



The Rice Marketing Board for the State of NSW

14th Annual Operational Report to NSW Rice Growers For the 2024-25 Financial Year December 2025

A report to New South Wales rice growers on the performance of the Board against its objects and on the performance of SunRice as the holder of the Sole and Exclusive Export License.

1. The Year in Review

The Rice Marketing Board for the State of NSW (the Board) presents its fourteenth and final Annual Report to New South Wales rice growers on its performance against its stated objects (Section 2), and on the performance of SunRice as the holder of the Sole and Exclusive Export License (SEEL) (Section 3). This report covers the financial year 2024-25 and should be read in conjunction with the Rice Marketing Board Annual Report 2024-25. The Annual Report is now available on the RMB website.

The 2024-25 NSW rice crop reached just under 525,000 tonnes. The Rice Marketing Amendment Act 2024 saw Northern NSW growers exempted from vesting arrangements for the first time from 1 September 2024. Southern NSW growers will be exempted from vesting arrangements for the 2026 crop.

Board Changes

In August 2024 the Board farewelled Mr John Bradford and Mr Ian Mason who stepped down from the Board. John joined RMB in August 2015 followed by Ian in February 2018 and the Board thanks both for their time and dedication during their tenure.

Export Price Premium and Freight Scale Advantage Verification

The vesting mechanism provides the Board with the ability to appoint a single entity with the right to control the marketing of rice produced in NSW so that net benefits can be realised by NSW rice growers. In August 2025 the Board's verification consultants Sapere confirmed an Export Price Premium (EPP) of \$44.7 million or \$176 per tonne (\$47.2 million or \$189 per tonne in 2023-24) and a Freight Scale Advantage (FSA) of \$12.1 million or \$48 per tonne (\$14 million or \$56 per tonne in 2023-24) had been achieved for the 2024-25 year.

Service Level Agreement

Compliance with the Service Level Agreement (SLA), which provides an operating framework for the effective implementation of the SEEL, is monitored throughout the year. In exchange for the monopoly benefit afforded to SunRice under the legislation, agreed reporting requirements under the SLA provide for an appropriate level of transparency. SunRice complied with all mandatory reporting requirements during the 2024-25 year.

Board Continues to Monitor Performance

The Board has continued to monitor vesting compliance under the SEEL and the Rice Marketing Act with respect to its objects. All substantive issues formally raised with the Board were investigated and resolved. The 2025-26 year will see the Board continue with business as usual, as it transitions to its full wind up of operations by 31 March 2026.

Board Financial Performance

The Board receives no government funding and with the move to deregulation did not set SEEL or Variable Fees during the year, choosing instead to utilise its reserves position as it moves to wind down its operations by 31 March 2026. The Board therefore recorded an operating deficit of \$480,130.91 for the year (\$90,322 deficit in 2023-24).

Residual Funds

The Board does not have discretion to use residual funds for purposes other than overseeing vesting arrangements, but it has taken the position that the residual funds should be used for the benefit of NSW rice growers. The arrangements for the deployment of the residual funds are yet to be determined by NSW DPIRD and the Minister for Agriculture however the decision will be informed through engagement with the

Stakeholder Reference Group which was established by DPIRD in 2024.

2. The Board's Performance Against its Objects

The Board has three objects, as gazetted on 23 May 2009. The Board's performance against these objects is outlined below.

2.1 Encouraging a Competitive Domestic Market for Rice

There are 12 Authorised Buyers with licenses to trade NSW rice domestically. The Board has issued licenses to all parties who have applied for and met the requirements of an Authorised Buyer.

The Board has continued to encourage a competitive domestic market for rice by facilitating and participation in the market through:

- Operating an Authorised buyers' licensing system that is uncomplicated and transparent.
- Engaging with Authorised Buyers when opportunities arise.
- Reviewing Authorised Buyers' annual returns.
- Undertaking annual audits of the NSW rice crop to ensure compliance with the *Act*, and
- By providing information to rice growers and Authorised buyers.

