

Wingara AG Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Wingara AG Limited
ACN:	009 087 469
Reporting period:	For the year ended 31 March 2025
Previous period:	For the year ended 31 March 2024

2. Results for announcement to the market

Revenues from ordinary activities	Up	18% to	\$ 3,498,693
Loss from ordinary activities after tax attributable to the owners of Wingara AG Limited	down	53% to	(1,466,195)
Loss for the year attributable to the owners of Wingara AG Limited	down	53% to	(1,466,195)

Comments

The loss for the Consolidated Entity after providing for income tax amounted to \$1,466,195 (31 March 2024: loss of \$3,125,587).

Summary of results:

The 2025 financial year (FY25) was a challenging trading year due to a number of factors. The previous financial year saw Wingara transition and operate JC Tanloden (JCT) as a single site allowing management to focus solely on the fodder business including, but not limited to, continued improvements on safety culture, increasing the maximum production output of hay production assets and focusing on rebuilding a profitable fodder business.

During the year the business continued to focus on operational improvements at the Epsom site, with the site processing 2024/25 season hay, although in reduced quantities given the prevailing market prices both on demand and supply sides. New season order commitments for 2025 were also slow and sporadic. Notwithstanding the effort and resources put into the Epsom site, management made the difficult decision to pause operations in November 2024 due to continued negative margins as a result of depressed fodder prices.

This pause in operations resulted in the redundancy of a number of operational staff. It is noted JCT continues to provide storage and marketing services to both customers and farmers using existing infrastructure.

In February 2025, Wingara sought interest from external parties to sell the Export Hay Press with its auxiliary equipment and spares for gross proceeds of AUD \$750,000 plus GST. The Wingara Board made this decision on the basis that:

- Challenging market conditions require efficiencies that than only be achieved by increased scale in volume throughput to at least 100,000MT p.a 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.

This transaction was subsequently approved by shareholders on 9 April 2025 and all funds have now been received in respect of this sale. Given the reduction in operations, Wingara has further reduced its operating cost base to fairly reflect the reduced management time which is now focused on negotiations with third parties on M&A opportunities.

Wingara AG Limited
Appendix 4E
Preliminary final report

	31 March 2025	31 March 2024	Change	Change
	\$	\$	\$	%
Financial position metrics				
Cash	648,304	2,266,946	(1,618,642)	(71%)
Right-of-use assets	202,770	483,127	(280,357)	(58%)
Property, plant and equipment	762,541	905,522	(142,981)	(16%)
Assets and working capital	<u>1,613,615</u>	<u>3,655,595</u>	<u>(2,041,980)</u>	<u>(56%)</u>
Working capital	(821,048)	(1,206,165)	385,117	(32%)
Lease liabilities	(206,103)	(519,675)	313,572	(60%)
Borrowings	(193,773)	(70,869)	(122,904)	173%
Liabilities	<u>(1,220,924)</u>	<u>(1,796,709)</u>	<u>575,785</u>	<u>(32%)</u>
Total net assets	<u><u>392,691</u></u>	<u><u>1,858,886</u></u>	<u><u>(1,466,195)</u></u>	<u><u>(79%)</u></u>
Financial performance metrics				
Operating revenue	3,498,693	2,968,840	529,853	18%
Gross profit	1,191,503	919,463	272,040	30%
EBITDA ¹	(926,884)	(2,315,130)	1,388,246	60%
EBIT ³	(1,468,865)	(2,829,566)	1,360,701	48%
Net Loss After Tax	<u>(1,466,195)</u>	<u>(3,125,587)</u>	<u>1,659,392</u>	<u>53%</u>

The Consolidated Entity's total revenues from continuing operations increased by 18% to \$3,498,693 reflecting the increased production volumes of the business prior to the pause in production in November 2024. Notwithstanding the increase in volumes for the period the business was unable to operate with sufficient operating margin to continue operations beyond November 2024, when the formal decision to pause fodder business operations occurred.

Financial Cash flow metrics

Summary operating cash flow

Receipts from customers	4,448,596	5,031,827	(583,231)	(12%)
Payments to suppliers and employees	(6,108,049)	(7,027,578)	919,529	(13%)
Interest received	29,791	18,964	10,827	57%
Interest and other finance costs paid	(49,738)	(24,672)	(25,066)	102%
Net cash outflow from operating activities	<u>(1,679,400)</u>	<u>(2,001,459)</u>	<u>322,059</u>	<u>(16%)</u>

The operating cash flow result for FY25 was an outflow of \$1,679,400, an improvement on the prior year by \$322,059 (FY24 outflow: \$2,001,459).

