

ASX Announcement

27 March 2020

Update on COVID-19 Impact

Wingara AG Limited ("Wingara" or "the Company") owns and operates value-add, mid-stream assets specialising in the processing, storage and marketing of Australian agriculture produce for export markets through two business: fodder business - JC Tanloden (JCT), and blast freezing & storage service - Austco Polar Cold Storage (APCS).

As Wingara is approaching its financial year end, the company would like to update the market on its progress given the potential impacts of the COVID-19 Virus ("virus"), noting that at this time there is significant uncertainty in Australia and around the world about the duration and degree of those impacts.

- Trading activity at JCT and APCS has experienced volatility in the past 3 months, but continues at comparable levels with activity prior to the emergency. The hay harvest has finished and inventories in our storage are at target levels which will support expected export volumes through calendar 2020 whilst supply of packaged meat from processors for storage, blast freezing and export continues at projected levels.
- Below is a summary of our past quarterly performance, where Q4 FY20 fodder volumes will be the highest quarter for this financial year and blast carton volumes in Q4 are consistent and in line with Q1 and Q2 despite the interruptions.

	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	TOTAL	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	TOTAL
	30-Jun-18	30-Sep-18	31-Dec-18	31-Mar-19	FY19	30-Jun-19	30-Sep-19	31-Dec-19	31-Mar-20	FY20
Hay volumes MT (JCT)	10,421	18,695	10,257	6,895	46,268	8,175	9,125	10,449	13,186	40,935
Blast cartons (Austco)	448,435	334,044	471,237	562,648	1,816,364	488,852	412,492	712,118	480,970	2,094,432

- Export orders from Asia for fodder products remain in place although we have seen a drop in activities post January at APCS. The Company expects trading activity to remain largely uninterrupted, but will face global impacts as a result of disruptions in logistic chains.
- In particular, we envisage that global shipping will be challenging with increased time at port with checking and safety measures implemented at key ports.
- Based on our current management accounts, and subject to any audit adjustments, we expect FY20 revenue will be slightly over \$35m with business EBITDA of between \$6.7m to \$7.0m. This is comprised of an operating EBITDA range of between \$3.0m to \$3.3m and net profit from sale and lease back of APCS of \$3.7m (FY19 Revenue: \$29.1m; EBITDA \$4.7m). Further details will be provided once accounts are closed as of 31 March 2020.

Gavin Xing Executive Chairman commented “Wingara AG remains open for business and is supplying its customers’ needs as best we can. We will continue to follow all protocols required to ensure a safe and healthy environment for all of its staff, contractors, service providers and customers during this difficult time.”

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Authorised by the Disclosure committee under Wingara AG’s disclosure policy

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.

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, including those risks or uncertainties inherent in the process of both developing and commercialising technology. 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.