



Wingara AG Limited (formerly Biron Apparel Ltd)

ACN 009 087 469

Appendix 4E – Preliminary Final Report

(ASX Listing rule 4.2A)

Company Name:	Wingara AG Limited (formerly Biron Apparel Limited)
ABN:	009 087 469
Reporting Period:	Financial year ended 30 June 2016
Previous Reporting Period:	Financial year ended 30 June 2015

Results for Announcement to the Market

The results of Wingara AG Limited (formerly Biron Apparel Ltd) for the year ended 30 June 2016 are as follows:

Revenues	up	262.32%	to	\$10,368,340
Loss after tax attributable to members	down	(1101.55%)	to	(\$4,271,633)
Net loss for the period attributable to members	down	(1101.55%)	to	(\$4,271,633)

Brief explanation of figures reported above

Wingara AG Limited (formerly Biron Apparel Ltd) recorded revenue of \$10,368,340 for the year ended 30 June 2016 (2015: \$2,861,681). The prior year revenue of \$2.9 mil was primarily generated over an operating period of approximately 4 months as the company acquired the hay process and export business on 23 February 2015. The current year revenue represented a full year of operation.

Wingara AG Limited (formerly Biron Apparel Ltd) has incurred a loss for the year of (\$4,271,633) (2015: \$426,504). This loss was primarily contributed by the significant transaction costs incurred during the year ended 30 June 2016 in relation to the listing. Net profit before transaction costs and income tax for the year was \$620,185 (2015: \$636,915)

Net Tangible Assets per Share

	30 June 2016	30 June 2015
Net Tangible Assets	\$1,912,850	(\$1,389,819)
Shares (No.)	67,317,915	2
Net Tangible Assets per Share	\$0.03	(\$694,910)

Loss per Share

	30 June 2016	30 June 2015
Basic (loss)/profit per share	(10.66)	2.13
Diluted (loss)/profit per share	(10.66)	2.13

Status of Audit of Accounts

These accounts are currently in the process of being audited. An Annual Report for the year ended 30 June 2016 containing the Audit Report shall be provided in due course.



Wingara AG Limited (formerly Biron Apparel Ltd)

ACN 009 087 469

Appendix 4E

Preliminary Final Report

For the Year Ended 30 June 2016
(and previous corresponding period: year ended 30 June 2015)

In Compliance with ASX Listing Rule 4.3A

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Operations Report

The Directors of Wingara AG Limited (formerly Biron Apparel Ltd) present their report on the consolidated entity (referred to hereafter as the 'Group' or 'Consolidated Entity' or 'Wingara') consisting Wingara AG Limited and the entities it controlled at the end of, or during, the year ended 30 June 2016.

Directors

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

Gavin Xing – Managing Director (Appointed 27 January 2016)
James Everist – Non-Executive Director (Appointed 27 January 2016)
Eric Jiang - Non-Executive Director (Appointed 27 January 2016)
Christopher Botica (Resigned 27 January 2016)
George Karafotias (Resigned 27 January 2016)
Peter Parthimos (Resigned 27 January 2016)
Peter Angelakos (Resigned 13 July 2015)

Company Secretary

Mr George Karafotias resigned as Company Secretary on 28 January 2016.

Mr. Neal Shoobert was appointed as Company Secretary on 28 January 2016 and he resigned on 16 May 2016.

Phillip Hains was appointed Company Secretary on 16 May 2016. Mr. Hains is a Chartered Accountant operating a specialist public practice, 'The CFO Solution'. The CFO Solution focuses on providing back office support, financial reporting and compliance systems for listed public companies. A specialist in the public company environment, Mr Hains has served the needs of a number of company boards and their related committees. He has over 20 years' experience in providing businesses with accounting, administration, compliance and general management services. He holds a Master of Business Administration from RMIT and a Public Practice Certificate from the Institute of Chartered Accountants.

Principal Activities

The principal activities of Wingara AG are to act as product processor and marketer of agricultural products.

