

**Wingara AG Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity:	Wingara AG Limited
ACN:	009 087 469
Reporting period:	For the half-year ended 30 September 2020
Previous period:	For the half-year ended 30 September 2019

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**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	up	22.2% to	18,349,549
Loss from ordinary activities after tax attributable to the owners of Wingara AG Limited	down	120.8% to	(296,008)
Loss for the half-year attributable to the owners of Wingara AG Limited	down	120.8% to	(296,008)

*Dividends*

There were no dividends paid, recommended or declared during the current half-year financial period.

*Comments*

The loss for the consolidated entity after providing for income tax amounted to \$296,008 (30 September 2019: profit of \$1,426,496).

Please refer to section Review of operations on page 3 of the accompanying half-year financial report.

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**3. Net tangible assets**

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>14.70</u>	<u>14.00</u>

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**4. Dividends**

*Current period*

There were no dividends paid, recommended or declared during the current financial period.

*Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

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**5. Audit qualification or review**

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half-year Report.

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**Wingara AG Limited**  
**Appendix 4D**  
**Half-year report**

**6. Attachments**

*Details of attachments (if any):*

The Half-year Report of Wingara AG Limited for the half-year ended 30 September 2020 is attached.

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**7. Signed**

Signed  \_\_\_\_\_

Date: 27 November 2020

Mr Gavin Xing  
Managing Director and CEO  
Melbourne

# **Wingara AG Limited**

**ACN 009 087 469**

**Half-year Report - 30 September 2020**

**Wingara AG Limited**  
**Corporate directory**  
**30 September 2020**

Directors	Mr David Christie (Non-Executive Chairperson) Mr Gavin Xing (Managing Director and CEO) Mr Jeral D'Souza (Non-Executive Director) Mr Steven Chaur (Non-Executive Director)
Chief Financial Officer	Mr Zane Banson
Company secretary	Mr Oliver Carton
Principal registered office	5-7 Leslie Road Laverton North VIC 3026 Australia
Share and debenture register	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth 6000 Australia 1300 55 70 10 (within Australia) +61 8 9323 2000 (overseas)
Auditor	William Buck Level 20, 181 William Street Melbourne Victoria 3000
Solicitors	QR Lawyers Suite 1, Level 6, 50 Queen Street Melbourne Victoria 3000
Stock exchange listing	Wingara AG Limited shares are listed on the Australian Securities Exchange (ASX code: WNR)
Website	<a href="http://www.wingaraag.com.au">www.wingaraag.com.au</a>

**Wingara AG Limited**  
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**30 September 2020**

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**Wingara AG Limited**  
**Directors' report**  
**30 September 2020**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Wingara AG Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 September 2020.

**Directors**

The following persons were directors of Wingara AG Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr David Christie - Non-Executive Director (appointed 9 June 2020), subsequently appointed Non-Executive Chairperson on 14 September 2020

Mr Gavin Xing - Executive Chairman and Managing Director, subsequently appointed Managing Director and CEO on 14 September 2020

Mr Jeral D'Souza - Non-Executive Director

Mr Steven Chaur - Non-Executive Director (appointed 18 November 2020)

Mr Zane Banson - Executive Director (resigned 18 November 2020)

Mr Mark Hardgrave - Non-Executive Director (resigned 9 June 2020)

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$296,008 (30 September 2019: profit of \$1,426,496).

Over the six months ended 30 September 2020 (H1 FY21), Wingara continued to build its agricultural infrastructure platform. In an unprecedented half-year of global events as a result of the COVID-19 pandemic, Wingara was able to strengthen its commercial position through solid supplier and customer relationships, a successful oversubscribed capital raising that provided additional growth capital, and a focus on executing the Company's strategic initiatives.

Revenue in H1 FY21 was up 22.2% to \$18,349,549 (compared to H1 FY20). This result reflected a strong performance by JC Tanloden with production output up 50%, offsetting reduced Austco Polar revenue given the impact of COVID-19 and strikes on port operations.