The key drivers of the operating cash outflows for the period was the EBITDA loss of (\$926,884) and working capital movements with a reduction in negative working capital.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.11</u>	<u>0.78</u>

¹ Excludes non-cash gain / (loss) on sale of property, plant and equipment of \$2,670 (2024: \$296,021 loss)

Wingara AG Limited
Appendix 4E
Preliminary final report

4. Dividends

Current period

There were no dividends paid, recommended or declared during the financial period.

Previous period

On 14 April 2023, a Special Dividend was declared by the Company of \$0.006 fully franked per share for a total payment of \$1,053,255 made on 5 May 2023. There were no other dividends paid, recommended or declared during the period.

5. Entities over which control has been gained or lost during the period

No control was gained or lost over entities during the period.

6. Audit qualification or review

The results reported are in the process of an independent audit from the Company's auditors William Buck. The Directors' expect the auditor's report to include a material uncertainty related to going concern, consistent with the financial year ended 31 March 2024 audit opinion.

7. Attachments

The Preliminary Financial Statements of Wingara AG Limited for the year ended 31 March 2025 are attached.

8. Signed



Mr David Christie
Non-Executive Chairman
Melbourne

Date: 30 May 2025



Wingara AG Limited

APPENDIX 4E FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED
31 MARCH 2025

Consolidated statement of profit or loss and other comprehensive income	4
Consolidated statement of financial position	5
Consolidated statement of changes in equity	6
Consolidated statement of cash flows	7
Notes to the consolidated financial statements	8

For personal use only

Wingara AG Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 March 2025

		Consolidated	
	Note	31 March 2025 \$	31 March 2024 \$
Revenue			
Revenue	2	3,498,693	2,968,840
Cost of sales		<u>(2,307,190)</u>	<u>(2,049,377)</u>
Gross profit		1,191,503	919,463
Other income	3	148,019	93,971
Expenses			
Corporate, administration and operating expenses		(887,210)	(1,209,655)
Freight expenses		(298,478)	(442,581)
Employee expenses		(1,105,107)	(1,735,683)
Foreign exchange gains		24,389	59,355
Gain/(loss) on disposal of property, plant and equipment		2,670	(296,021)
Depreciation		(443,104)	(378,588)
Finance costs	4	<u>(98,877)</u>	<u>(135,848)</u>
Loss before income tax benefit/(expense)		(1,466,195)	(3,125,587)
Income tax benefit/(expense)		<u>-</u>	<u>-</u>
Loss after income tax benefit/(expense) for the year attributable to the owners of Wingara AG Limited		(1,466,195)	(3,125,587)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive loss for the year attributable to the owners of Wingara AG Limited		<u>(1,466,195)</u>	<u>(3,125,587)</u>
Loss per share for loss attributable to the owners of Wingara AG Limited			
Basic loss per share	15	(0.84)	(1.78)
Diluted loss per share	15	(0.84)	(1.78)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Wingara AG Limited
Consolidated statement of financial position
As at 31 March 2025

		Consolidated	
	Note	31 March 2025 \$	31 March 2024 \$
Assets			
Current assets			
Cash and cash equivalents		648,304	2,266,946
Trade and other receivables	5	10,057	647,410
Inventories		-	615,733
Other current assets		80,050	157,536
Total current assets		738,411	3,687,625
Non-current assets			
Right-of-use assets	6	202,770	483,127
Property, plant and equipment	7	762,541	905,522
Total non-current assets		965,311	1,388,649
Total assets		1,703,722	5,076,274
Liabilities			
Current liabilities			
Trade and other payables	8	900,865	1,656,740
Contract liabilities		-	780,604
Borrowings	9	77,309	70,869
Lease liabilities	10	204,068	262,984
Employee benefits		6,793	140,428
		1,189,035	2,911,625
Non-current liabilities			
Borrowings	9	116,464	-
Lease liabilities	10	2,035	256,691
Employee benefits		3,497	49,072
Total non-current liabilities		121,996	305,763
Total liabilities		1,311,031	3,217,388
Net assets		392,691	1,858,886
Equity			
Issued capital	11	29,570,874	29,570,874
Accumulated losses		(29,178,183)	(27,711,988)
Total equity		392,691	1,858,886

