Wingara AG Limited

We efficiently connect primary producers to the global market through our protein supply chain platform

H1 FY21 Presentation

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"Wingara is positioned for a strong second half"

H1 FY21 performance has laid the foundations for H2 FY21

($m unless otherwise stated)	H1 FY21	H1 FY20	Change
Revenue	18.3	15.0	22.3%
Reported EBITDA	2.7	1.3	102.4%
Reported EBIT	1.2	2.5	(53.3)%
Reported NPAT	(0.3)	1.4	<<
Underlying EBIT (excluding net gain on property disposal)	1.2	(1.7)	>>
Underlying NPAT (excluding net gain on property disposal)	(0.3)	(2.8)	833%
Operating cashflow	0.2	2.8	<<
Inventories	5.5	4.1	34.7%
Net debt	2.5	3.9	(35.2)%
Net Tangible Asset	19.1	14.6	30.3%
Hay volumes MT (JCT)	25,974	17,300	50.0%
Available Hay MT (JCT)	20,290	2,434	733.6%
Blast carton numbers (Austco)	822,840	901,344	(8.7)%

- Revenue up 22.3% to $18.3m, in line with growth in cash receipts
  - JC Tanloden production output up 50% to 25.97K MT
  - Austco Polar volumes remained favourable despite macro conditions
- EBITDA more than doubled to $2.7m due to production increase
- Underlying EBIT improved $2.9m to $1.2m (H1 FY20: loss of $1.7m)
- Underlying NPAT improved $2.5m to a loss of $0.3m (H1 FY20: loss of $2.8m)
- Net tangible assets up 30.3% to $19.1m
- Placement of approx. $5m strengthened balance sheet to support growth
- Stable employee numbers have grown from 77 at H1 FY20 to 104 in H1 FY21

Driving growth amid COVID-19

- H1 FY21 customer receipts were up 22.3% to $18.3m
    - Growing cash receipts used for debt reduction and investment in restocking inventory to maintain revenue growth
    - Disciplined investment approach from management delivered a solid infrastructure platform in protein supply chain
    - A balanced AUD and USD cashflow profile to mitigate earning impact
    - Business interruptions were caused through the slowdown at ports, reduction in scheduled services by shipping lines and impact to our export clients at Austco Polar
    - Connectivity with offshore clients has been strong despite travel restrictions
- No Government support related to COVID-19 (such as JobKeeper) has been relied upon with proactive risk management procedures implemented to minimise disruption to WNR since late Feb 2020
- Substantial output capacity at JC Tanloden to be capitalised to drive further revenue increase based on offshore demand
- Austco Polar’s asset base is ready be tapped into for the global protein trading platform

Benefitting from management’s commitment to develop a diversified customer base amid the current COVID-19 pandemic.

Enabling Australian agricultural products to reach end markets

- WNR's business model:
  - Owns and manages critical export infrastructure assets within the protein supply chain
  - Tolling revenue model based on throughput
  - Capitalise on our global trading network
  - Partnership with primary producers with a greater access to products for export
  - Diversification through multi-products
- WNR's mission is to enable products to reach end consumers efficiently and securely, with provenance
- WNR's growth strategy is to build a supply chain platform based on acquisition and organic growth
- The company has established two business divisions based on our growth strategy: Fodder (JC Tanloden) and Red Protein Export Service (Austco Polar)

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JCTanloden

Business Model: Processor and marketer of fodder products including oaten, wheaten, barley, canola hay and straw

Assets: Two sites; Epsom & Raywood, Victoria providing a combined 110,000 MT processing capability and 30,000 MT storage capacity

Markets: China, Taiwan, Japan and Korea (Key clients include Yili, MengNiu, Fonterra, Bright Holstein, Zenoh, Kanematsu)

