analysis of significant items
Murray Bridge feedmill closure	(7.2)	-	Aggregate estimated financial impact of closing the former feedmill, including demolition, remediation, asset removal and rezoning for ultimate divestment.
Internal restructure	(4.2)	-	Aggregate cost of internal restructure conducted in two stages (1H: $2.9m and 2H: $1.3m) to remove layers, provide accountability, and facilitate more proactive customer relationships.
Restructure of Northern Victorian operations	(7.0)	-	Transfer to the new Wellsford feedmill of all Bendigo production concluded in FY20 with all Mooroopna production to be transitioned in FY21. Former feedmills closed / to be closed respectively and prepared for divestment, and this provision covers all of the anticipated costs of doing so.
Settlement of legal claim	(1.9)	-	Settlement of legal claim announced in February 2020, with two year extension of feed supply agreement and production efficiencies introduced.
Impairment of Novacq™ Cash Generating Unit	(21.6)	-	Impairment to reflect delays in development and installation of processing technology which have hindered scale up of production and restricted sales volumes accordingly.
Impairment of Moolap Investment Property	(1.3)	-	Moolap Investment Property impaired to reflect the lack of commercial opportunity arising from the government's strategic framework for the Point Henry/Moolap area.
Property segment profit	-	6.2	Prior year sales of Lara property, with Property segment absorbed within Corporate from 1 July 2019.
Net (loss) / profit	**(43.2)**	**6.2**	

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying profits of the business.

BALANCE SHEET ASSETS

Balance Sheet - in $m	June 2020	June 2019	Analysis of balances
Cash & cash equivalents	45.8	17.5	Closing balance is a function of timing of receipts/payments and draw down/repayment of bank funding. 30 June 2020 balance includes $20.0m in an At Call account as COVID-19 related contingency cash reserves.
Inventory	104.5	83.8	Reflects higher prawn feed stock build and elevated contingency holdings to ensure continuity of production in the event of interruption of supply.
Receivables	111.7	108.2	Debtor days maintained at 32-34 days sales outstanding.
Assets available for sale	0.2	0.2	Comprises sole residual Lara surplus landholding.
Total Current Assets	262.2	209.7	
Investment property	-	1.3	Former salt field land at Moolap fully impaired as at 30 June 2020.
Property, plant and equipment	294.2	259.3	Movement includes construction and commissioning of new feedmill at Wellsford, wrap up of costs for the Westbury extrusion plant commissioned in July 2019, and Thailand land acquisition.
Investments - equity accounted	-	0.7	Investment in Thai feedmill consolidated during the year following acquisition of the remaining 51% shareholding interest therein.
Available for sale financial asset	-	1.7	Available for sale asset sold during the year for proceeds of $1.9m.
Intangibles	75.0	85.7	Reflects the capitalisation of non-P,P&E activity at Yamba and Chanthaburi ($3.4m) plus software additions ($0.3m) offset by charges for amortisation ($1.8m) and impairment of Novacq™ ($13.7m)
Non-current Receivables	1.7	11.7	Comprises deferred sale proceeds of $1.4m and prepayments of $0.3m. Prior year loan to related party ($6.0m) was capitalised during the year upon the Thai feedmill becoming wholly owned.
Other non-current assets - deferred tax	13.6	3.7	Outworking of tax effect accounting tax entries.
Total Assets	**646.7**	**573.8**	

BALANCE SHEET LIABILITIES

Balance Sheet - in $m	June 2020	June 2019	Analysis of balances
Current payables	161.3	158.8	Reflects timing of creditor payments within agreed trading terms.
Current Borrowings	193.0	-	- Accounting standard requirement to report borrowings as current. Refer below. - Increase in borrowings reflects completion of new Westbury extrusion plant plus construction of new feedmill at Wellsford. - Net debt of $147.2m, calculated after offsetting cash & cash equivalents, increased by $45.8m during the year.
Current provisions	21.1	16.0	Comprises provision for restructuring of $6.3m plus current employee entitlements of $14.8m.
Current tax liabilities	0.4	2.0	Year end tax payable liability.
Current Lease liabilities	4.1	-	First time recognition of lease liability in accordance with the new AASB16 lease accounting standard requirements.
Non-current borrowings	-	118.9	Subsequent to 30 June 2020, the Group received certain waivers from its lenders on its financial covenants for the 30 June 2020 testing period. These waivers provide financial covenant relief in respect of any impairment charges raised against the FY20 result and have ensured that the Group has remained at all times compliant with its funding covenants, including as at the most recent test date of 30 June 2020. Notwithstanding this, the accounting standard deems there to have been a covenant breach which requires the debt to be reported as current rather than non-current.
Non-current Payables, Lease liabilities and Provisions	5.2	0.5	Comprises first time recognition of lease liabilities of $4.9m plus employee entitlements of $0.3m.
Total Liabilities	**385.1**	**296.2**	
Net Assets / Equity	**261.6**	**277.5**	The changes in issued capital during the year reflect the utilisation of the DRP and shortfall placement for the FY20 interim dividend, while the FY19 final dividend of 2.75 cps was paid on 31 October 2019, franked to 100%, and paid wholly in cash.