The demand for Australian fodder product in Asia continued to grow, and Austco Polar remained resilient with only 9% reduction in overall blast volumes. This demonstrates the benefits of Wingara's diversified investment strategy, providing the necessary resilience against the impact of both the drought and bushfires in H2 FY20, and the more recent COVID-19 pandemic in H1 FY21.

The Group had net tangible assets per share of \$0.15 at 30 September 2020 (31 March 2020: \$0.14). In addition cash of \$965,613 was held, with total borrowings reduced to \$3,505,000 (31 March 2020: \$7,368,000), and inventories increased to \$5,522,081 (31 March 2020: \$4,100,485) being a strong lead indicator to future sales.

Receipts from customers was up 22.3%, in line with revenue growth, to \$18,311,633, underpinning the Group's robust cash flows used to support inventory build-up. Reflecting this, operating cash inflow of \$187,142 was generated in line with the company's longer term growth strategy as increased fodder was bought reflecting growing demand for Wingara's product.

**Significant changes in the state of affairs**

On 24 August 2020, the Company issued 26,513,833 fully paid ordinary shares at \$0.19 per share through a Placement, raising approximately \$5 million.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

**Wingara AG Limited**  
**Directors' report**  
**30 September 2020**

**Matters subsequent to the end of the financial half-year**

On 18 November 2020, the Company announced that Mr Steven Chaur had been appointed as independent Non-executive Director. Furthermore it was announced that Mr Zane Banson had stepped down as Executive Director, and continues as CFO.

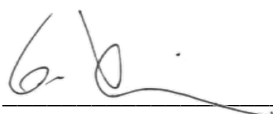
No other matter or circumstance has arisen since 30 September 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Mr Gavin Xing  
Managing Director and CEO

27 November 2020

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001 TO THE DIRECTORS OF WINGARA AG LIMITED**

I declare that, to the best of my knowledge and belief during the period ended 30 September 2020 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

*William Buck*

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

*Alan Finnis*

**A. A. Finnis**  
Director

Melbourne, 27 November 2020

**ACCOUNTANTS & ADVISORS**

Level 20, 181 William Street  
Melbourne VIC 3000

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**[williambuck.com](http://williambuck.com)**



**Wingara AG Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 30 September 2020**

		<b>Consolidated</b>	
		<b>30</b>	<b>30</b>
	<b>Note</b>	<b>September</b>	<b>September</b>
		<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Fodder sales		12,682,766	8,994,639
Services		5,666,783	6,023,289
Revenue		<u>18,349,549</u>	<u>15,017,928</u>
Cost of sales		<u>(9,287,037)</u>	<u>(7,705,688)</u>
Gross profit		<u>9,062,512</u>	<u>7,312,240</u>
Other income	4	338,913	63,559
<b>Expenses</b>			
Operating expenses		(4,745,594)	(5,203,257)
Freight expenses		<u>(1,970,587)</u>	<u>(846,191)</u>
<b>Earnings before finance costs, tax, depreciation and transaction expenses</b>		2,685,244	1,326,351
Net gain on disposal or property, plant and equipment		-	4,238,986
Depreciation		(1,418,923)	(1,943,310)
Project and transaction expenses	5	<u>(102,487)</u>	<u>(1,129,294)</u>
<b>Earnings before finance costs and income tax expense</b>		1,163,834	2,492,733
Finance costs		<u>(1,423,560)</u>	<u>(875,522)</u>
<b>Profit/(loss) before income tax expense</b>		(259,726)	1,617,211
Income tax expense		<u>(36,282)</u>	<u>(190,715)</u>
<b>Profit/(loss) after income tax expense for the half-year attributable to the owners of Wingara AG Limited</b>		(296,008)	1,426,496
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive income for the half-year attributable to the owners of Wingara AG Limited</b>		<u>(296,008)</u>	<u>1,426,496</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	12	(0.27)	1.36
Diluted earnings per share	12	(0.27)	1.32