AUSTCO Polar

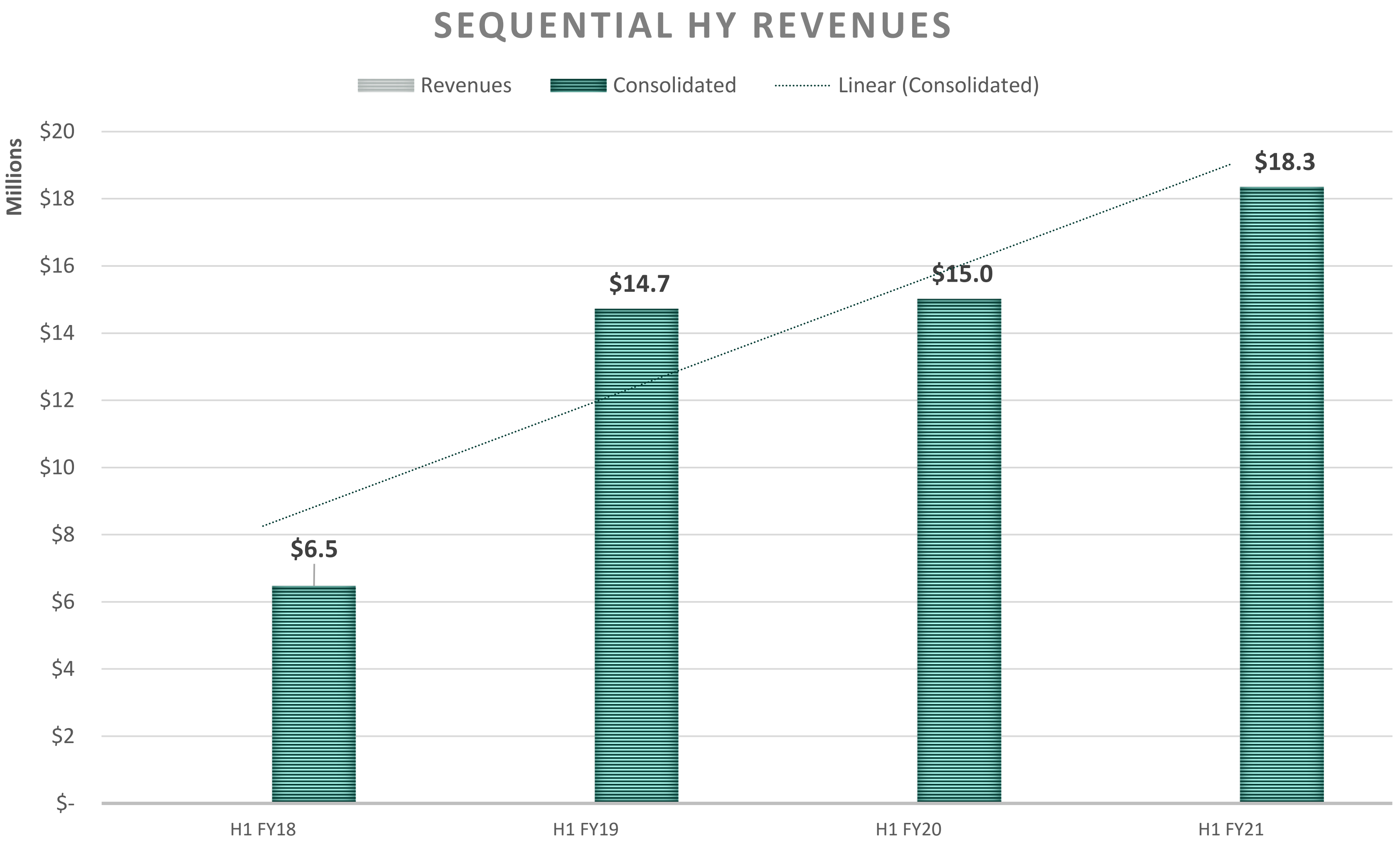
Business Model: Value-add and logistic services for red meat export including blast freezing and cold storage

Assets: Laverton, VIC across 1 Hectare. Blast freezing throughput of 45,000 packs per week plus storage capacity of 10,000 standard size pallets

Markets: Export accredited to key destinations including China, Japan, Korea, EU, USA, Middle East (including Halal certification)

Revenue: up 22% to $18.3m… on track for $40m pa

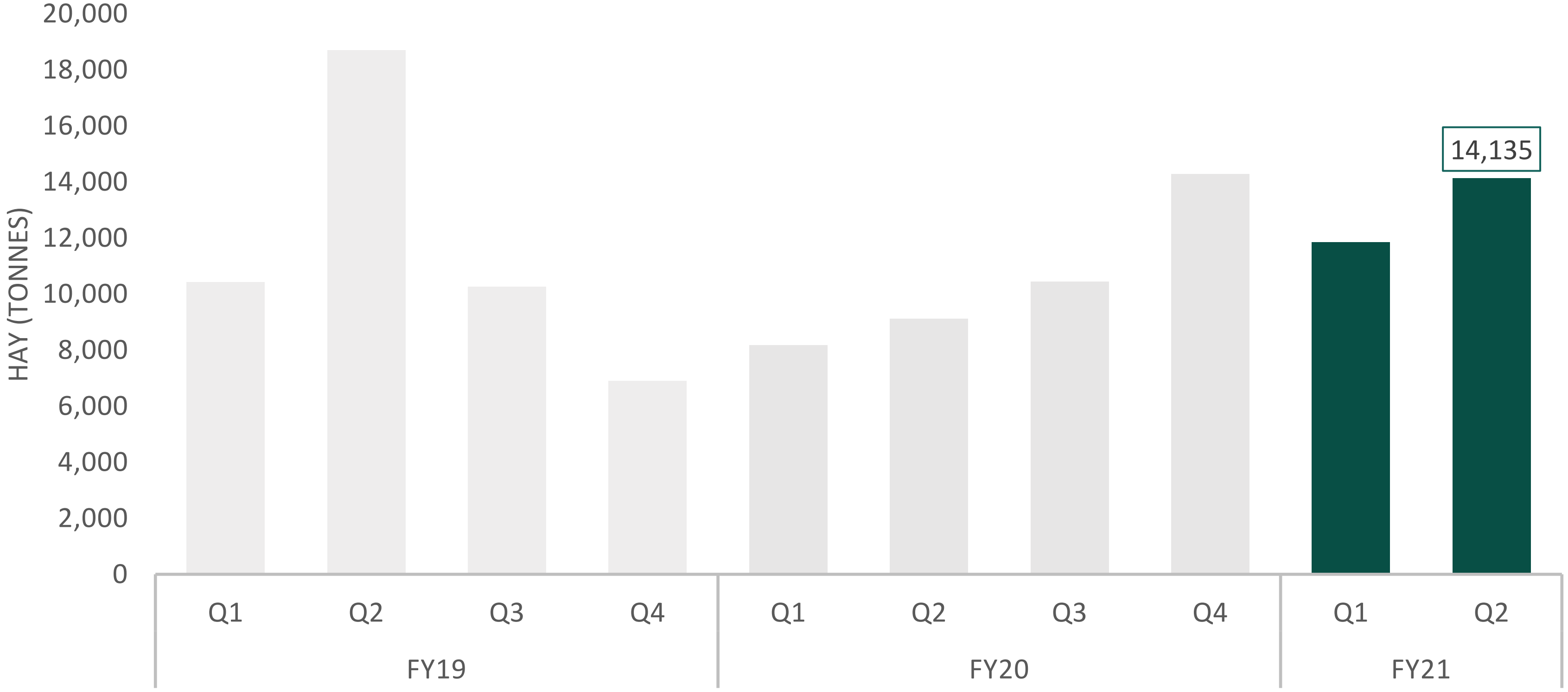
- Revenue was up 22% to $18.3m, reflecting a strong performance by JC Tanloden with production output growing 50%, offsetting reduced Austco Polar revenue given the impact of COVID-19 and strikes on port operations
- The demand for Australian fodder product in Asia continued to grow whilst Austco Polar experienced a 9% reduction in overall blast volumes (compared to year-to-date Australian slaughter rates being down 34% with frozen meat exports down 15%)