CASH FLOW

Consolidated Cash flow - in $m	FY20	FY19	Analysis of movement
Consolidated EBIT	(9.9)	35.4	Consolidated EBIT (Operations less Corporate) after significant items.
Depreciation and amortisation (DA)	26.2	18.9	Aggregate Depreciation and amortisation charges to profit and loss for the year.
Consolidated EBITDA	16.3	54.3	Consolidated EBITDA after $43.2m of significant items.
Non-cash impairment	22.8	-	Non-cash impairment of Novacq™ Cash Generating Unit and Moolap investment property.
Movement in working capital	(7.5)	(7.3)	$7.5m increase in working capital for the year, reflecting the inventory contingency holdings.
Maintenance capex	(13.3)	(13.3)	Maintenance capex consistent with prior year.
Operating cash flow	**18.3**	**33.7**	
Development capex	(42.9)	(60.0)	Development capex includes completion of new Westbury and Wellsford plants plus Thailand land acquisition.
Payment for Intangibles	(4.5)	(5.5)	Comprises $4.2m of Novacq™ capitalised project activity plus $0.3m of software additions.
Dividends paid – net of DRP/shortfall placement	(8.5)	(8.6)	Cash payment of dividend on 31 October 2019 and DRP/Shortfall placement fully covering cash impact of FY20 interim dividend.
Proceeds from sale of assets	5.7	5.0	Prior year asset sale proceeds of $3.8m plus $1.9m proceeds from disposal of Available for sale financial asset.
Net finance costs	(6.2)	(5.7)	Reflective of bank refinance offset by higher debt levels.
Net tax payments	(4.3)	(1.7)	Reflection of timing of tax instalment payments.
Payment of lease liabilities for Right of use assets	(5.0)	-	Lease payments recorded under new lease accounting standard.
Other net cash inflows / (outflows)	1.6	(5.8)	Includes loans to related parties and share based payments.
Cash outflow for the year	**(45.8)**	**(48.6)**	
Opening net debt as at 1 July	(101.4)	(52.8)	Net debt being gross debt less cash and cash equivalents.
Closing net debt	**(147.2)**	**(101.4)**	

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying profits of the business.

Business Update.
Resilient through change.

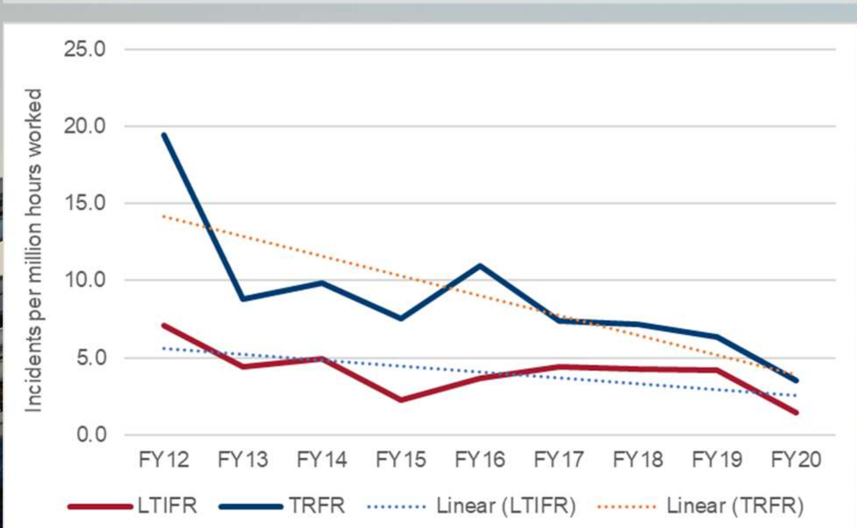
2

RECORD SAFETY PERFORMANCE

Engaging our people on the journey to operational excellence

Focus on accountability and planning to promote:

- Safer working conditions
- Improved quality performance
- Environmental leadership
- Efficient operations



Embedding world-class safety at Wellsford Feedmill

COVID-19 RESPONSE

Well prepared to manage the risks

Customer impact

- Ongoing consumer requirement for animal proteins
- Some reduction in feed volumes by those customers more reliant on the Food Service channel or directly affected by temporary abattoir closures in Victoria

Operational impact and preparedness

- To date no interruption to Ridley operations
- Rendering supply has been impacted at times due to temporary abattoir closures in Victoria
- Well established contingency strategies in place for operational shifts, sanitation and back-up production
- Carrying additional raw material inventory to underpin international supply chains and ensure continuity of production

Financial Stability

- Banking facilities in place until November 2024
- $80m in headroom against Term and Receivable funding facilities

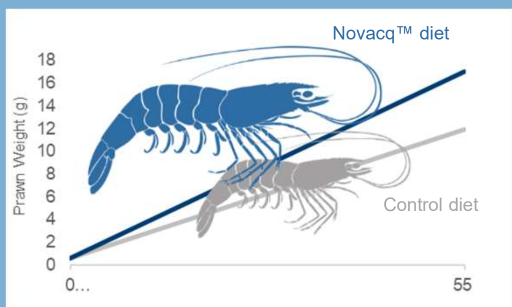
COMMERCIALISING NOVACQ™

Continual progress in scaling up production

NOW

R&D

Proven efficacy by CSIRO, third-party testing and on-farm



PRODUCTION

- Focus on continuous improvement
- Making quantum shifts in pond productivity by reducing oxygen limitations
- Steadily improving the mechanical dryer solution at Yamba; installation in Thailand to be complete by March 2021

SALES

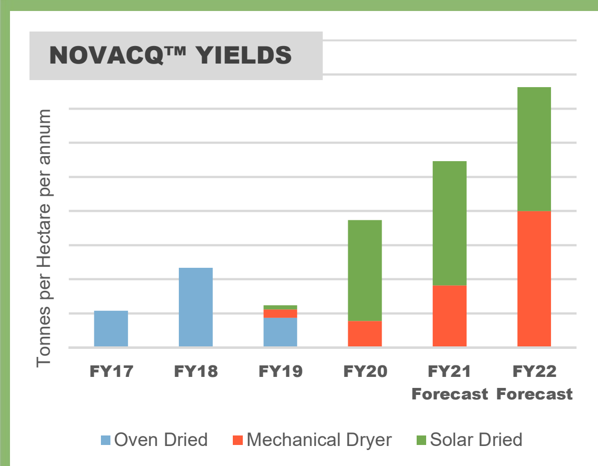
- All available Novacq™ committed for sale in Ridley feed for the upcoming Australian prawn season or allocated for trials with prospective domestic and international customers

NEXT

R&D

- Develop bio-assay to accelerate production and diet optimisation
- Review alternative production techniques
- Assess application in other animal species

PRODUCTION



SALES

- Value proposition has been demonstrated, margin to come from production scale-up
- Trials with customers to align with growth in available production

IMPAIRMENT OF THE NOVACQ™ CASH GENERATING UNIT (CGU)

ASX Disclosure: 13 August 2020

Although the efficacy of Novacq™ in the production of prawns has been well demonstrated and the product is being sold commercially, delays in the development and installation or processing technology have hindered the scale up of production and restricted sales volumes and earnings accordingly.

As a consequence of the above, coupled with the general economic uncertainty prevailing in domestic and world markets, the Company has raised a non-cash impairment of $21.6m in its Novacq™ CGU in the financial results for the year ended 30 June 2020.

Novacq™ production at Chanthaburi, Thailand

Growth Strategy.

A focus on improvements in core business, whilst growing sales.

3

GROWTH STRATEGY

A focus on improvements in core business, whilst growing sales

Optimisation

There are significant opportunities within Ridley to simplify the business, install automation, leverage our raw material and consumable procurement, and to rationalise the supply chain.