Significant changes in the state of affairs

Acquisition of Elect Performance Group Pty Ltd

On 15 May 2015, the company entered into a Heads of Agreement, subject to certain conditions, with the Vendors of Elect Performance Group Pty Ltd. The company completed the acquisition of Elect Performance Group Pty Ltd and changed its name from Biron Apparel Ltd to Wingara Ag Ltd on 27 January 2016.

The consideration for the acquisition was the issue of 20,000,000 fully paid ordinary shares to the vendors of Elect Performance Group Pty Ltd ("the Vendors"). In support of the acquisition, the company exceeded its minimum offering target and raised approximately \$4.9 million through a public offering of shares at AU\$0.20 in the company in January 2016.

Consequently, the principles of reverse acquisition accounting apply in the presentation of the financial position and financial results of the consolidated entity, as if Elect Performance Group Pty Ltd acquired Wingara Ag Ltd.

Review and Results of Operations

The consolidated loss for the company after income tax for the reporting period was (\$4,271,633) (2015: profit of \$426,504). This figure includes the non-cash costs associated with the reverse takeover of Wingara Ag Ltd (formerly Biron Apparel Ltd) of \$2,289,034.

The results also reflect 155 days for Wingara AG Ltd (formerly Biron Apparel Ltd) in 2016 and the full year operating profits for Elect Performance Group Pty Ltd in 2016 and 2015.

During the year ended 30 June 2016, the Group declared \$1,453,616 of dividends payable to the Elect Vendors from pre-acquisition profits. No dividends were paid for the previous reporting period.

Financial Position and Capital Resources

As at 30 June, 2016, the Group had cash reserves of \$2.1 million compared to \$0.7 million at 30 June 2015. For the years ended 30 June 2016, we incurred an operating loss of \$4.3 million compared to a gain of \$0.4 million in 2015, respectively, and an operating cash of \$0.16 million outflow and \$1.00 million inflow, respectively.

Cash Flows

Net cash used in and provided by operating activities was \$0.16 million and \$1.00 million during the years ended 30 June, 2016 and 2015, respectively. Our receipts from customers during the year ended 30 June 2016 and 2015 were \$10.92 million and \$2.66 million respectively. Our payments to suppliers and employees during the years ended 30 June 2016 and 2015 were \$10.76 million and \$1.58 million respectively. The \$1.16 million decrease in cash inflow from operating activities for the year ended 30 June 2016 compared to the year ended 30 June 2015 was primarily contributed by the increased in business activities and income tax payment in the year after the acquisition of Elect Performance Group Pty Ltd.



Mr. Gavin Xing
Executive Chairman and Managing Director

Dated: This the 31th Day of August 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2016

	Notes	30-Jun-16 \$	30-Jun-15 \$
Sales of hay		10,368,340	2,861,681
Other income		9,851	1,997
Hay purchased		(5,325,501)	(1,201,368)
Loss on disposal of assets		(39,646)	-
Administration expenses	3	(2,136,856)	(323,469)
Freight expenses		(1,521,361)	(408,854)
Occupancy costs		(168,184)	(69,964)
Finance expenses		(140,531)	(81,482)
Depreciation		(425,927)	(141,626)
Net profit before transaction costs and income tax expense		620,185	636,915
Transaction costs	3	(4,718,430)	(27,625)
Net (loss)/profit before income tax expense		(4,098,245)	609,290
Income tax expense		(173,388)	(182,786)
Net (loss)/profit attributable to members of the company		(4,271,633)	426,504
Other comprehensive income:			
Other comprehensive income/(expense) for the period, net of tax		-	-
Total comprehensive (loss)/profit for the period		(4,271,633)	426,504

Loss per share attributable to the ordinary equity holders of the Group:		30-Jun-16 \$	30-Jun-15 \$
Basic (loss)/profit per share	4	(10.66)	2.13
Diluted (loss)/profit per share	4	(10.66)	2.13