JC Tanloden: production up 50%

- H1 FY21 production was up 50% (on H1 FY20) at 25,974 MT
- Overall export demand is solid, with key Asian economies recovering following re-opening post COVID-19
- Inventory has increased 734% in H1 FY21, to 20,290 MT (compared to 2,434 MT in H1 FY20), a strong lead indicator of future sales
- Brown-field improvement at Epsom and greenfield development at Raywood positioned JC Tanloden as the largest Victorian fodder exporter in terms of capacity
- JCT fodder inventory is up 8.3x on end of H1 position in FY20
- Business planning and hay accumulation contracting for current harvest season (October to February) is well underway with the objective to improve capacity utilisation from the current 50% to 70-75% based on 110,000 MT processing capacity

JCTanloden



FY 2019: 46,268 MT

FY 2020: 42,028 MT

Austco Polar: performed strongly in light of challenging conditions

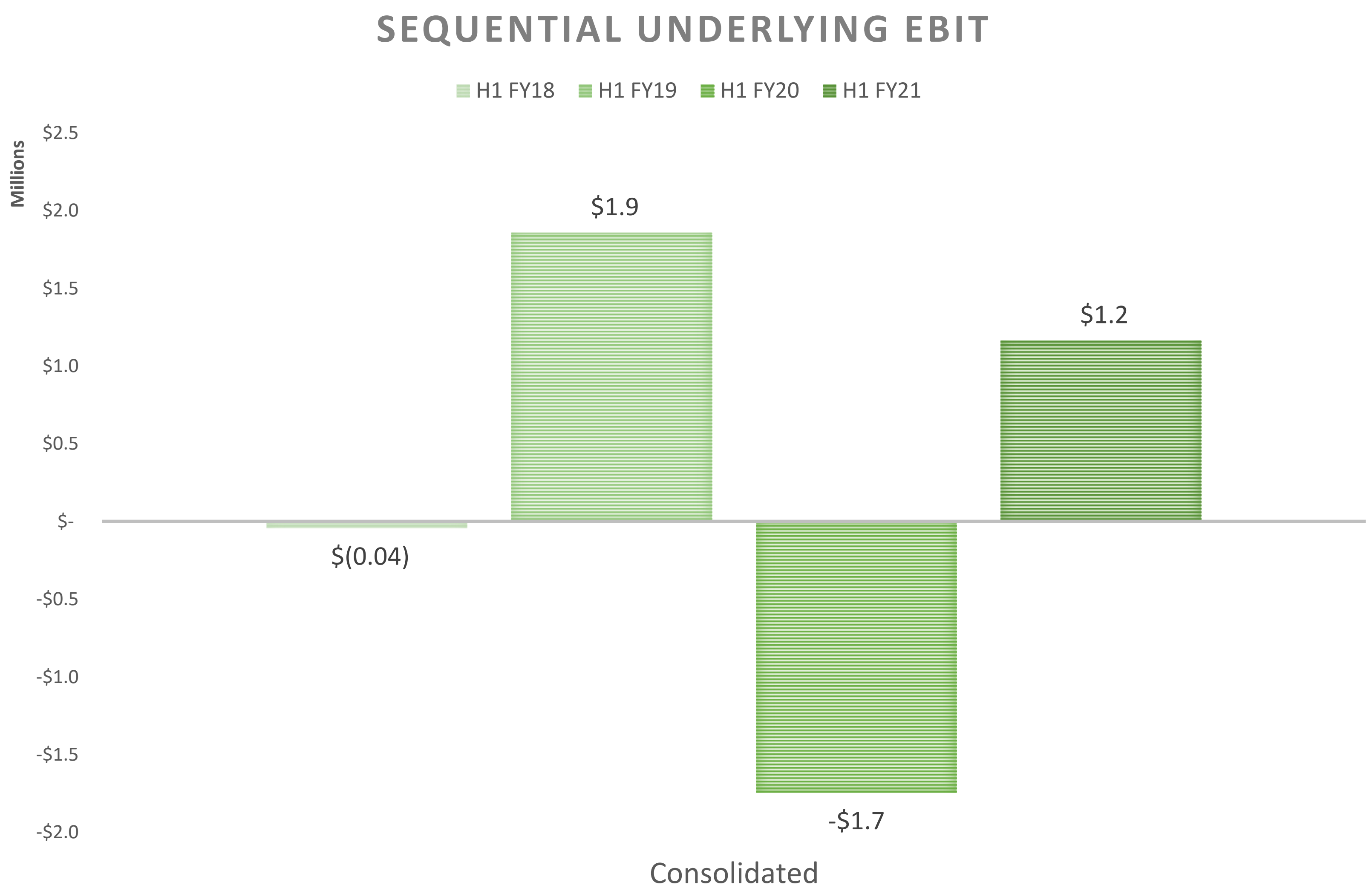
- Despite a fall in overall volumes over H1 FY21 (compared to H1 FY20), Austco Polar has performed strongly in light of significant challenges from the economic environment
- Austco Polar blast carton remained constant across quarters in FY21, with blast carton volumes of 823k achieved for H1 FY21, even though revenue has decreased
- Victoria is showing positive signs of a strong lamb season post re-stocking and we are working with key clients to plan for the coming season

FY 2019: 1,836,364

FY 2020: 2,130,972

Underlying EBIT: $2.9m turnaround

- Excluding the gain on the sale and leaseback of Austco Polar's property in H1 FY20, underlying EBIT grew from a loss of $1.7m in H1 FY20 to a profit of $1.2m in H1 FY21
- H1 FY21 result included abnormal COVID-19 related increase in freight costs due to delayed shipping schedules and port industrial action.