Sales growth

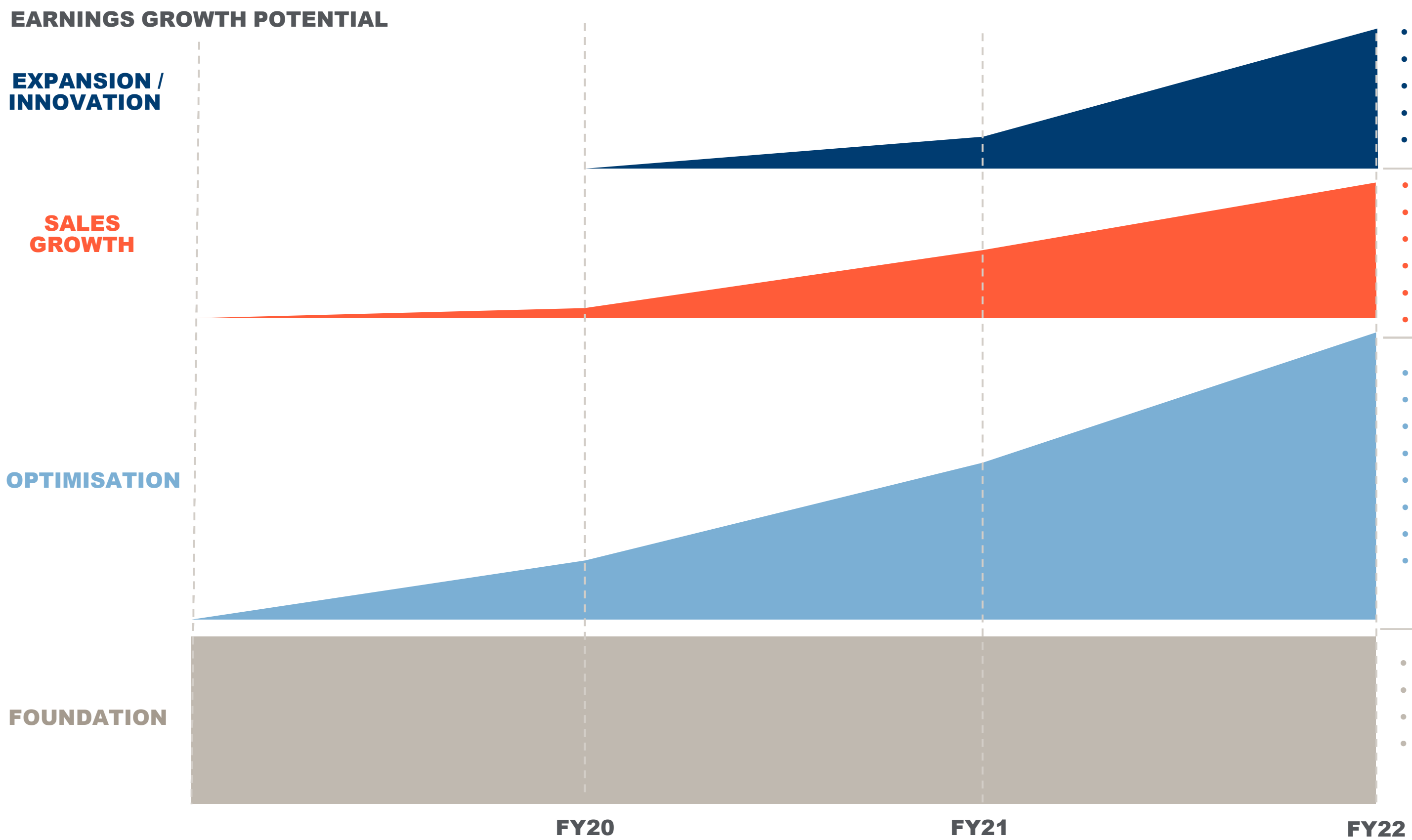
The new structure provides a single point of accountability for both the customer servicing and operation of the supplying facility, which will make us more responsive to sale opportunities and well positioned to fill our existing underutilised capacity.

Expansion / innovation

In time, our pipeline of innovation opportunities (of which Novacq™ is the most significant) should be commercialised and can be augmented by bolt-on acquisitions.

