



# WIDE OPEN AGRICULTURE QUARTERLY RESULTS REPORT Q3 FY23

*April 2023*



ASX: WOA



# AREAS COVERED IN THIS REPORT

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**QUARTERLY  
HIGHLIGHTS**

2



**BUNTINE  
PROTEIN®**

3



**DIRTY CLEAN  
FOOD & OAT MILK**

4



**OUTLOOK**



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# QUARTERLY HIGHLIGHTS





**SIGNIFICANT PROGRESS ON NEW FOOD APPLICATIONS  
FOR BUNTINE PROTEIN® WELL RECEIVED IN MARKET**

# 15 QUARTERS OF REVENUE GROWTH

-  Q3 FY23 REVENUE  
**\$2.9M**
-  **11 PERCENT**  
INCREASE OVER  
Q3 FY22 SALES
-  **\$8.0M**  
CASH AT QUARTER'S END



QUARTERLY REVENUE AUD\$



# \$12M DEBT FACILITY IN PLACE

1. **\$12M in total debt facilities** from National Australia Bank (NAB)
2. **\$8M project-based debt** for oat milk production;  
**\$4M working capital** facility
3. **Overlap in equipment** required to produce Oat Milk & Buntine Protein® (e.g. decanting)
4. **WOA has begun discussions** for financing remaining equipment for Buntine Protein® commercial production



# GRANT INCOME TO RISE

- 1. WOA expecting grant funding of over \$1M** for 4 Returns, Export, and R&D activities in FY23
- 2. R&D Tax Incentive rebates** expected this year, with first receipt by June 30, 2023
- 3. Awarded \$350K** by Commonland Foundation over three years; plus \$125K in government grants for Energy Efficiency and Export Development
- 4. Additional grant funding** expected this fiscal year





# ② BUNTINE PROTEIN<sup>®</sup> HIGHLIGHTS



# BUNTINE PROTEIN<sup>®</sup> R&D UPDATE

- 1. Successful food application development** in noodles, cheeses, flavoured milks, powders, dips, and baked goods
- 2. Samples well received** by prospects and ingredient distributors
- 3. Refining recipe for Ready to Drink (RTD) Oat Milk** featuring Buntine Protein<sup>®</sup> ahead of launch
4. Undertaking research on “meat mimics”, solubility and gelation with other feedstocks



# BUNTINE PROTEIN<sup>®</sup> BUSINESS UPDATE

1. **Highest quality product** ever produced coming out of Kewdale pilot plant
2. **Successful road show** featuring new applications of Buntine Protein<sup>®</sup>
3. Focused on converting indications of interest into sales orders and reservations in Australia, Europe, and North America
4. Working aggressively to build sales pipeline to support commercial scale manufacturing



# COMMERCIAL PRODUCTION UPDATE

**1Q FY23:** WOA announced a partnership-based approach to large scale production versus its prior 'greenfield' facility strategy

**2Q FY23:** Production at WOA's Pilot Plant reaches regular, consistent, high-quality output

**3Q FY23:** Preliminary conversations with engineering consultants and potential production partners show potential for (versus 'greenfield' strategy): 1) faster time to market; 2) lower capital requirements; 3) stepped profile for capital investment in line with volume

**4Q FY23E:** WOA expects that ongoing confidential negotiations with a potential strategic partner to produce Buntine Protein<sup>®</sup> will be complete by fiscal year end

# BUNTINE PROTEIN® PRODUCT PIPELINE

## Potential future product & partner opportunities



|            | R&D | Concept | Commercial |
|------------|-----|---------|------------|
| YOGHURT    |     | ●       |            |
| CHEESE     |     |         | ●          |
| MAYONNAISE |     | ●       |            |
| DIPS       |     |         | ●          |



|                | R&D | Concept | Commercial |
|----------------|-----|---------|------------|
| PROTEIN POWDER |     |         | ●          |
| NOODLES        |     | ●       |            |
| BISCUITS       |     | ●       |            |



|         | R&D | Concept | Commercial |
|---------|-----|---------|------------|
| BURGER  |     | ●       |            |
| SAUSAGE |     | ●       |            |
| CHICKEN | ●   |         |            |
| MINCE   |     | ●       |            |