Balance sheet: successful $5m placement supports growth

- Total Assets have risen over the half year by $0.62m
- Total Liabilities have fallen by $3.6m over the same period
- Accordingly, Net Assets have grown by $4.2m representing a 25.2% increase.
- Issued equity has also increased, by $4,2m on balance, following the capital raising earlier in the year

Consolidated Balance Sheet ($m)	As at Sep 20	As at Mar 20
Cash	0.47	2.2
Deposits and other current assets	0.85	0.54
Inventories	5.2	4.1
Trade receivables	2.9	2.7
Total Current Assets	9.5	9.6
Deferred tax asset	0.29	0.29
Intangible assets	1.8	1.8
Other non-current assets	1.8	1.3
Property, plant and equipment	18.0	17.4
Right of Use Asset	23.2	24.1
Term Assets	0.46	-
Total Assets	55.0	54.4
Borrowings	(0.49)	(1.2)
Employee benefit obligations	0.47	0.48
Lease liabilities	0.58	0.56
Other Current Liabilities	0.76	0.76
Other payables	1.1	1.1
Trade payables	5.8	5.5
Total Current Liabilities	8.1	7.1
Asset Finance	2.9	3.3
Borrowings	3.5	7.4
Employee benefit obligations	0.089	0.087
Lease liabilities	19.6	19.9
Term Liabilities	0.036	0.017
Total Liabilities	34.2	37.8
Net Assets	20.8	16.6
Contributed equity	25.0	20.3
Retained Earnings	4.1	(5.0)
Share based payments reserve	0.43	0.43
Current Year Earnings	(0.55)	0.92
Total Equity	20.8	16.6

Q2 cashflow reflects strategic inventory build-up to support future sales

- Cash receipts up 22% to $19.15m (vs H1 FY20)
- Operating cash outflow of $(0.55)m is a direct result of inventory build-up to support H2 FY21 sales
  - Q2 FY21 operating cash outflow of $(0.53)m
- JC Tanloden inventory in was up 734% (on H1 FY20) to 20,290 MT, we have proactively built inventory in response to an anticipated increase in customer demand

Consolidated statement of cash flows ($'000)		Apr - Jun 2019	Jul - Sep 2019	H1 FY20	Apr - Jun 2020	Jul - Sep 2020	H1 FY21
1	**Cash flows from operating activities**						
1.1	Receipts from customers	7,629	8,127	**15,756**	10,019	9,128	19,147
1.2	Payments for	-	-	-	-	-	-
1.2a	(a) research and development	-	-	-	-	-	-
1.2b	(b) product manufacturing and operating costs	(1,833)	(2,337)	**(4,170)**	(2,794)	(2,334)	(5,128)
1.2bb	hay purchases	(1,200)	(1,058)	**(2,258)**	(3,757)	(3,961)	(7,718)
1.2c	(c) advertising and marketing	(5)	(49)	**(54)**	(49)	(19)	(68)
1.2d	(d) leased assets	(152)	(451)	**(603)**	(749)	(758)	(1,507)
1.2e	(e) staff costs	(1,958)	(2,626)	**(4,584)**	(2,337)	(2,172)	(4,509)
1.2f	(f) administration and corporate costs	(208)	(193)	**(401)**	(133)	(120)	(253)
1.5	Interest and other costs of finance paid	(349)	(320)	**(669)**	(199)	(267)	(466)
1.6	Income taxes paid	-	-	-	(16)	(29)	(45)
1.8	Other (provide details if material)	3	-	**3**	-	-	-
1.9	Net cash from / (used in) operating activities	**1,927**	**1,093**	**3,020**	**(15)**	**(532)**	**(547)**
2	**Cash flows from investing activities**	-	-	-	-		
2.1	Payments to acquire:	-	-	-	-		
2.1a	(a) property, plant and equipment	(425)	(347)	**(772)**	(994)	(721)	(1,715)
2.2	Proceeds from disposal of:	-	-	-	-	-	-
2.2a	(a) property, plant and equipment	-	21,028	**21,028**	-	-	-
2.5	Other (provide details if material)	-	-	-	(150)	(150)	(300)
2.6	Net cash from / (used in) investing activities	**(425)**	**20,681**	**20,256**	**(1,144)**	**(871)**	**(2,015)**
3	**Cash flows from financing activities**	-	-	-	-		
3.1	Proceeds from issues of shares	-	-	-	-	5,037	5,037
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-	-	-	(315)	(315)
3.6	Repayment of borrowings	(908)	(18,376)	**(19,284)**	(590)	(488)	(1,078)
3.9	Other (provide details if material)	-	(95)	**(95)**	(108)	(3,456)	(3,564)
3.1	Net cash from / (used in) financing activities	**(908)**	**(18,471)**	**(19,379)**	**(698)**	**778**	**80**
4	**Net increase / (decrease) in cash and cash equivalents for the period**			-			
4.1	Cash and cash equivalents at beginning of quarter/year to date	664	1,247	**1,911**	3,450	1,592	3,450
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,927	1,093	**3,020**	(15)	(532)	(547)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(425)	20,681	**20,256**	(1,144)	(871)	(2,015)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(908)	(18,471)	**(19,379)**	(698)	778	80
4.5	Effect of movement in exchange rates on cash held	(11)	6	**(5)**	(1)		
4.6	Cash and cash equivalents at end of quarter	**1,247**	**4,556**	**5,802**	**1,592**	**967**	**968**