GROWTH STRATEGY

A focus on improvements in core business, whilst growing sales



- Novacq™ operational efficiencies
- Novacq™ international sales
- New range of Packaged Products
- Rendering product development
- Acquisitions

- Westbury utilisation
- Prawn growth
- Reseller consolidation
- Dairy penetration
- Monogastric growth
- Equine share

- Murray Bridge feedmill closure
- Internal restructure
- Simplification
- Northern Victoria footprint review
- Procurement savings
- Raw material sourcing
- Supply chain rationalisation
- Portfolio review

- Demand for proteins
- Expanding customers
- Scale operator
- Nutritional expertise

Yet to commence
Partially executed
Completed

SALES GROWTH – BULK STOCKFEED MILLS

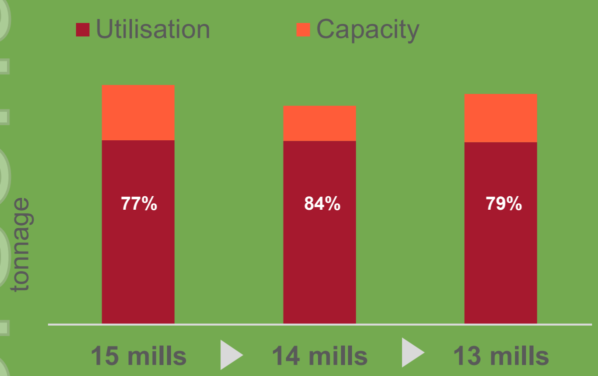
Capacity to grow with our customers

FY20

OPTIMISATION OF PRODUCTION FOOTPRINT

Closure of 3 feedmills and opening of 1 large feedmill; realising cost savings whilst retaining capacity for growth

STOCKFEEDS PRODUCTION UTILITY



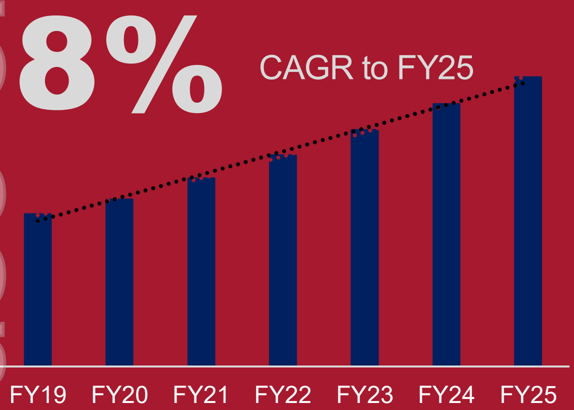
Ridley has a competitive advantage to grow this business:

- Invested in large-scale assets with new technology
- Nutritional experts for each species
- Procurement leverage through Group volumes
- Internal ingredient supply from Ridley Rendering
- Alliances with global nutrient suppliers
- Capacity for growth in ruminant and monogastric mills

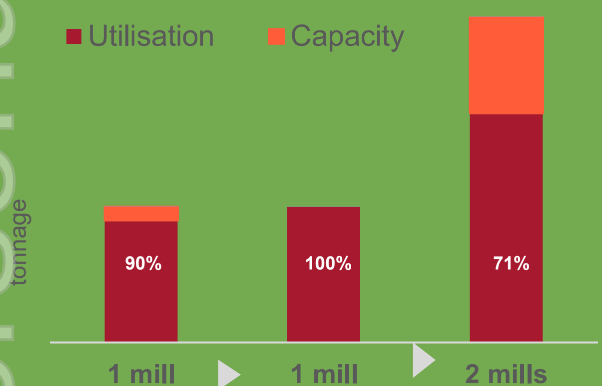
SALES GROWTH – EXTRUSION FACILITIES

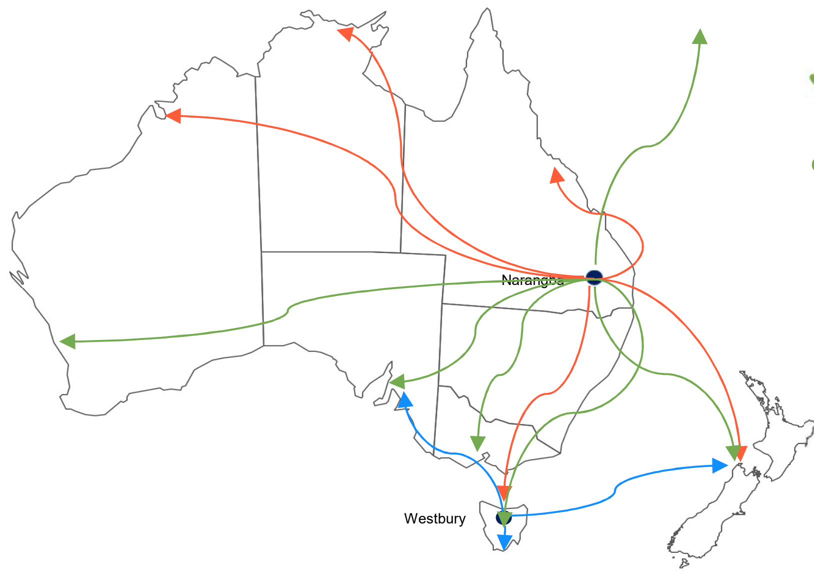
Well positioned to support industry growth