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Wingara AG Limited**  
**Statement of financial position**  
**As at 30 September 2020**

		<b>Consolidated</b>	
		<b>30</b>	
	<b>Note</b>	<b>September</b>	<b>31 March</b>
		<b>2020</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		965,613	3,449,108
Trade and other receivables		2,924,568	2,547,883
Inventories		5,522,081	4,100,485
Other		290,844	262,377
<b>Total current assets</b>		<u>9,703,106</u>	<u>10,359,853</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	19,985,237	18,322,470
Right-of-use assets		23,178,904	24,128,944
Intangibles		1,816,075	1,816,075
Deferred tax		257,488	402,617
Security deposits		289,766	287,766
<b>Total non-current assets</b>		<u>45,527,470</u>	<u>44,957,872</u>
<b>Total assets</b>		<u>55,230,576</u>	<u>55,317,725</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		6,304,578	6,155,852
Borrowings	7	2,586,000	966,000
Lease liabilities		1,403,038	1,423,065
Income tax		39,703	193,382
Employee benefits		810,273	774,239
<b>Total current liabilities</b>		<u>11,143,592</u>	<u>9,512,538</u>
<b>Non-current liabilities</b>			
Borrowings	8	919,000	6,402,000
Lease liabilities		22,202,447	22,875,272
Employee benefits		89,145	87,009
<b>Total non-current liabilities</b>		<u>23,210,592</u>	<u>29,364,281</u>
<b>Total liabilities</b>		<u>34,354,184</u>	<u>38,876,819</u>
<b>Net assets</b>		<u>20,876,392</u>	<u>16,440,906</u>
<b>Equity</b>			
Issued capital	9	24,989,198	20,266,704
Reserves		443,141	434,141
Accumulated losses		(4,555,947)	(4,259,939)
<b>Total equity</b>		<u>20,876,392</u>	<u>16,440,906</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Wingara AG Limited**  
**Statement of changes in equity**  
**For the half-year ended 30 September 2020**

<b>Consolidated</b>	<b>Contributed equity</b> <b>\$</b>	<b>Share based payment Reserves</b> <b>\$</b>	<b>Accumulated losses</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 April 2019	19,976,954	165,500	(5,003,170)	15,139,284
Adjustment on adoption of AASB 16 (net of tax)	-	-	(43,781)	(43,781)
Balance at 1 April 2019 - restated	19,976,954	165,500	(5,046,951)	15,095,503
Profit after income tax expense for the half-year	-	-	1,426,496	1,426,496
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	1,426,496	1,426,496
Share based payments	-	9,000	-	9,000
Balance at 30 September 2019	<u>19,976,954</u>	<u>174,500</u>	<u>(3,620,455)</u>	<u>16,530,999</u>
<b>Consolidated</b>	<b>Contributed equity</b> <b>\$</b>	<b>Share based payment Reserves</b> <b>\$</b>	<b>Accumulated losses</b> <b>\$</b>	<b>Total equity</b> <b>\$</b>
Balance at 1 April 2020	20,266,704	434,141	(4,259,939)	16,440,906
Loss after income tax expense for the half-year	-	-	(296,008)	(296,008)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(296,008)	(296,008)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	4,722,494	-	-	4,722,494
Share-based payments	-	9,000	-	9,000
Balance at 30 September 2020	<u>24,989,198</u>	<u>443,141</u>	<u>(4,555,947)</u>	<u>20,876,392</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Wingara AG Limited**  
**Statement of cash flows**  
**For the half-year ended 30 September 2020**