Positive outlook for H2 FY21

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- Wingara is well placed to meet demand, scale its operations, and further improve returns going forward

JC Tanloden

- Prepared for the 2020/21 harvest season
- Expect an overall improvement in capacity utilisation rate
- WNR’s commercial standing will support the execution of our hay inventory accumulation strategy to deliver increased production output in the coming 12 months and beyond
- Export market demand expected to continue to exceed supply

Austco Polar

- Operating effectively despite COVID-19 and with efficient cost management and low capital-intensity providing a trading buffer in the current export climate

Funding

- Balance sheet enables strategic build-up of fodder inventory to support sales growth

Appendix

A diversified agricultural products platform

WNR has built a sustainable platform for processing and marketing agricultural products – more products can be added at the appropriate time

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For Primary Producers

Connect primary producers with valuable high demand export markets

1	2	3
Process raw materials to products in demand for export markets	**Logistics to move products worldwide**	**Provide insights and services for partners**

Risk management framework

For Customers

Receive in-demand quality assured, Australian products

- A highly scaleable model that unlocks value in Asian export markets
- Ability to capitalise on opportunities in the 'protein supply chain' that meet Asian demand characteristics which are driven by the need for increased 'food security'

JC Tanloden – services and key markets

- Original business was one of the first fodder exporters from Victoria, with a 30-year history
- We purchase, process and transport our high quality produce to our domestic and global customers
- Revenue is generated via a tolling model where fees charged are dependent on the grade of the hay. Typically consistent in terms of margin which is based on a cost-plus structure.

Services Provided

Hay Accumulation

- Supply sourced from more than 2,000 farmers over 100,000km^2 throughout Victoria
- Purchase typically occur during November – January
- Current storage capacity of 30,000 MT
- Storage capability of up to 3 years

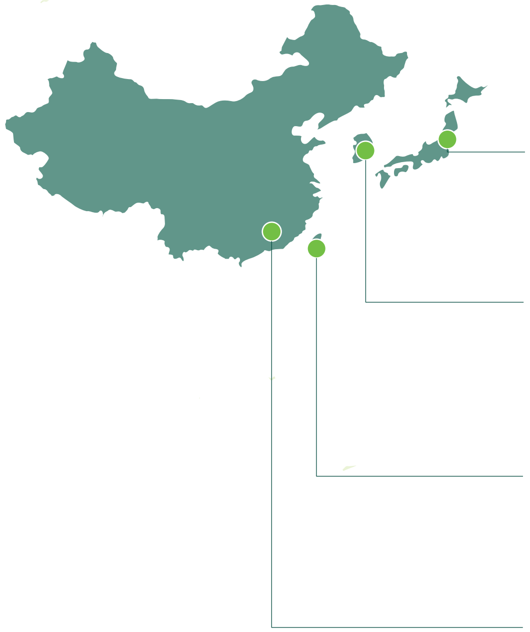
Processing

- Quality control testing on new hay deliveries
- Compress bales to reduce size by 50%
- Repackaging and fumigation
- Current processing capacity of 110,000t per annum

Logistics

- Domestic and interstate markets
- Offshore freight to key markets including China, Taiwan, South Korea and Japan