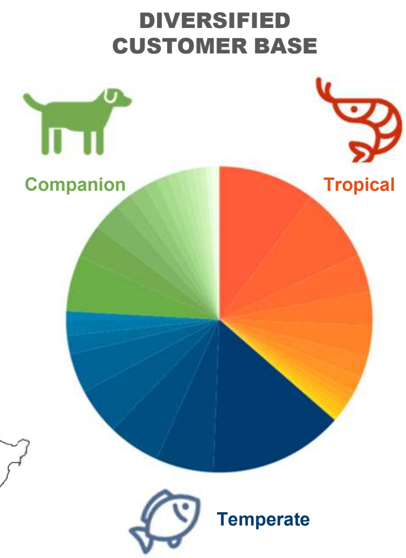
AUSTRALIAN AQUA INDUSTRY



RIDLEY EXTRUSION FACILITIES







Ridley has a competitive advantage to grow this business:

- Only supplier with domestic contingency – two extruder facilities with capacity
- Supply chain suits tropical customers from Narangba and temperate customers from Westbury
- Established dog feed brands with growth prospects
- Procurement leverage though group volumes
- Internal ingredient supply from Ridley Rendering
- Inclusion of Novacq™ into prawn diets
- Technical expertise with experience in optimising performance in Australian conditions

Market Disclosure.

Board appointments and capital management.

4

BOARD UPDATE / DIVIDEND

ASX Disclosure : 24 August 2020

Board of Directors update

- Retirement of Dr. Gary Weiss AM as previously announced.
- Appointment of Mick McMahon as a Director and Ridley Chair from 27 August 2020.
- Appointment of Rhys Jones as a Director from 27 August 2020.

Suspension of the FY20 Final Dividend

- Net debt peaked in May 2020 with the completion of the Asset Renewal Program and the target is to reduce Net Debt/EBITDA to 2x (currently c.2.5x*).
- The Board has resolved to suspend the FY20 Final Dividend to pay down debt.

* calculated as Net Debt of $147.2m divided by FY20 EBITDA (before significant items) of $59.5m

Outlook.

Strong and sustainable earnings growth.

5

OUTLOOK

- We are well prepared to manage the employee welfare and business interruption risks presented by the COVID-19 pandemic.
- As an ‘essential service’ with a diversified customer base, we expect demand for our products to be resilient despite the impact of the pandemic on the economy.
- The business reset has been executed and the customer-oriented strategy is positioned to grow sales.
- Favourable growing conditions are enabling a strong recovery in the national grain crop as well as plentiful pasture for graziers. This will predictably shift demand and supply within individual Ridley business units, with the impact likely to balance out at a Group level.
- The ongoing implementation of the Growth Strategy is expected to deliver improved earnings in FY21.

IMPORTANT NOTICE AND DISCLAIMER

Disclaimer

The material in this presentation is general background information about the activities of Ridley Corporation Limited and its related entities (**Ridley**), current at the date of this presentation, unless otherwise stated.

The content is information given in summary form and does not purport to be complete. It should be read in conjunction with Ridley's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. This presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Forward looking statements in this presentation should not be relied upon as an indication or guarantee of future performance, and they involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Ridley.

Appendix.

Supporting information.