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2016

	Notes	30-Jun-16 \$	30-Jun-15 \$
ASSETS			
Current Assets			
Cash and cash equivalents		2,144,927	713,283
Trade and other receivables		695,567	254,755
Inventories		1,400,596	1,225,072
Other assets		306,725	250,999
Total current assets		4,547,815	2,444,109
Non-current assets			
Property, plant and equipment		1,875,255	1,955,236
Deferred tax assets		20,309	3,235
Intangible assets		1,816,075	1,816,075
Other non-current assets		3,320	-
Total non-current assets		3,714,959	3,774,546
Total assets		8,262,774	6,218,655
LIABILITIES			
Current Liabilities			
Trade and other payables		825,105	909,290
Borrowings		3,157,324	4,211,384
Revenue received in advance		-	57,254
Current tax payable		190,462	186,021
Provisions		39,974	1,925
Total current liabilities		4,212,865	5,365,874
Non-current liabilities			
Borrowings		320,981	426,525
Total non-current liabilities		320,981	426,525
Total liabilities		4,533,846	5,792,399
Net assets		3,728,928	426,256
EQUITY			
Issued Capital	5	9,027,923	2
(Accumulated losses)/Retained earnings		(5,298,995)	426,254
Equity attributable to owners of the parent		3,728,928	426,256
Non-controlling interests		-	-
Total equity		3,728,928	426,256

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2016

	Notes	Share Capital \$	(Accumulated losses) / Retained earnings \$	Total \$
Balance as at 30 June 2014		2	(250)	(248)
Loss for the period attributable to members of the parent entity		-	426,504	426,504
Other comprehensive income/(expense) for the period		-	-	-
Total comprehensive income for the period		-	426,504	426,504
Balance as at 30 June 2015		2	426,254	426,256
<i>Transactions with owners in their capacity as owners:</i>				
Dividends declared and paid from pre-acquisition profit		-	(1,453,616)	(1,453,616)
Shares issued, net of costs	5	9,027,921	-	9,027,921
Loss for the period attributable to members of the parent entity		-	(4,271,633)	(4,271,633)
Other comprehensive income/(expense) for the period		-	-	-
Total comprehensive income for the period		-	(4,271,633)	(4,271,633)
Balance as at 30 June 2016		9,027,923	(5,298,995)	3,728,928

The accompanying notes form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 30 June 2016

	2016 \$	2015 \$
<i>Cash flows from operating activities</i>		
Receipts from customers	10,923,306	2,664,178
Payments to suppliers, employees and others (including one-off costs)	(10,756,980)	(1,580,229)
Interest paid	(140,531)	(81,482)
Interest received	2,551	66
Income tax paid	(186,021)	-
Net cash flows used in operating activities	(157,675)	1,002,533
<i>Cash flows related to investing activities</i>		
Purchase of financial instruments	(3,320)	-
Acquisition of Controlled entity (net of cash received)	2,754	(1,906,367)
Purchase of property, plant and equipment	(224,944)	(12,936)
Net cash flows used in by investing activities	(225,510)	(1,919,303)
<i>Cash flows related to financing activities</i>		
Proceeds from borrowings	2,969,072	1,545,000
Proceeds from borrowings disbursed by shareholders	802,816	917,181
Repayments of borrowings	(6,090,740)	(930,808)
Repayment of finance leases	(281,016)	(101,323)
Deposit received from shareholders	-	200,000
Proceeds from issue of ordinary shares	4,850,360	-
Payments for transaction costs for the issue of ordinary shares	(435,662)	-
Net cash flows provided by financing activities	1,814,830	1,630,050
Net increase in cash and cash equivalents	1,431,645	713,280
Cash and cash equivalents at the beginning of the year	713,282	2
Cash and cash equivalents at the end of the year	2,144,927	713,282

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1. Statement of Significant Accounting Policies

The Preliminary Final Report of Wingara AG Ltd (formerly Biron Apparel Limited) and its controlled entities (the "Group") for the year ended 30 June 2016 was authorised for issue in accordance with a resolution of the Directors on the 31 day of August 2016. The company changed its name from Biron Apparel Limited to Wingara Ag Ltd (formerly Biron Apparel Ltd) on 27 January 2016.