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Wingara AG Limited
Consolidated statement of changes in equity
For the year ended 31 March 2025

Consolidated	Contributed equity \$	Share-based payment reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 April 2023	29,570,874	-	(23,533,146)	6,037,728
Loss after income tax expense for the year	-	-	(3,125,587)	(3,125,587)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(3,125,587)	(3,125,587)
<i>Transactions with owners in their capacity as owners:</i>				
Dividend paid	-	-	(1,053,255)	(1,053,255)
Transfer from share-based payment reserve to accumulated losses	-	-	-	-
Balance at 31 March 2024	<u>29,570,874</u>	<u>-</u>	<u>(27,711,988)</u>	<u>1,858,886</u>
Balance at 1 April 2024	29,570,874	-	(27,711,988)	1,858,886
Loss after income tax benefit for the year	-	-	(1,466,195)	(1,466,195)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,466,195)	(1,466,195)
<i>Transactions with owners in their capacity as owners:</i>				
Dividend paid	-	-	-	-
Transfer from share-based payment reserve to accumulated losses	-	-	-	-
Balance at 31 March 2025	<u>29,570,874</u>	<u>-</u>	<u>(29,178,183)</u>	<u>392,691</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Wingara AG Limited
Consolidated statement of cash flows
For the year ended 31 March 2025

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Cashflows from operating activities		
Receipts from customers	4,448,596	5,031,827
Payments to suppliers and employees	(6,108,049)	(7,027,578)
Interest received	29,791	18,964
Interest and other finance costs paid	(49,738)	(24,672)
Net cash used in by operating activities (note 14)	<u>(1,679,400)</u>	<u>(2,001,459)</u>
Cashflows from investing activities		
Payments for plant, equipment, and capital works in progress	(53,013)	(339,225)
Proceeds from sale of plant and equipment	609,555	13,610,065
Net cash from investing activities	<u>556,542</u>	<u>13,270,840</u>
Cashflows from financing activities		
Repayment of borrowings	-	(8,631,350)
Payments of insurance premium funding	(202,600)	(167,354)
Payment of dividend	-	(1,053,255)
Repayment of lease liabilities	(293,184)	(296,817)
Net cash used in financing activities	<u>(495,784)</u>	<u>(10,148,776)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(1,618,642)</u>	<u>1,120,605</u>
Cash and cash equivalents at the beginning of the financial year	2,266,946	1,146,341
Cash and cash equivalents at the end of the financial year	<u>648,304</u>	<u>2,266,946</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Wingara AG Limited
Notes to the consolidated financial statements
31 March 2025

Note 1. Material accounting policy information

These preliminary financial statements and notes comprise the information required as Appendix 4E, under ASX listing rule 4.3A for Wingara AG Limited as a Consolidated Entity consisting of Wingara AG Limited and the entities it controlled at the end of, or during, the year, as a listed Australian Company incorporated in Australia.

This report is based on financial statements that are in the process of being audited.

Basis of preparation.

The preliminary financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, it should be read in conjunction with the Annual report for the period ended 31 March 2024 and the financial report for the six months ended 30 September 2024 and any public announcements made by the Company in accordance with the continual disclosure requirements of the Corporations Act 2001. This preliminary report has been prepared in accordance with the measurement and recognition standards of the Australian Accounting Standards, Accounting Interpretations and Corporations Act 2001.

Financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements the Company is a for-profit-entity.

Australian Accounting Standards set out accounting policies that the Australian Standards Board has concluded would result in a financial report containing relevant reliable information about transactions, events and conditions to which they apply. Compliance with AIFRS ensures that the financial report and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The Appendix 4E was authorised for issue on 30 May 2025.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going concern

For the year ended 31 March 2025, the Consolidated Entity has:

- generated a loss after tax of \$1,466,195 (31 March 2024: \$3,125,587);
- net operating cash outflows from operations of \$1,679,400 (31 March 2024: \$2,001,459);
- net current asset deficiency as at 31 March 2025 of \$450,624 (31 March 2024: \$776,000 net current assets); and
- consolidated net assets of \$392,691 (31 March 2024: \$1,858,886).