PROFIT & LOSS SUMMARY

Consolidated Result - in ($m)	FY20	FY19	Analysis of result	FY18	FY17	FY16
EBITDA – Ongoing operations before significant items	64.3	59.4	Full year EBITDA result from Operations before significant items up $4.9m on prior year.	60.8	61.0	69.1
EBITDA impact of lease accounting standard	5.0	-	New standard generates favourable impact at EBITDA level which reverses through charging of DA and interest for a net unfavourable result of $0.26m.	-	-	-
Corporate Costs	(9.8)	(11.3)	Overall consistent with prior year after legal costs and internal restructure.	(9.5)	(9.9)	(9.6)
Consolidated EBITDA before significant items	59.5	48.1	Up $6.4m on prior year excluding favourable lease accounting impact.	51.3	51.1	59.5
Significant items before income tax	(43.2)	6.2	See separate schedule in body of presentation.	(4.2)	2.2	1.1
Consolidated EBITDA	16.3	54.3		47.1	53.3	60.6
Depreciation and amortisation	(26.2)	(18.9)	First year of depreciation of new Westbury extrusion plant and $4.9m first time amortisation of capitalised leases.	(17.3)	(15.2)	(15.0)
Consolidated EBIT	(9.9)	35.4		29.8	38.1	45.6
Net Finance costs	(5.8)	(5.0)	Commensurate with higher levels of debt due to capital program and new $0.4m of lease accounting interest charge.	(4.6)	(5.0)	(5.4)
Income Tax benefit / (expense)	7.1	(6.8)	Income tax benefit for the year after allowing for significant items.	(7.8)	(7.3)	(12.6)
Net (loss) / profit	**(8.6)**	**23.6**		**17.4**	**25.8**	**27.6**
Other comprehensive income / (loss)	0.1	(0.4)	Available for sale asset disposed in the year for $1.9m proceeds and realisation of reserve.	0.5	-	-
Total Comprehensive (Loss) / Income	**(8.5)**	**23.2**		**17.9**	**25.8**	**27.6**

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying profits of the business.

BALANCE SHEET
Assets

Balance Sheet - in $m	June 2020	June 2019	Analysis of balances	Jun 2018	Jun 2017	Jun 2016
Cash & cash equivalents	45.8	17.5	Closing balance is a function of timing of receipts/payments and draw down/repayment of bank funding. 30 June 2020 balance includes $20.0m in an At Call account as COVID-19 related contingency cash reserves.	23.4	16.5	28.5
Inventory	104.5	83.8	Reflects higher prawn feed stock build and elevated contingency holdings to ensure continuity of production in the event of interruption of supply.	76.7	83.7	87.7
Receivables	111.7	108.2	Debtor days maintained at 32-34 days sales outstanding.	104.0	116.2	112.3
Assets available for sale	0.2	0.2	Comprises sole residual Lara surplus landholding.	1.1	-	-
Other - tax asset	-	-	Tax refund receivable after payment of tax instalments.	3.0	0.4	-
Total Current Assets	262.2	209.7		208.2	216.8	228.5
Investment property	-	1.3	Former salt field land at Moolap fully impaired as at 30 June 2020.	1.3	3.2	3.1
Property, plant and equipment	294.2	259.3	Movement includes construction and commissioning of new plants at Wellsford and wrap up of costs for Westbury, plus Thailand land acquisition.	202.6	182.8	160.2
Investments - equity accounted	-	0.7	Investment in Thai feedmill consolidated during the year following acquisition of remaining 51% shareholding interest therein.	1.1	1.3	3.7
Available for sale financial asset	-	1.7	Available for sale asset sold during the year for proceeds of $1.9m.	2.3	1.3	-
Intangibles	75.0	85.7	Reflects the capitalisation of non-P,P&E activity at Yamba and Chanthaburi ($3.4m) plus software additions ($0.3m) offset by charges for amortisation ($1.8m) and impairment of Novacq™ ($13.7m).	82.5	79.3	76.4
Non-current Receivables	1.7	11.7	Comprises deferred sale proceeds of $1.4m and prepayments of $0.3m. Prior year loan to related party ($6.0m) was capitalised during the year upon the Thai feedmill becoming wholly owned.	8.6	0.8	5.5
Other non-current assets	13.6	3.7	Outworking of tax effect accounting tax entries.	3.6	5.1	7.4
Total Assets	**646.7**	**573.8**		**510.3**	**490.6**	**484.8**