2.2 Ensuring the Best Possible Returns on Rice Sold Outside Australia

The independent verification of the EPP and FSA is an historically accepted mechanism by which the Board confirms whether NSW rice growers have derived value through operation of the SEEL. The EPP is a measure of the financial benefits flowing to NSW rice growers based on the difference between the price achieved by the SEEL holder and the benchmark overseas market price. The FSA is the measure of savings achieved that result from significant volumes of rice shipped overseas. In 2024-25 these measures were again used by the Board to gauge the level of benefit received and this will be the final verification process conducted by the Board before it winds down.

2.3 Liaising with and representing the interests of all NSW Rice Growers in relation to the Board functions and objects

Throughout 2024-25, the Board interacted with NSW rice growers through:

- Engaging with the President and Executive Director of the Rice Growers Association of Australia (RGA)
- Attending regional rice meetings and field days.
- Sponsoring (in part) the RGA annual conference.
- Providing information via the Board's website and Annual Report.
- Addressing issues on behalf of non-supplying rice growers on seed supply issues with SunRice.
- Members making themselves available for discussion on matters of concern.
- Holding an Annual Meeting.

3. Summary of SunRice's Performance as SEEL Holder

The Board's assessment of SunRice's performance as the SEEL holder is informed by the independent verification of the EPP and FSA as well as regular formal interactions with SunRice's as to its compliance with both the SEEL and the *Act*, and its company operations.

The 2024-25 crop purchased by SunRice was 510,300 tonnes and represents approximately 97.2% of the 2024-25 NSW rice harvest.

Independent Verification of the 2024-25 Export Price Premium and Freight Scale Advantage¹

Sapere consultants again performed an independent review of the calculation of the Export Price Premium and Freight Scale Advantage for the crop year ending 30 April 2025. The verification process was divided into several steps:

- Assessment of the soundness of the methodology used by SunRice to calculate the Export Price Premium (EPP).
- Verifying the values of inputs that form the basis of the calculations.
- Checking the accuracy of the calculations used to derive the EPP.
- Confirmed the veracity of the formula, tonnages per market and price per volume used to calculate the freight scale advantage.

Sapere concluded the methodology used by SunRice in calculating the EPP and FSA was reasonable based on the information available, and any errors identified during the verification process were corrected by SunRice. SunRice's methodology did not infer any intention to overestimate these benefits.

Financial Performance of SunRice

Growers can find further detailed information about SunRice's financial performance during 2024-25 from the company's Annual Report and statements to the ASX. However, the Board notes in particular the following aspects of SunRice's financial performance in 2024-25:

- Net Profit After Tax was \$70.7 million (2023-24: \$68.2 million)¹.
- Total Dividend paid to B-Class shareholders was 65 cents (2023-24: 60 cents)¹.
- A paddy price of \$406 per tonne for medium grain was achieved (2023-24: \$430 per tonne)¹.

After assessing the independent verification and consideration of SunRice's performance during the year and compliance with reporting requirements, the Board resolved at its meeting on 23 September 2025 that to the best of its knowledge, SunRice had met the conditions of the SEEL for 2024-25.

Conclusion

During the 2024-25 year, the Board continued its approach to business as usual whilst also preparing for the wind-down of its operations by 31 March 2026. The Board will continue to ensure that the vesting arrangements with respect to the *Act* and the SEEL are maintained until operations cease and it hands over to a liquidator to be appointed by the Minister for Agriculture.

Overall, the Board considers that, in relation to its objects for the 2024-25 year:

- It delivered against its objects.
- It continued to advance the interests of growers,
- SunRice had met the conditions of the SEEL, and
- The benefits of the SEEL to growers were demonstrated through verification of both an export price premium of \$176 per tonne and freight scale advantage of \$48 per tonne.

¹ SunRice Group AGM 2025 Chair and Group CEO addresses.