	<b>Consolidated</b>	
	<b>30</b>	<b>30</b>
<b>Note</b>	<b>September</b>	<b>September</b>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	18,311,633	14,966,740
Payments to suppliers and employees	(17,361,154)	(11,443,996)
Interest received	145	457
Interest and other finance costs paid	(718,650)	(747,272)
Income taxes paid	(44,832)	-
	<u>187,142</u>	<u>2,775,929</u>
<b>Cash flows from investing activities</b>		
Payments for plant, equipment, and capital works in progress	(2,132,381)	(1,511,723)
Payments for bank guarantee	-	(1,860,661)
Proceeds from disposal of property, plant and equipment	-	21,000,000
	<u>(2,132,381)</u>	<u>17,627,616</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	9 5,037,628	-
Proceeds from borrowings	-	65,674
Share issue transaction costs	(315,134)	-
Repayment of borrowings	(3,863,000)	(18,027,953)
Repayment of lease liabilities	(1,397,750)	(411,033)
	<u>(538,256)</u>	<u>(18,373,312)</u>
Net increase/(decrease) in cash and cash equivalents	(2,483,495)	2,030,233
Cash and cash equivalents at the beginning of the financial half-year	<u>3,449,108</u>	<u>664,763</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>965,613</u></u>	<u><u>2,694,996</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**Wingara AG Limited**  
**Notes to the financial statements**  
**30 September 2020**

**Note 1. General information**

The financial statements cover Wingara AG Limited as a consolidated entity consisting of Wingara AG Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Wingara AG Limited's functional and presentation currency.

Wingara AG Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

5-7 Leslie Road  
Laverton North VIC 3206  
Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 November 2020.

**Note 2. Significant accounting policies**

These general purpose financial statements for the interim half-year reporting period ended 30 September 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 March 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

This half-year financial report may also include certain non-IFRS measures including earnings before depreciation, finance costs, transaction costs and tax. These measures are used internally by management to assess the performance of the consolidated entity and segments, to make decisions on the allocation of resources and assess operational management.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 3. Operating segments**

*Identification of reportable operating segments*

The consolidated entity is organised into two operating segments:

- Acting as product processor and marketer of agricultural products in Australia; and
- Acting as service provider for manufacturers, providing temperature controlled facilities, blast freezing, storage and distribution.

The two segments are fully reflected in the body of the consolidated half-year financial statements.

**Wingara AG Limited**  
**Notes to the financial statements**  
**30 September 2020**

**Note 3. Operating segments (continued)**

*Operating segment information*

	Fodder Business \$	Service Business \$	Corporate \$	Total \$
<b>Consolidated - 30 September 2020</b>				
<b>Revenue</b>				
Segment revenue	12,682,766	5,666,783	-	18,349,549
<b>Total revenue</b>	<u>12,682,766</u>	<u>5,666,783</u>	<u>-</u>	<u>18,349,549</u>
Segment EBITDA	2,504,921	980,372	(800,049)	2,685,244
Depreciation and transaction costs	(486,074)	(931,047)	(104,289)	(1,521,410)
<b>Earnings before finance costs and income tax expense</b>	2,018,847	49,325	(904,338)	1,163,834
Finance costs	(651,906)	(762,241)	(9,413)	(1,423,560)
<b>Profit/(loss) before income tax expense</b>	<u>1,366,941</u>	<u>(712,916)</u>	<u>(913,751)</u>	<u>(259,726)</u>
Income tax expense				(36,282)
<b>Loss after income tax expense</b>				<u>(296,008)</u>
<b>Assets</b>				
Segment assets	29,229,856	25,498,569	502,151	55,230,576
<b>Total assets</b>				<u>55,230,576</u>
<b>Liabilities</b>				
Segment liabilities	11,173,038	22,476,942	704,204	34,354,184
<b>Total liabilities</b>				<u>34,354,184</u>
<b>Consolidated - 30 September 2019</b>				
<b>Revenue</b>				
Segment revenue	8,994,639	6,023,289	-	15,017,928
<b>Total revenue</b>	<u>8,994,639</u>	<u>6,023,289</u>	<u>-</u>	<u>15,017,928</u>
Segment EBITDA	830,171	1,236,514	(740,334)	1,326,351
Depreciation and transaction costs	(1,335,858)	(1,033,000)	(703,746)	(3,072,604)
Gain on disposal of property, plant and equipment	-	4,238,986	-	4,238,986
<b>Earnings before finance costs and income tax expense</b>	(505,687)	4,442,500	(1,444,080)	2,492,733
Finance costs	(434,091)	(422,648)	(18,783)	(875,522)
<b>Profit/(loss) before income tax expense</b>	<u>(939,778)</u>	<u>4,019,852</u>	<u>(1,462,863)</u>	<u>1,617,211</u>
Income tax expense				(190,715)
<b>Profit after income tax expense</b>				<u>1,426,496</u>
<b>Assets</b>				
Segment assets	20,613,041	28,004,429	2,447,902	51,065,372
<b>Total assets</b>				<u>51,065,372</u>
<b>Liabilities</b>				
Segment liabilities	10,707,285	23,289,708	537,380	34,534,373
<b>Total liabilities</b>				<u>34,534,373</u>

