

**ASX Announcement**

29 April 2024

**Quarterly Activities Report****Q4 FY24 headlines:**

- **Challenging market conditions in key Asian markets will persist for the remainder of the season putting pressure on margins and cashflow;**
- **Wingara cash position stabilised during March quarter with focus on cost control to continue in current environment;**
- **Management pursuing transaction opportunities in Agriculture sector**

Wingara AG Limited (ASX: WNR), the owner and operator of value-add, mid-stream assets specialising in the processing, storage and marketing of agriculture produce for export markets, is pleased to provide this quarter's activities report alongside its Appendix 4C (Quarterly Cashflow Report) for the three months ended 31 March 2024 (Q4 FY24).

**Commenting on Q4 FY24, Wingara's Managing Director and Chief Executive Officer Marcello Diamante said:**

"The quarter's performance has largely been in line with expectation being the first quarter where ample hay was available for production throughout the quarter. I'm happy to note that the Epsom site is running well with 2023/24 hay being received, processed and exported.

With the 2023/24 cutting season now complete we have seen above average yields recorded and high-quality export grades being easily sourced. This contrasts with WA where below average yields have been recorded, and SA achieving high yields but relatively poorer quality to Vic/WA. This has resulted in higher-than-expected oaten hay prices in Victoria as processors bid strongly for high quality hay.

Economic activity in our key markets of Japan, China and South Korea in the agricultural space continues to be subdued as plentiful supply of oaten hay in Australia, and Alfalfa/Timothy Hay in America has translated into lower export prices for fodder in all export markets. A weak Yen against the USD and no significant stimulus measures from China will continue to weigh down on export prices this season. Combined with record high prices for domestic oaten hay pressure on profit margins and cash generation will continue for the remainder of the calendar year.

Notwithstanding the above, we are focusing on areas within our control, including ensuring the Epsom site is operating efficiently and by minimising non-core operational expenditure. We have increased our cash position in the March quarter compared to the December quarter however, inventory build up will see cash reserves being utilised in the coming quarters.

Wingara management are actively pursuing market opportunities that suit the Wingara platform."

**Commercial activities:**

The Epsom site has been processing 2023/24 hay. The business is now seeing the fruits of its investment of time and resources into the site with overall capacity and reliability operating in line with expectations. We continue to focus on opportunities to increase production capacity with minimal or no new capital expenditure.

**Financial results:**

Receipts from customers and net cash from operating activities were \$2.288 million and a surplus of \$0.556 million respectively for Q4 FY24.

Summary of expenditure for the March 2024 quarter and related party payment include:

- Product manufacturing and operating costs \$0.527 million: this includes payments for inventory processing, shipping, maintenance and equipment hire; and
- Staff costs \$0.523 million: this includes staff costs associated with the production, sales and marketing, maintenance, finance and management of the Company.

Current cash and cash equivalents as at 31 March 2024 sit at \$2.267 million.

In accordance with ASX Listing Rule 4.7C.3, payments to related parties and their associates outlined in the Company's Appendix 4C for the quarter relate to fees and salaries paid to directors.

This announcement has been approved for release by the Board of Directors of Wingara AG Limited.

For further information please contact:

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**About Wingara AG Limited:**

Wingara AG Limited aims to be the leader in the sale of agricultural products to the domestic and international markets, particularly focusing on the export of hay products to Asia. By adhering to the highest standards of production we ensure a reliable source of hay to our clients, enabling them to meet their business demands confident in the quality of our product.

We are also dedicated to supporting local producers and our commitment to providing an equitable relationship with Australian farmers allows us to source the best product available. Wingara is committed to ensuring we uphold the highest standards of integrity throughout the organisation, ensuring that we create an environment in which individuals continue to strive to meet our goals.

For further information, please visit: <https://wingaraag.com.au/>

**Forward-looking statements:**

Certain statements made in this release are forward-looking statements and are based on Wingara AG's current expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements.

Although Wingara AG believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Wingara AG's control. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements.

The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Wingara AG will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Wingara AG Ltd

**ABN**

58 009 087 469

**Quarter ended ("current quarter")**

31 March 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,288	5,187
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(527)	(2,037)
- Hay Purchases	(551)	(1,924)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(523)	(2,583)
(f) administration and corporate costs	(122)	(470)
1.3 Dividends received (see note 3)		
1.4 Interest received	11	24
1.5 Interest and other costs of finance paid	(20)	(44)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>556</b>	<b>(1,847)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(53)	(173)
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(f) other non-current assets		
2.2 Proceeds from disposal of:		
(g) entities		
(h) businesses		
(i) property, plant and equipment	189	13,565
(j) investments		
(k) intellectual property		
(l) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	-	(169)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>136</b>	<b>13,223</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings	-	71
3.6 Repayment of borrowings	(143)	(8,977)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid	-	(1,053)
3.9 Other (provide details if material)		
- Payment for leased assets (i)	(77)	(297)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(220)</b>	<b>(10,256)</b>

(i) *The Group has adopted accounting standard AASB 16 Leases with effect from 1 April 2019. In accordance with the requirements of AASB 16 cash payments for the Group's Lease Liabilities are presented within financing activities*

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,795	1,147
4.2	Net cash from / (used in) operating activities (item 1.9 above)	556	(1,847)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	136	13,223
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(220)	(10,256)
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,267</b>	<b>2,267</b>

<b>5. Reconciliation of cash and cash equivalents</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	1,399	1,204
5.2 Call deposits	868	591
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,267</b>	<b>1,795</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	129
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	



## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29/04/2024.....

Authorised by: The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.