Wingara's major export destinations



Japan
- Dairy herd size: ~ 1.4 million

South Korea
- Diary herd size: ~ 450,000

Taiwan
- Dairy herd size: ~ 62,000

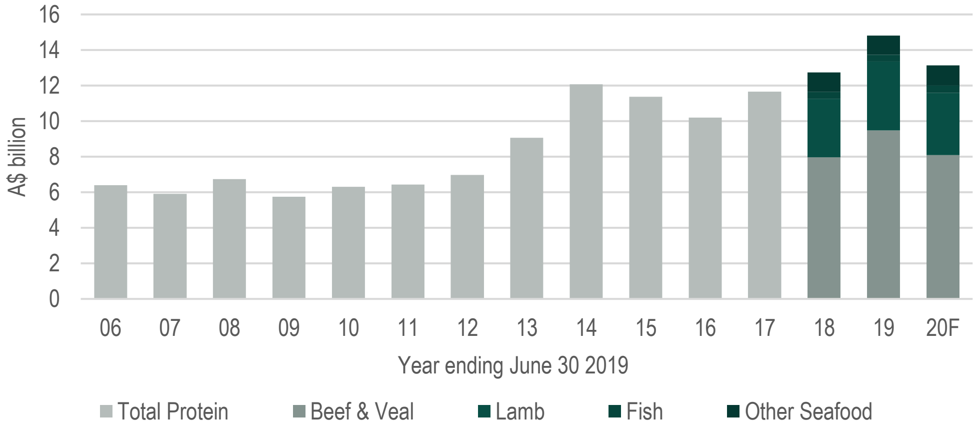
China
- Dairy herd size: ~ 6 million

WNR's markets

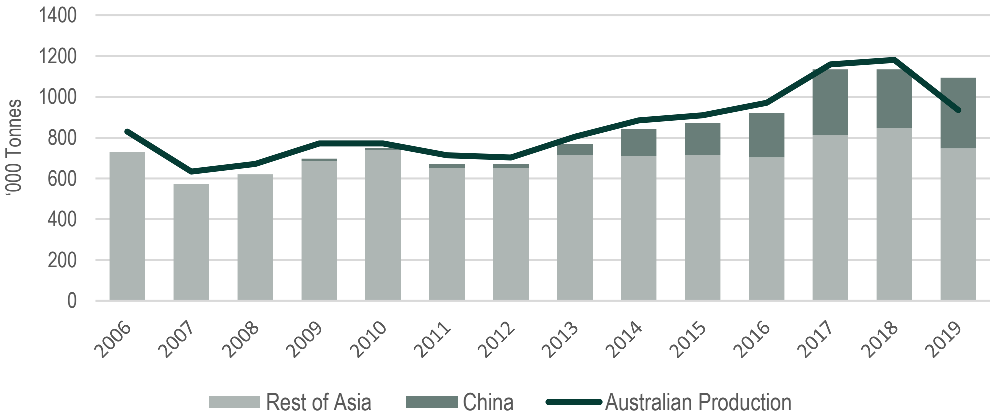
JC Tanloden and Austco Polar form key parts of the Australian agriculture industry's supply chain and export capabilities for protein and fodder products – both which have grown significantly over the past 5 years

- **Export markets for proteins & fodder**: **$13 billion annually** (from $9 billion 5 years ago)
- **Oaten hay demand from China: 1.5 – 2 million MT per annum** (accelerating in the past 5 years and cannot be met in Australia alone)
- **Australia's brand strength has increased share of production for fodder:** Product traceability, quality and lack of contamination underpin the favourable reputation of Australian agricultural exports leading to major export expansion.
- **Oaten hay is a desirable export product:** Australian producers primarily export oaten hay, which improves milk production. Oaten hay has high demand worldwide as a reliable, high quality fodder that meets stringent animal production requirements.
- **Wingara advantage:** Under the Free Trade Agreement with China, only oaten hay from Australia is allowed to be imported

Australian Protein Exports



Oaten Hay Export Demand



Source: Company websites, Wingara management estimates, Australian Fodder Industry Association

Austco Polar – services and key markets

Established in 1987, Austco Polar Cold Storage owns and operates a cold storage facility which specialises in temperature-controlled facilities, blast freezing, storage and distribution for domestic and international clients. Key clients account for over 30% of VIC meat production.

Services Provided

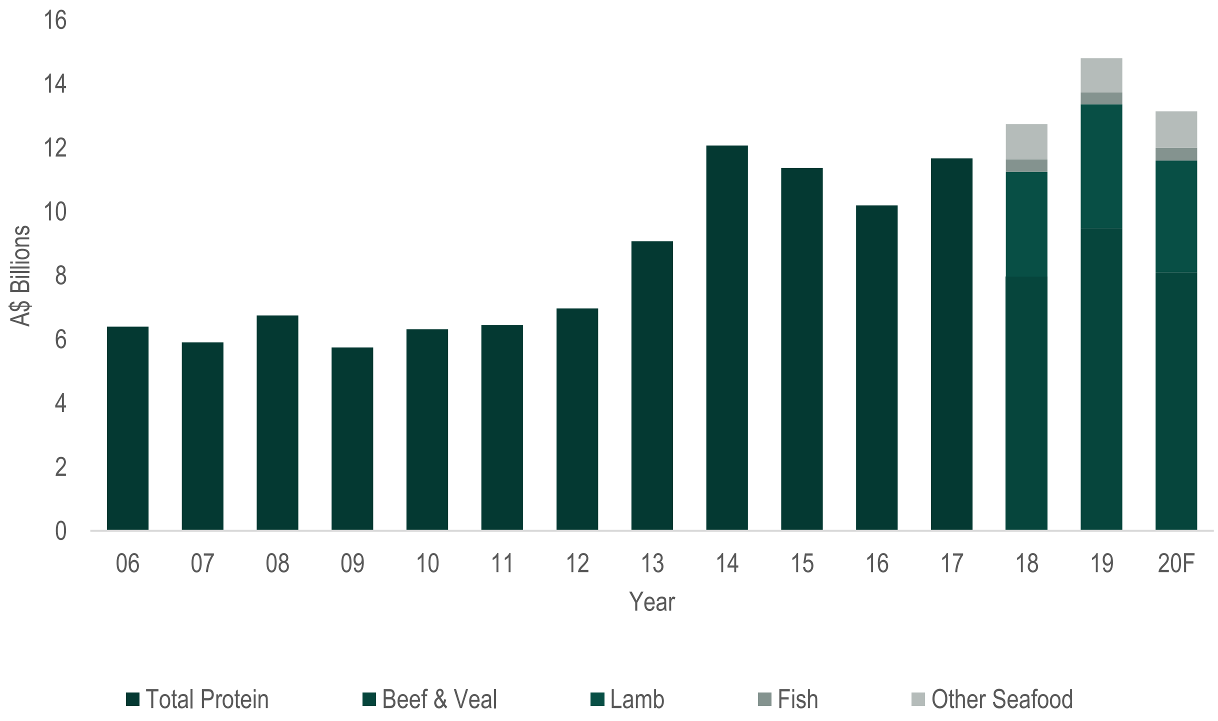
Storage & Handling
- Receive containers and store products
- Complete exporters documentation and product selection
- Load domestic and export containers with frozen product

Blast Freezing
- Blast freeze product; extends shelf life from 12 weeks to up to 3 years
- Process capacity of 40K cartons per week

Tenancy
- Chillers and freezers occupied by various food suppliers on long term contracts
- Average tenure of clients of 5 years

Revenue Model
- Service oriented to cover fixed costs
- Underpinned by export demand and blast freezing
- Tolling based on volume to key exporters
- Cost plus arrangement
- Seeing steady growth in demand
- Rent revenue charged monthly based on freezer space
- Mitigates revenue profile and meets fixed cost in winter periods

