



Wellard

ASX announcement / Media release

15 May 2017

Wellard appoints Mr. Kanda Lu as new director Mr Greg Wheeler retires

Wellard Limited (“Wellard”) (ASX:WLD) is pleased to announce the appointment of Chinese businessman Mr. Kanda Lu as an executive director of the Company. As announced in Wellard’s 3 April 2017 Offer Document, Non-Executive Director, Mr. Greg Wheeler has now retired from the Board.

Mr Lu is the Assistant to the Chairman of major Wellard shareholder Fulida, and possesses considerable expertise in Chinese commerce, distribution and marketing.

His former positions include Head of Sales of Morgan Stanley Huaxin, Vice President (Institutional Clients) of Ping An Securities, Senior Manager (Institutional Asset Management) of Dacheng Fund, and Business Development Associate (NSW Branch) of Australian Finance Group. Mr Lu graduated from Macquarie University, obtained a Master’s degree in International Relations with the degree of Master of International Trade and Commerce Law, and a Bachelor’s degree in Commerce.

In addition to his selection to the Wellard board, Mr Lu has been appointed as Head of China Initiatives. He will also be Managing Director of Wellao, Wellard’s 100 percent-owned Chinese subsidiary¹, and responsible for the development and growth of Wellard’s entry into the Chinese beef cattle market.

Wellard’s strategy for China involves working with third party importers as well as developing its own supply chain through Wellao’s investment in feedlots and an abattoir. The Company’s core business supplying existing operators is being implemented immediately, while the timing of Wellao’s development will be dictated by market conditions.

“Wellard has been exporting cattle to China for a decade now as a supplier of breeding cattle. The new protocol for slaughter and feeder cattle is an enormous opportunity to expand into this huge market. The skills Kanda brings to Wellard and Wellao, combined with his intimate knowledge of Chinese market dynamics as well as asset and managements skills, sets Wellard apart from its competitors and will enable it to capitalise on its potential,” said Wellard CEO Mauro Balzarini.

Mr Lu said he was looking forward to joining Wellard.

¹ As announced on 3 April 2017, Wellard is purchasing the 50% of Wellao that it does not already own (see ASX Announcement “*Wellard to raise \$52 million*”). This transaction is nearing completion, with satisfaction of final conditions precedent imminent.

“The China market provides untapped opportunity for Australian live cattle exporters and producers. Like all new trading relationships, it will take time to establish, but when it does the possibilities are exciting,” he said.

“I look forward to joining the Wellard board so I can assist with the strategic direction of the Company. The board and management has done an excellent job in managing the current tight trading environment and its modern shipping fleet and livestock procurement and export expertise means it is well positioned to benefit from the expected change to the commercial landscape.”

Mr Lu replaces Mr Greg Wheeler on the board. Mr. Lu’s appointment will be proposed for shareholder ratification at the Company’s 2017 Annual General Meeting.

The Board extends its sincere thanks to Mr Wheeler for his service.

Wellard’s Chairman, Mr. David Griffiths, said “Greg has provided diligent and professional service and judgement to the Board and the Company over the years of his involvement which pre-dates the Company’s public listing. In particular, we have valued his energy and contribution through Wellard’s major corporate initiatives, including the IPO, the difficult trading conditions we have experienced in recent times and our current capital raising”.

As previously announced, to further strengthen the Board, in consultation with major shareholders, the Company will also conduct a search for an additional non-executive Director who will not be associated with any major Shareholder and will likely be considered independent, with appropriate expertise and experience (having regard to the nature of the Company and the current composition of the Board), including in the context of a listed public company.

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Visit www.wellard.com.au

Background – Wellard

Wellard is Australia’s largest cattle exporter and a vertically integrated agribusiness.

Wellard has supplied quality dairy and beef cattle, sheep and goats to the world for more than 30 years. Based in Fremantle, Western Australia, the company’s operations spans the world and cover every aspect of the livestock export chain, including livestock selection and aggregation, pre export quarantine facilities, feed milling, and a modern fleet of specialized “floating farms livestock carriers”.

Wellard is also involved in meat trade and owns and operates a modern abattoir in Western Australia, Beaufort River Meats, which processes up to 2500 sheep and lambs a day, enabling Wellard to meet customer demand for both livestock and chilled meat.

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