**Wingara AG Limited**  
**Notes to the financial statements**  
**30 September 2020**

**Note 4. Other income**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30</b>	<b>30</b>
	<b>September</b>	<b>September</b>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Government grants	262,500	-
Other income	76,268	63,102
Interest revenue	145	457
	<u>338,913</u>	<u>63,559</u>

*Accounting Policy for Government grants*

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

**Note 5. Profit and loss information**

**Project and transaction expenses**

In the prior period, project and transaction costs were associated with fees incurred in relation to the sale of Austco property and development of Wingara Group in line with the growth strategy of building a sustainable platform for processing and marketing agricultural products.

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30</b>	<b>30</b>
	<b>September</b>	<b>September</b>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Transaction fees	-	555,922
Due Diligence and Project Management	39,808	564,372
Share Based Payments	9,000	9,000
Capital Raise and Share Placement	53,679	-
	<u>102,487</u>	<u>1,129,294</u>

**Note 6. Non-current assets - property, plant and equipment**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>30 September</b>	<b>31 March</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Property, plant and equipment	17,650,498	17,157,891
Capital work-in-progress	2,334,739	1,164,579
	<u>19,985,237</u>	<u>18,322,470</u>

**Wingara AG Limited**  
**Notes to the financial statements**  
**30 September 2020**

**Note 6. Non-current assets - property, plant and equipment (continued)**

	<b>Consolidated</b>	
	<b>30</b>	<b>31 March</b>
	<b>September</b>	<b>2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Freehold land	521,929	521,929
Freehold buildings	11,134,973	11,134,973
Less: Accumulated depreciation	(430,515)	(288,840)
	<u>10,704,458</u>	<u>10,846,133</u>
Plant and equipment	6,472,204	5,648,364
Less: Accumulated depreciation	(945,440)	(683,065)
	<u>5,526,764</u>	<u>4,965,299</u>
Fixtures, fittings and equipment	449,984	435,418
Less: Accumulated depreciation	(108,562)	(87,245)
	<u>341,422</u>	<u>348,173</u>
Machinery and vehicles	338,681	338,681
Less: Accumulated depreciation	(178,104)	(170,795)
	<u>160,577</u>	<u>167,886</u>
Spare parts	797,630	673,816
Less: Accumulated depreciation	(402,282)	(365,345)
	<u>395,348</u>	<u>308,471</u>
Capital work-in-progress	2,334,739	1,164,579
	<u>19,985,237</u>	<u>18,322,470</u>



**Note 7. Current liabilities - borrowings**

	<b>Consolidated</b>	
	<b>30 September 2020</b>	<b>31 March 2020</b>
	<b>\$</b>	<b>\$</b>
Commercial facility	966,000	966,000
Revolving loan facility	1,620,000	-
	<u>2,586,000</u>	<u>966,000</u>

