

ASX Announcement

27 February 2025

Sale of Machinery**Headlines:**

- **Wingara AG Limited announces it has entered into an agreement to sell its Export Hay Press and sundry equipment for gross proceeds of AUD \$750,000 plus GST with the transaction to be completed on or around 30 June 2025;**
- **The transaction will be subject to Wingara shareholder approval. The Wingara Board unanimously recommend shareholders vote in favour of the transaction; and**
- **Major shareholder NAOS Asset management has provided in-principle support for the transaction.**

Wingara today announces that its 100% owned subsidiary, Elect Performance Group Pty Ltd trading as JC Tanloden (**JCT**), has entered into a contract to sell its Export Hay press with its auxillary components and spares for gross proceeds of \$750,000 plus GST.

The Wingara Board has made this decision on the basis that:

- Challenging market conditions require efficiencies that can only be achieved by increased scale in volume throughput to at least 100,000MT pa. with the current Epsom Site and machine not able to achieve this due to its small footprint and age of equipment delivering negative margins;
- Expected challenging market conditions persisting for 2025; and
- The sale price for the Press is considered a fair and reasonable price in light of current economic conditions in the Export Hay processing industry.

Wingara Board Recommendation

As the transaction involves the disposal of material equipment of JCT linked to Wingara's main undertaking, Wingara is required under ASX Listing rules to obtain approval from its shareholders to proceed with the transaction. It is currently expected that shareholder approval will be sought at an Extraordinary General Meeting (EGM) in April 2025.

The Directors of Wingara unanimously recommend that Wingara shareholders vote in favour of the transaction.

Wingara's largest shareholder, NAOS Asset Management, which currently holds approximately 45.88% of the Company's issued capital has indicated its intention to support the transaction and will vote in favour of its approval at the required EGM.

In light of the challenging market conditions, the Wingara Board intend to expand JCT's main undertakings to include marketing, storage and processing for export of Agricultural commodities and protein supply, including meat. This will enable JCT to expand its contract revenue base in the Agricultural space whilst it explores long term strategies.

Marcello Diamante, Managing Director and CEO of Wingara said "This decision to sell the Press has not been made lightly. Since January 2024, we have seen export prices for export grade fodder and straw decline to the worst point I have seen it over the past 25 years resulting in continued negative margins.

After extensive negotiations we have achieved a fair sale price that is greater than the carrying value of the assets being sold and provides certainty for the Board and shareholders to use the cash freed up from this transaction to pursue more profitable opportunities for the JCT business in the Agricultural sector. Wingara has extensive experience in managing facilities for agricultural exports and this skillset is transferable to many export establishments exporting meat and produce across Australia.”

It is expected that the sale and removal of the plant and machinery will be completed by 30 June 2025, subject to shareholder approval. JCT will continue to undertake marketing and storage services until it can re-enter into processing activities at a time that is profitable.

The Board believes that with this transaction, it will have sufficient cash to meet its liabilities and progress its conversations on the next phase for Wingara Ag.

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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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.