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FarmWorks to Focus on Ag Chem and Rural Merchandise for Future Growth

FarmWorks Australia Limited (ASX: FWA), a specialist provider of rural services, today detailed its growth strategy at its Annual General Meeting of shareholders in Sydney.

The company announced that it is concentrating its resources on developing and growing its core Ag Chem and rural merchandise businesses to capture the boom in soft commodities.

This follows the news two weeks ago that FarmWorks made a placement of shares to Mr Qunhui Xu, the Managing Director of Zhejiang XinNong Chemical Co., Ltd., a leading agricultural chemical manufacturer. Mr Xu has a 13% stake in the company.

FarmWorks said at today's meeting that a rising global population, declining arable land and the soft commodities boom are the key drivers for growth in Ag Chem and rural merchandise for agricultural producers. FarmWorks' core business has been forged in ag chem, through its Conquest Crop Protection product range and rural merchandise, where it has built a sustainable competitive advantage since inception in 2001. The Company will be divesting its livestock division and its rural property division where discussions have already commenced with internal and external parties.

CEO Rick Moody said: "The market conditions are right for FarmWorks to focus on the profit drivers of the business, underpinned by the strengthening soft commodities market. Rural merchandise and services is our core business and the sector in which we believe we can best improve market penetration and drive profit margins."

"Our strategic focus is clear and we are committed to delivering strong, sustainable bottom line results for our shareholders."

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