Basis of Preparation

Wingara Ag Ltd (formerly Biron Apparel Ltd) is a for-profit entity for the purpose of preparing the financial statements. The financial report has been prepared on an accruals basis and is based on historical costs applying the going concern basis of accounting.

Acquisition of Elect Performance Group Pty Ltd

On 27 January 2016 Wingara Ag Ltd (formerly Biron Apparel Limited) completed the 100% legal acquisition of Elect Performance Group Pty Ltd ("Elect"). In this transaction the directors have determined that Elect was the accounting acquirer upon consideration of voting interest, economic entitlements and ability to influence decision making by the former Elect shareholders of the consolidated entity following the completion of the transaction. The acquisition has been accounted for as a share based payment by which Elect Performance Group Pty Ltd acquired the net assets and listing status of Wingara Ag Ltd.

Accordingly, the consolidated financial statements of the Wingara Ag Ltd (formerly Biron Apparel Ltd) have been prepared as a continuation of the business and operations of Elect Performance Group Pty Ltd. Elect Performance Group Pty Ltd has accounted for the acquisition of Wingara Ag Ltd (formerly Biron Apparel Ltd) from 27 January 2016. The comparative information for the 12 months ended 30 June 2015 presented in the consolidated financial statements is that of Elect Performance Group Pty Ltd as presented in its last set of year-end financial statements.

The implications of the acquisition by Wingara Ag Ltd (formerly Biron Apparel Ltd) on the financial statements are as follow:

The 2016 Statement of Profit or Loss and Other Comprehensive Income comprises the total comprehensive income for the financial year, being the 12 months for the year ended 30 June 2016 for Elect Performance Group Pty Ltd and the period from 27 January 2016 until 30 June 2016 for Wingara Ag Ltd.

The 2015 Statement of Profit or Loss and Other Comprehensive Income comprises the full comparative financial year for Elect Performance Group Pty Ltd only.

Note 2. Dividend

During the year ended 30 June 2016, the Group declared \$1,453,616 of dividends payable to the Elect Vendors from pre-acquisition profits. No dividends were paid for the previous reporting period.

Note 3. Operating expenses

	2016 \$	2015 \$
Administration Expenses		
Employee related expenses	1,032,613	144,484
Utilities and other office expenses	300,428	55,584
External consultancy and audit expenses	205,910	8,170
Site expenses	412,591	74,768
Other administration expenses	185,314	40,463

Transaction costs

Transaction costs ¹	4,718,430	27,625
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⁽¹⁾ For the year ended 30 June 2016, an amount of \$4,718,430 was charged to the Statement of Comprehensive Income as transaction costs in relation to (i) the acquisition of Elect Performance Group Pty Ltd and Superion Property Pty Ltd, and (ii) relisting expenses to the Australian Stock Exchange.

For the year ended 30 June 2015, an amount of \$27,625 was charged to the Statement of Comprehensive Income as transaction costs in relation to the acquisition of JC Tanloden business.

Note 4. Loss per Share

	2016 \$	2015 \$
(a) Basic loss per share	(10.66)	2.13
(b) Diluted loss per share	(10.66)	2.13
(c) Reconciliation of earnings to loss		
Loss used to calculate basic loss per share	(4,271,633)	426,504
Loss used to calculate diluted loss per share	(4,271,633)	426,504
	No.	No.
(d) Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share	40,054,889	20,000,000
Weighted average number of ordinary shares outstanding during the year used in calculating diluted loss per share	40,054,889	20,000,000

Note 5. Contributed Equity

		2016	2015
		\$	\$
Ordinary shares	(a)	9,027,923	2

⁽¹⁾ On 18 December 2015 Biron Apparel Ltd (“Biron”) acquired 100% of Elect Performance Group Pty Ltd, and the combined entity was renamed Wingara AG Ltd. This is treated as a reverse acquisition because the substance of the transaction is such that the pre-existing shareholders of Elect Performance Group Pty Ltd obtained substantial control of Biron.