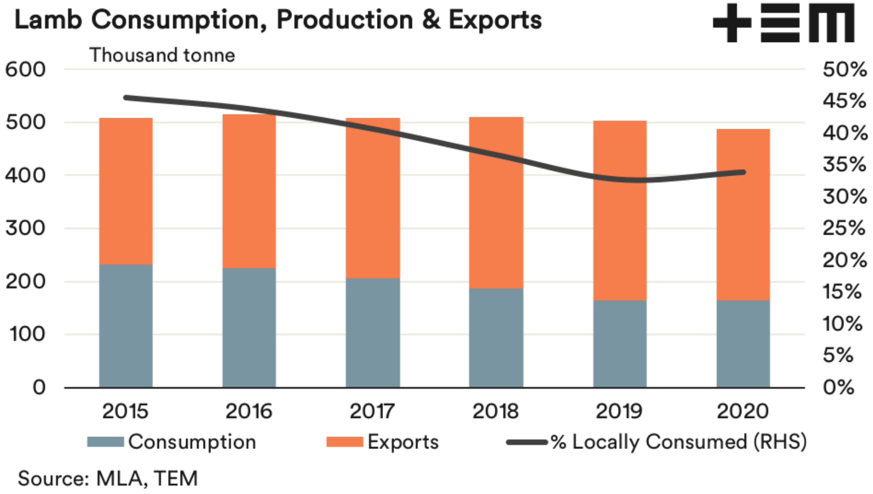
Australian Protein Exports



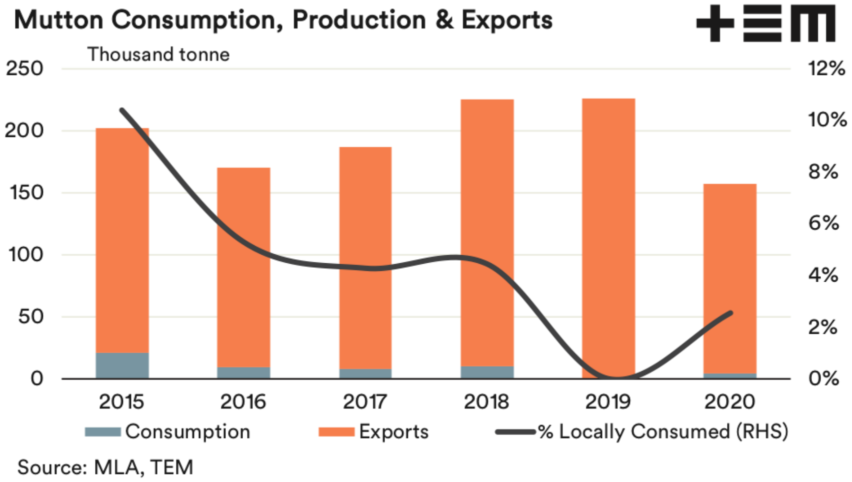
Source: Meat & Livestock Australia

Protein Market Update

- Domestic consumption of red meats, particularly lamb and mutton, has been on a downward trend in recent years.
- The share of red meat production destined for export has risen as a result
- Given a greater reliance on exports, the meat industry has seen disruption from COVID-19 and logistical issues such as port strike action in 2020
- Total meat exports to key Asian markets continue to rise year-on-year



Source: MLA, TEM



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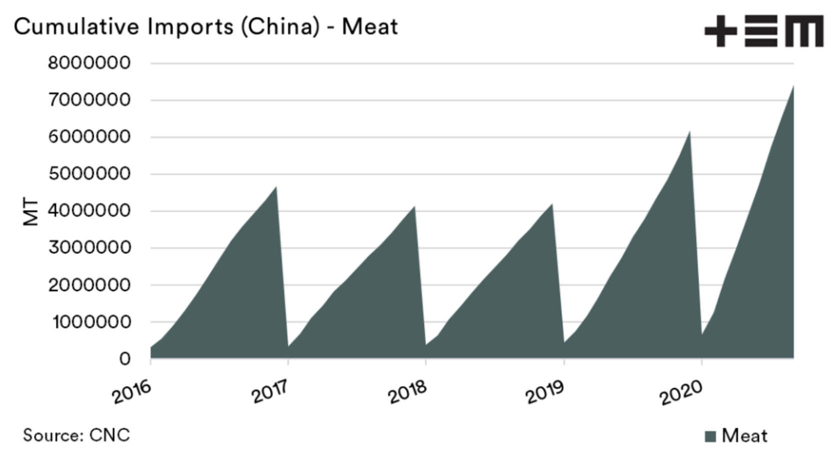
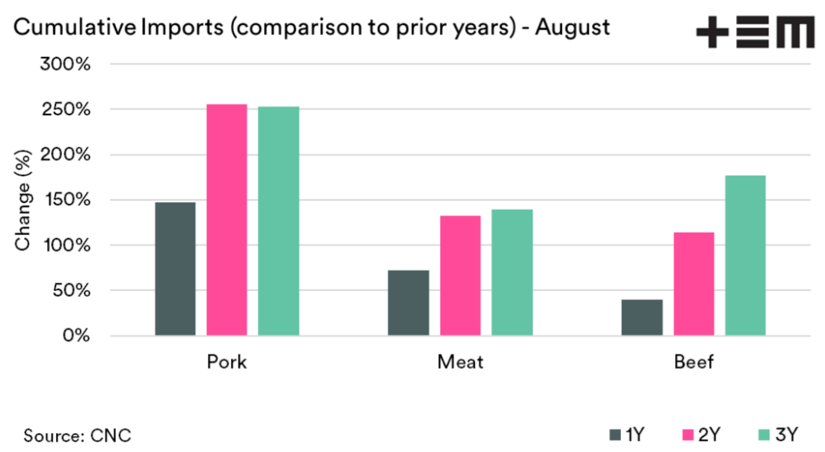