## Integrate into Oat Milk product line



### BUNTINE PROTEIN® ENRICHED OAT MILK



|                         | R&D | Concept | Commercial |
|-------------------------|-----|---------|------------|
| 3.4GR PROTEIN PER 100ML |     | ●       |            |



|                        | R&D | Concept | Commercial |
|------------------------|-----|---------|------------|
| 20GR PROTEIN PER 100ML |     | ●       |            |

(1) PV Plant Milk Report (2) Markets and Markets (3) Future Market Insights (4) Grand View Research



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# DIRTY CLEAN FOOD & OAT MILK



# COMMITMENT TO VALUE CREATION AT DIRTY CLEAN FOOD

Leading regenerative food brand in Australia

TTM Sales: \$11.0M (38% growth vs prior year period)

15 quarters of sequential and year-on-year growth

3Q FY23 Sales: \$2.9M (11% YoY growth; 5% QoQ growth)

Focused on margin improvement and cost efficiencies

Exploring strategic options to enhance stakeholder value



# DIRTY CLEAN FOOD DISTRIBUTION NETWORK

3Q FY23 marked a new record in direct retail sales

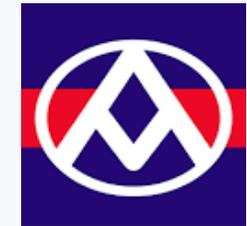
Product sold in 2,000+ locations in five countries

Ranged in leading retailers in every market

Ranged for second Coles Local in WA

Increasing uptake of plant-based products

Sales in over 1/3 of WA Good Food Guide Top 100





GET ON BOARD.



# ④ OUTLOOK



# OUTLOOK FOR 4Q FY23

Multiple new offtakes signed for Buntine Protein®

Agreement for commercial production of Buntine Protein®

Positive growth at Dirty Clean Food vs 1H FY23

Multiple Buntine Protein® products at Dirty Clean Food

Improving margins and operating efficiency with reduced cash outflow

Update on domestic Oat Milk with Buntine Protein®



# APPENDIX 4C - QUARTERLY CASH FLOW REPORT



- Wide Open Agriculture Ltd's cash position at 31 March 2023 was approximately AUD\$8.0m. The Company is adequately funded to continue its current activities and will continue to demonstrate appropriate fiscal restraint. During the quarter, payments for Research and Development of AUD\$562,282 represented costs involved with the development of the Company's novel plant-based protein (Buntine Protein®).
- Payments for Product Manufacturing and Operating Costs represent costs associated with manufacturing Dirty Clean Food beef, lamb and other products including Oat milk. Payments for Advertising and Marketing represent costs associated with marketing the Company's Dirty Clean Food brand. Payments for Staff Costs represent salaries for administration, sales, distribution and general management activities.
- Payments for Administration and Corporate Costs represent general costs associated with running the Company, including ASX fees, legal fees, rent, etc. Proceeds from issues of equity securities relates to options exercised. The aggregate amount of payments to related parties and their associates included in the current quarter Cash flows from operating activities were AUD\$45,000 comprising Directors fees, salaries and superannuation.
- Cash outflows for the quarter were in line with management expectations. The cash balance at 31 March 2023 amounted to AUD\$8,012,830. Please refer to the Appendix 4C for further details on cash flows for the quarter and subsequent events.

## **DISCLAIMER**

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This presentation has been authorised and approved in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

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## Appendix 4C

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

#### Name of entity

Wide Open Agriculture Ltd

#### ABN

86 604 913 822

#### Quarter ended ("current quarter")

31 March 2023

| Consolidated statement of cash flows                      | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | 2,754                      | 8,098                                 |
| 1.2 Payments for  |                            |                                       |
| (a) research and development                              | (562)                      | (2,293)                               |
| (b) product manufacturing and operating costs             | (3,010)                    | (8,978)                               |
| (c) advertising and marketing                             | (110)                      | (949)                                 |
| (d) staff costs   | (1,597)                    | (4,543)                               |
| (e) administration and corporate costs                    | (709)                      | (1,875)                               |
| 1.4 Interest received                                     | 110                        | 153                                   |
| 1.7 Government grants and tax incentives                  | 0                          | 0                                     |
| 1.8 Other – Commonland Grant                              | 77                         | 175                                   |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(3,047)</b>             | <b>(10,212)</b>                       |