- Westpac tailored commercial facility with a facility limit of \$1,885,000 (31 March 2020: \$2,368,000). The facility is subject to BBSY rate plus a margin of 1.90% (31 March 2020: 1.90%) per annum and line fee of 1.00% (31 March 2020: 1.00%) per annum. The duration of this facility is five (5) years. Interest to be paid monthly plus monthly principal reductions of \$80,500.
- Revolving loan facility with a facility limit of \$5,000,000 (31 March 2020: \$5,000,000). This facility is subject to BBSY rate plus a margin of 1.46% (31 March 2020: 1.46%) per annum and a line fee of 1.00% (31 March 2020: 1.00%) per annum. The term of this facility is 18 months, subject to satisfactory annual review. Monthly repayment consists of interest and fees only. Total amount owing has to be paid on the last day of the term. The facility matures in June 2021, therefore the entire outstanding balance has been classified as a current liability at 30 September 2020.

*Assets pledged as security*

The commercial bill and loan are secured by machinery and equipment owned by the consolidated entity.

**Note 8. Non-current liabilities - borrowings**

	<b>Consolidated</b>	
	<b>30 September 2020</b>	<b>31 March 2020</b>
	<b>\$</b>	<b>\$</b>
Commercial facility	-	1,402,000
Revolving loan facility	919,000	5,000,000
	<u>919,000</u>	<u>6,402,000</u>

Refer to note 7 for further information on the Commercial and revolving loan facilities.

**Note 9. Equity - issued capital**

	<b>Consolidated</b>			
	<b>30 September 2020</b>	<b>31 March 2020</b>	<b>30 September 2020</b>	<b>31 March 2020</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>132,569,168</u>	<u>106,055,335</u>	<u>24,989,198</u>	<u>20,266,704</u>

**Wingara AG Limited**  
**Notes to the financial statements**  
**30 September 2020**

**Note 9. Equity - issued capital (continued)**

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 April 2020	106,055,335		20,266,704
Placement	24 August 2020	26,513,833	\$0.19	5,037,628
Less capital raising fees				(315,134)
				<u>                    </u>
Balance	30 September 2020	<u>132,569,168</u>		<u>24,989,198</u>

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**Note 10. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

**Note 11. Events after the reporting period**

On 18 November 2020, the Company announced that Mr Steven Chaur had been appointed as independent Non-executive Director. Furthermore it was announced that Mr Zane Banson had stepped down as Executive Director, and continues as CFO.

No other matter or circumstance has arisen since 30 September 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Note 12. Earnings per share**

	<b>Consolidated</b>	
	<b>30</b>	<b>30</b>
	<b>September</b>	<b>September</b>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Profit/(loss) after income tax attributable to the owners of Wingara AG Limited	<u>(296,008)</u>	<u>1,426,496</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	111,416,055	105,105,335
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	<u>-</u>	<u>3,000,000</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>111,416,055</u>	<u>108,105,335</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.27)	1.36
Diluted earnings per share	(0.27)	1.32

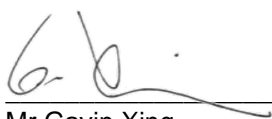
**Wingara AG Limited**  
**Directors' declaration**  
**30 September 2020**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 September 2020 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



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Mr Gavin Xing  
Managing Director and CEO

27 November 2020

## Wingara AG Limited

Independent auditor's review report to members

### Report on the Review of the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Wingara AG Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 30 September 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wingara AG Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 September 2020 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

#### Responsibilities of the Directors for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the consolidated entity's financial position as at 30 September 2020 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

#### ACCOUNTANTS & ADVISORS

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As the auditor of Wingara AG Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

*William Buck*

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

*Alan Finnis*

**A. A. Finnis**  
Director

Melbourne, 27 November 2020