Source: CNC

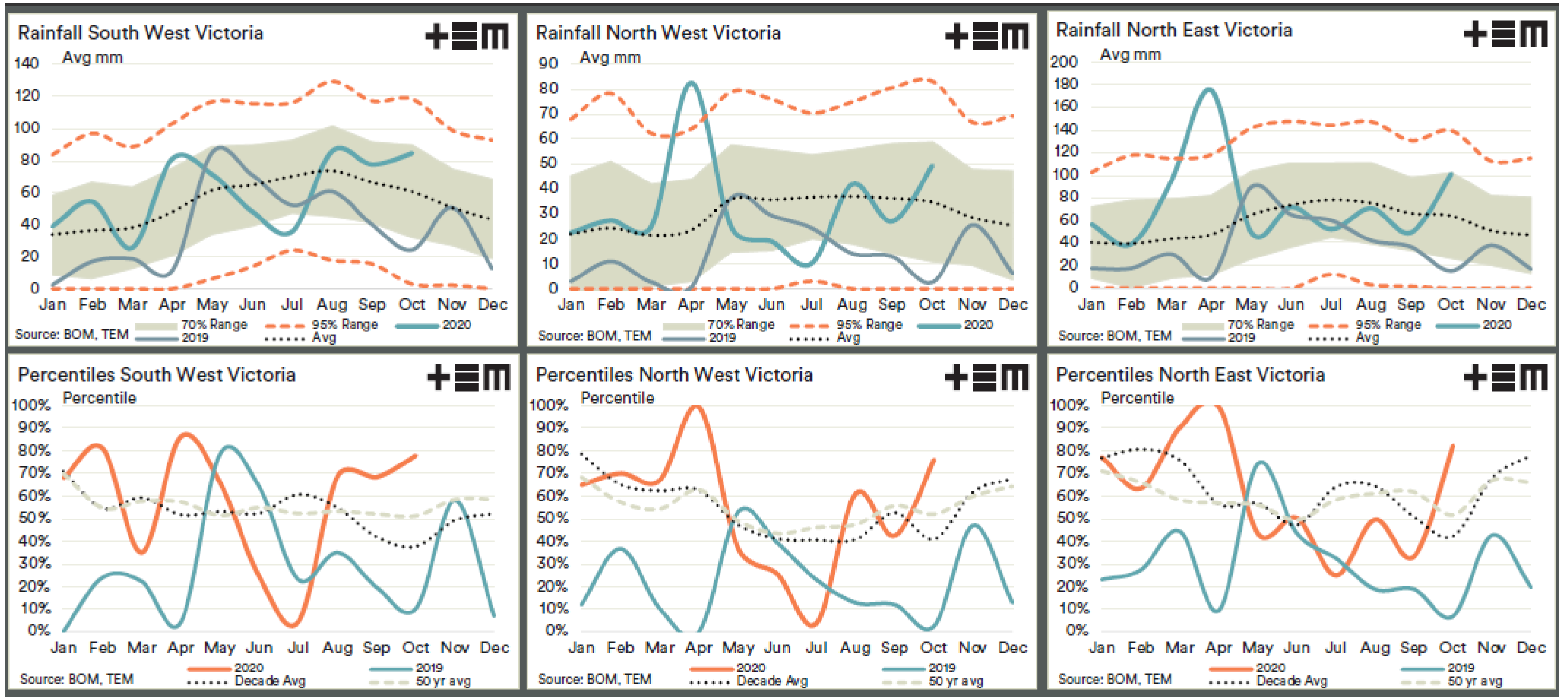


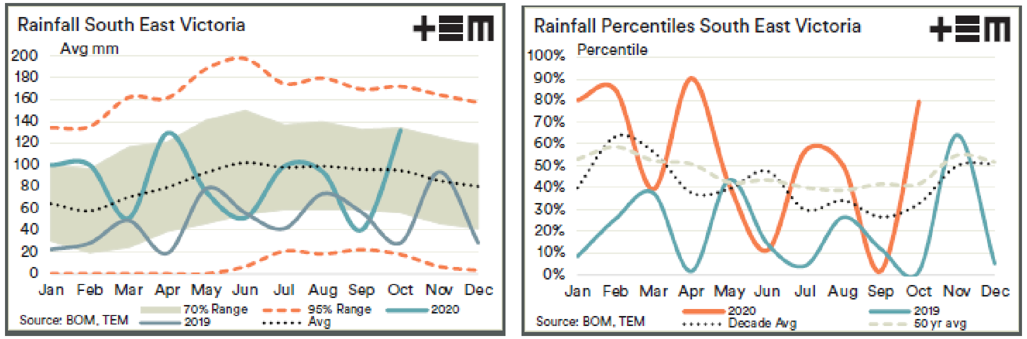
Source: CNC

Images Source: Thomas Elder Markets
https://www.thomaseldermarkets.com.au/market-insights/october-2020-rainfall-analysis/

Rainfall Report

- Higher-than-expected rainfall prior to harvest has proved challenging for many growers across VIC and SA.
- Reports of weather-damaged hay have been received in some key areas.
- Quality hay is expected to come at a higher premium than anticipated
- Equally, exported product is likely to trade at a discount, particularly given slow domestic demand





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Wingara AG Limited

We connect primary producers to the global market
efficiently through our protein supply chain.

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