These factors indicate a material uncertainty which may cast doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Consolidated financial statements have been prepared on a going concern basis which assumes the Group will continue its operations and be able to meet its obligations as and when they become due and payable. The assumption is based on an analysis of the Consolidated Entity's ability to meet its future cash requirements using its projected and best estimate cash flows for 12 months past the date of this report having regard to:

- projected cash inflows and outflows, which are expected to continue for a period of at least twelve months from the date of approval of these financial statements;
- the agreement and completion in the subsequent period to sell the Epsom hay press and associated assets for cash proceeds of \$750,000. Cash proceeds totalling \$550,000 was received prior to 31 March 2025 with the residual received subsequent to year-end upon shareholder approval on 9 April 2025;
- minimising operational cash related costs associated with the Epsom site, including the cessation at term of the Epsom lease and associated equipment which expires in February 2026, resulting in cash flow savings; and
- being able to raise additional capital funds through an equity or debt raising when required in the forecast period.

The forecast has been tested for sensitivity to reasonable possible outcomes over the forecast period and for the financial performance and position between 31 March 2025 and the date of signing of this report, with no additional issues noted however noting any downside to the cash flow forecast will need to be supported by additional capital funds as described above.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Consolidated Entity does not continue as a going concern.

Wingara AG Limited
Notes to the consolidated financial statements
31 March 2025

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Note 2. Revenue		
Goods transferred at a point in time	3,498,693	2,968,840
Total revenue	<u>3,498,693</u>	<u>2,968,840</u>
Note 3. Other income		
Other income	118,228	75,007
Interest revenue	29,791	18,964
Total other income	<u>148,019</u>	<u>93,971</u>
Note 4. Finance costs		
Bank fees and borrowing costs	7,162	34,729
Interest on borrowings	959	23,767
Interest on lease liabilities (i)	49,138	65,308
Inventory management fees (ii)	41,618	12,044
Total finance costs	<u>98,877</u>	<u>135,848</u>
<p>(i) Lease payments are apportioned between finance charges and reduction on the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.</p> <p>(ii) Inventory management fees relate to costs payable to suppliers who provide hay storage facilities in order for the company to manage its working capital requirements.</p>		
Note 5. Trade and Other Receivables		
<i>Current assets</i>		
Trade and other receivables	10,057	647,410
Provision for expected credit losses	-	-
Trade receivables	<u>10,057</u>	<u>647,410</u>
Note 6. Right-of-use assets		
<i>Non-current assets</i>		
Land and buildings – right-of-use	962,836	962,836
Less: Accumulated depreciation	(793,360)	(587,852)
Net land and buildings – right-of-use	<u>169,476</u>	<u>374,984</u>
Plant and equipment – right-of-use	14,400	14,400
Less: Accumulated depreciation	(9,982)	(1,623)
Net plant and equipment – right-of-use	<u>4,418</u>	<u>12,777</u>
Motor vehicles – right-of-use	51,742	127,781
Less: Accumulated depreciation	(22,866)	(32,415)
Net motor vehicles – right-of-use	<u>28,876</u>	<u>95,366</u>
Total net right-of-use assets	<u>202,770</u>	<u>483,127</u>

Wingara AG Limited
Notes to the consolidated financial statements
31 March 2025

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Note 7. Property, plant and equipment		
<i>Non-current assets</i>		
Buildings & land improvements	145,963	168,231
Less: Accumulated depreciation	(85,835)	(30,845)
Net Building & land improvements	60,128	137,386
Plant and equipment	885,859	915,810
Less: Accumulated depreciation	(336,285)	(264,652)
Net plant and equipment	549,574	651,158
Machinery and vehicles	146,504	206,737
Less: Accumulated depreciation	(10,854)	(136,223)
Net machinery and vehicles	135,650	70,514
Other	120,255	138,359
Less: Accumulated depreciation	(103,066)	(91,895)
Net other	17,189	46,464
Total net property, plant and equipment	762,541	905,522

Note 8. Trade and other payables

<i>Current liabilities</i>		
Trade payables	78,656	1,237,794
Statutory payables	10,181	100,074
Other payables*	812,028	318,872
Total trade and other payables	900,865	1,656,740

* Other payables includes \$550,000 of cash proceeds received in the period to 31 March 2025 from the identified buyer in respect of the sale of the Epsom Export Hay Press and other related assets which was subject to shareholder approval as at 31 March 2025. The shareholder approval was obtained on 9 April 2025 and as this event was a conditional of sale, the proceeds received are recorded as a payable as at 31 March 2025. Funds received in advance of the shareholder approval in respect of the sale has been classified as part of investing cashflows as at 31 March 2025.