|   |              |                |
|---|--------------|----------------|
| <b>2. Cash flows from investing activities</b>            |              |                |
| 2.1 Payments to acquire or for:                           |              |                |
| (a) property, plant and equipment                         | (255)        | (1,399)        |
| (d) intellectual property                                 |              |                |
| 2.3 Cash flows from loans to other entities               | 9            | 1              |
| <b>2.6 Net cash from / (used in) investing activities</b> | <b>(246)</b> | <b>(1,398)</b> |

|   |    |     |
|---|----|-----|
| <b>3. Cash flows from financing activities</b>  |    |     |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | 0  | 0   |
| 3.3 Proceeds from exercise of options   | 36 | 124 |

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

| Consolidated statement of cash flows |   | Current quarter<br>\$A'000 | Year to date (9<br>months)<br>\$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 3.4                                  | Transaction costs related to issues of equity securities or convertible debt securities | 0                          | 0                                     |
| <b>3.10</b>                          | <b>Net cash from / (used in) financing activities</b>                                   | <b>36</b>                  | <b>124</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                             | 11,263       | 19,475       |
| 4.2        | Net cash from / (used in) operating activities (item 1.9 above)              | (3,047)      | (10,212)     |
| 4.3        | Net cash from / (used in) investing activities (item 2.6 above)              | (246)        | (1,398)      |
| 4.4        | Net cash from / (used in) financing activities (item 3.10 above)             | 36           | 124          |
| 4.5        | Effect of movement in exchange rates on cash held                            | 7            | 24           |
| <b>4.6</b> | <b>Cash and cash equivalents at end of period</b>                            | <b>8,013</b> | <b>8,013</b> |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1        | Bank balances   | 8,013                      | 11,263                      |
| 5.4        | Other (provide details)   | -                          | -                           |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>8,013</b>               | <b>11,263</b>               |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | Current quarter<br>\$A'000 |
|-----------|---|----------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 45                         |
| 6.2       | Aggregate amount of payments to related parties and their associates included in item 2 | -                          |

*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.*

| 7.  | <b>Financing facilities</b>   | <b>Total facility<br/>amount at quarter<br/>end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|-----|---|---|--|
|     | <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.<br/>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>   |   |  |
| 7.1 | Loan facilities   | 12,000  | 0  |
| 7.2 | Credit standby arrangements   | -   | -  |
| 7.3 | Other (please specify)  | -   | -  |
| 7.4 | <b>Total financing facilities</b>   | -   | -  |
| 7.5 | <b>Unused financing facilities available at quarter end</b>   |   | 12,000   |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.   |   |  |
|     | \$8m Corporate Markets Loan – Floating Rate +3.25%, 3 years, secured<br>\$1.5m Overseas Bills Purchased Facility – Floating Rate +2.7%, secured<br>\$1.0m Trade Refinance Facility – Floating Rate +2.7%, secured<br>\$1.5m Invoice Finance Facility – Floating Rate +2.7%, secured<br>See ASX announcement dated 2 March for the full announcement regarding the financing facilities. |   |  |

| 8.    | <b>Estimated cash available for future operating activities</b>  | <b>\$A'000</b> |
|-------|--|----------------|
| 8.1   | Net cash from / (used in) operating activities (item 1.9)  | (3,047)        |
| 8.2   | Cash and cash equivalents at quarter end (item 4.6)  | 8,013          |
| 8.3   | Unused finance facilities available at quarter end (item 7.5)  | 12,000         |
| 8.4   | Total available funding (item 8.2 + item 8.3)  | 20,013         |
| 8.5   | <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  | 6.6            |
|       | <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> |                |
| 8.6   | If item 8.5 is less than 2 quarters, please provide answers to the following questions:  |                |
| 8.6.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  |                |
|       | Answer: n/a  |                |
| 8.6.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?   |                |
|       | Answer: n/a  |                |

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### 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: 28 April 2023

Authorised by: 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.