The acquisition is accounted for under AASB 2 *Share Based Payments* whereby the non-cash consideration represents a deemed issue of shares by the legal acquirer (Elect Performance Group Pty Ltd), equivalent to the current shareholder interest in Biron post the acquisition. The excess of the assessed value of the share based payment over the net assets has been expensed to the income statement as transaction cost in the profit or loss statement.

⁽²⁾ On 27 January 2016, a total of \$587,500 in convertible loans were converted to shares, as follows:

Loan value	Conversion rate	Share issued	Share price	Share value
\$50,000	\$0.100	500,000	\$0.20	\$100,000
\$537,500	\$0.125	4,300,000	\$0.20	\$860,000
\$587,500				\$960,000

The difference between the convertible loan and share value has been recognised as a transaction cost in the profit or loss statement (\$372,500).

⁽³⁾ Under AASB 132, incremental costs that are directly attributable to issuing new shares should be deducted from equity. The share issue expense relates to costs directly attributable to the issuing of new shares, costs associated with the listing are detailed in note 2 and have been deducted from equity.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholder meetings, each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

Note 6. Share Based Payment

(a) Acquisition of Elect Performance Group Pty Ltd

On 27 January 2016 Wingara Ag Ltd (formerly Biron Apparel Limited) completed the legal acquisition of Elect Performance Group Pty Ltd ("Elect"). Under Australian Accounting Standards Elect was deemed to be the accounting acquirer in this transaction. The acquisition has been accounted for as a share based payment by which Elect Performance Group Pty Ltd acquired the net assets and listing status of Wingara Ag Ltd.

The purchase consideration for the acquisition of Wingara Ag Ltd (formerly Biron Apparel Ltd) by the shareholders of Elect under reverse acquisition accounting was the issue of 8,266,117 shares at the value per share of \$0.20, determined as follows:

(i) Deemed consideration

	Shares	Value per share	\$
Share consideration	8,266,117	\$0.20	1,653,223

(ii) Wingara Ag Ltd (formerly Biron Apparel Ltd) share base payment – listing expense

	\$
Deemed share consideration	1,653,223
Add net liabilities of Wingara Ag Ltd (formerly Biron Apparel Ltd) pre-acquisition	635,811
	2,289,034

(iii) Assets and liabilities acquired – Wingara Ag Ltd

	\$
Cash and cash equivalents	2,754
Restricted cash	200,000
Total assets	202,754
Trade and other payables	225,065
Convertible loans	587,500
Borrowings	26,000
Total liabilities	838,565
Net assets on completion of transaction	(635,811)

(b) Acquisition of Superion Property Pty Ltd

On 27 January 2016 Wingara Ag Ltd (formerly Biron Apparel Limited) completed the legal acquisition of Superion Property Pty Ltd ("Superion"). As at this date, Superion did not have the necessary inputs, processes and outputs to meet the accounting definition of a business. As a consequence, the transaction was accounted for as a share-based payment.

The purchase consideration for the acquisition of Superion by the shareholders of Wingara Ag Ltd (formerly Biron Apparel Ltd) was the issue of 10,000,000 shares in the Group at the value per share of \$0.20.

(i) Superion Property Pty Ltd share based payment expense

	Shares	Value per share	\$
Share consideration (recognised as a transaction cost)	10,000,000	\$0.20	2,000,000

Note 7. Events occurring after the reporting date

On 7 July 2016, Wingara AG Ltd has executed a Memorandum of Understanding with the Board of Directors of Pyrenees Hay Processing Co-Operative Ltd and its associated entities to acquire a controlling stake.

On 15 August 2016, Wingara AG Ltd completed the issue of \$2 million in convertible notes with a duration of 2 years and interest rate of 5% per annum. Additionally, the company also completed an equity placement of \$3 million on the same day.

No other matters or circumstances have arisen since the end of the reporting period, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group in subsequent financial years.

Note 8. Audit

These accounts are currently in the process of being audited. An Annual Report containing the audit report shall be provided in due course.

DIRECTORS

Gavin Xing

James Everist

Eric Jiang

Managing Director

Non-Executive Director

Non-Executive Director

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SECURITIES QUOTED

ASX

(Australian Securities Exchange)

Code: WNR (Shares)

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