BALANCE SHEET
Liabilities

Balance Sheet - in $m	June 2020	June 2019	Analysis of balances	June 2018	June 2017	June 2016
Current payables	161.3	158.8	Reflects timing of creditor payments within agreed trading terms.	155.9	148.6	145.9
Current Borrrowings	193.0	-	- Accounting standard requirement to report borrowings as current. Refer below. - Increase in borrowings reflects completion of new Westbury extrusion plant plus construction of new feedmill at Wellsford. - Net debt of $147.2m, calculated after offsetting cash & cash equivalents, increased by $45.8m during the year.	-	-	-
Current provisions	21.1	16.0	Comprises provision for restructuring of $6.3m plus employee entitlements of $14.8m.	14.6	13.5	12.9
Current tax liabilities	0.4	2.0	Period end tax payable liability.	-	-	8.3
Current Lease liabilities	4.1	-	First time recognition of lease liability in accordance with the new AASB16 lease accounting standard requirements.	-	-	-
Non-current borrowings	-	118.9	Subsequent to 30 June 2020, the Group received certain waivers from its lenders on its financial covenants for the 30 June 2020 testing period. These waivers provide financial covenant relief in respect of any impairment charges raised against the FY20 result and have ensured that the Group has remained at all times compliant with its funding covenants, including as at the most recent test date of 30 June 2020. Notwithstanding this, the accounting standard deems there to have been a covenant breach which requires the debt to be reported as current rather than non-current.	76.2	68.1	69.4
Non-current Payables, Lease liabilities & Provisions	5.2	0.5	Comprises first time recognition of lease liabilities of $4.9m plus employee entitlements of $0.3m.	0.5	0.6	0.5
Total Liabilities	**385.1**	**296.2**		**247.2**	**230.8**	**237.0**
Net Assets / Equity	**261.6**	**277.5**	The changes in issued capital during the year reflect the utilisation of the DRP and shortfall placement for the FY20 interim dividend, while the FY19 final dividend of 2.75 cps was paid on 31 October 2019, franked to 100%, and paid wholly in cash.	**263.1**	**259.8**	**247.8**

CASH FLOW

Consolidated Cash flow - in $m	FY20	FY19	Analysis of movement	FY18	FY17	FY16
Consolidated EBIT	(9.9)	35.4	Consolidated EBIT (Operations less Corporate) and after significant items.	26.4	39.2	46.1
Depreciation and amortisation	26.2	18.9	Aggregate Depreciation and amortisation charges to profit and loss for the year.	17.3	15.2	15.0
Consolidated EBITDA	16.3	54.3	Consolidated EBITDA after $43.2m of significant items.	43.7	54.4	61.1
Non-cash impairment	22.8	-	Non-cash impairment of Novacq™ CGU Unit and Moolap investment property.	-	-	-
Movement in working capital	(7.5)	(7.3)	$7.5m increase in working capital for the year reflecting the inventory contingency holdings.	15.3	(2.6)	(19.3)
Maintenance capex	(13.3)	(13.3)	Maintenance capex consistent with prior year.	(15.1)	(14.2)	(14.9)
Operating cash flow	18.3	33.7		43.9	37.6	26.9
Development capex	(42.9)	(60.0)	Development capex includes completion of new Westbury and Wellsford plants and Thailand land acquisition.	(21.1)	(19.6)	(19.3)
Payment for Intangibles	(4.5)	(5.5)	Comprises $4.1m of Novacq™ capitalised project activity plus $0.4m of software.	(4.3)	(3.6)	(0.7)
Dividends paid –net of DRP/placement	(8.5)	(8.6)	Cash payment of dividend on 31 October 2019 and DRP/Shortfall placement fully covering cash impact of FY20 interim dividend.	(12.9)	(12.2)	(10.6)
Proceeds from sale of assets	5.7	5.0	Prior year asset sale proceeds of $3.8m plus $1.9m proceeds from sale of available for sale financial asset.	5.4	13.5	20.7
Net finance costs	(6.2)	(5.7)	Reflective of bank refinance offset by higher debt levels.	(4.6)	(5.5)	(5.4)
Payment of lease liabilities	(5.0)	-	Lease payments recorded under new lease accounting standard.	-	-	-
Net tax payments	(4.3)	(1.7)	Reflection of timing of tax instalment payments.	(5.9)	(14.7)	(13.9)
Other net cash inflows / (outflows)	1.6	(5.8)	Includes loans to related parties and share based payments.	(1.6)	(6.0)	(6.1)
Cash outflow for the year	(45.8)	(48.6)		(1.2)	(10.5)	(8.4)
Opening net debt as at 1 July	(101.4)	(52.8)		(51.6)	(41.1)	(32.7)
Closing net debt	(147.2)	(101.4)		(52.8)	(51.6)	(41.1)

The Directors believe that the presentation of the unaudited non-IFRS financial information on this slide is useful for users of the accounts as it reflects the underlying profits of the business.

Contact details

Quinton Hildebrand
Chief Executive Officer

E: Quinton.Hildebrand@ridley.com.au
P: +61 3 8624 6529

RIDLEY

Ridley Corporation Limited
ABN 33 006 708 765

Level 4, 565 Bourke Street
Melbourne, VIC. 3000 Australia

ridley.com.au

ASX: RIC