Note 9. Borrowings

<i>Current liabilities</i>		
Insurance premium funding	50,607	70,869
Asset finance	26,702	-
Current borrowings	77,309	70,869
Asset finance	116,464	-
Non Current borrowings	116,464	-
Total borrowings	193,773	70,869

Insurance premium funding

Initial insurance premium funding amounts of \$177,826 (2024: \$232,879) was non cash as the insurance premium was paid directly by the financier. During the year \$130,887 (2024: \$167,354) was paid. Nominal insurance rate is 6.86%.

Asset finance facility

Non cash acquisition of motor vehicle during the period amounting to \$153,692, including GST, for the purchase of motor vehicle was paid directly by the financier to the seller. During the year \$14,727 was paid. Nominal insurance rate is 7.81%.

Wingara AG Limited
Notes to the consolidated financial statements
31 March 2025

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Note 10. Lease liabilities		
<i>Current liabilities</i>		
Lease liability	204,068	262,984
<i>Non-current liabilities</i>		
Lease liability	2,035	256,691
Total lease liabilities	206,103	519,675

Note 11. Issued capital

	Consolidated			
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	175,542,504	175,542,504	29,570,874	29,570,874

Movements in ordinary share capital

There were no movements in ordinary share capital during the financial year ended 31 March 2025.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management

The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. It is also to maintain an optimal mix between debt and equity to minimise the cost of capital.

In order to achieve this objective, the Consolidated Entity seeks to maintain adequate levels of external borrowings from reputable financial institutions and further contribution of shareholders through capital raising to enable the Consolidated Entity to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, management considers various alternatives from issue of new equity/debt instruments such as shares or options, convertible notes to extending the current debt facility.

Total equity at market value represents total fully paid ordinary shares at market value less other reserves and accumulated losses.

There has been no change to the capital risk management policy during the year.

Note 12. Key management personnel disclosures

The aggregate compensation made to directors and other members of key management personnel of the Consolidated Entity is set out below:

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Short-term employee benefits	412,666	772,164
Post-employment benefits	42,144	54,000
Share-based payments	-	-
Total compensation	454,810	826,164

Wingara AG Limited
Notes to the consolidated financial statements
31 March 2025

Note 13. Events after the reporting period

On 9 April 2025 shareholders approved the disposal of the main undertaking, ratifying the sale of the Epsom Export Hay Press and sundry equipment for \$750,000, of which \$550,000 was received from the identified buyer in advance of the completion of sale. In the period subsequent to 31 March 2025, the remaining cash amount of \$250,000 was received. Refer to Note 8 for details of funds received in advance.

Other than the above, there are no other matter or circumstance has arisen since 31 March 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

	Consolidated	
	31 March 2025	31 March 2024
	\$	\$
Note 14. Reconciliation of loss after income tax to net cash from operating activities		
Loss after income tax benefit/(expense) for the year	(1,466,196)	(3,125,587)
Adjustments for:		
Depreciation and amortisation	443,104	378,588
Net loss/(gain) on disposal of property, plant and equipment	(2,670)	296,021
Insurance premium	182,338	232,880
Non-cash finance costs	49,139	111,176
Change in operating assets and liabilities:		
Decrease in trade and other receivables	637,353	781,712
Decrease in inventories	615,733	(126,686)
Decrease in other current assets	77,488	127,536
Increase / (decrease) in trade and other payables	(1,265,859)	(1,253,806)
Increase / (decrease) in employee benefits	(169,226)	(113,808)
Increase / (decrease) in contract liabilities	(780,604)	690,515
Net cash from / (used in) operating activities	<u>(1,679,400)</u>	<u>(2,001,459)</u>

Note 15. Loss per share

	\$	\$
<i>Loss per share attributable to the owners of Wingara AG Limited</i>		
Loss after income tax attributable to the owners of Wingara AG Limited	<u>(1,466,196)</u>	<u>(3,125,587)</u>
	Cents	Cents
Basic and Diluted loss per share	(0.84)	(1.78)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	175,542,504	175,542,504

Potential ordinary shares comprising 4,456,000 performance rights (2024: 7,573,698) were excluded in the calculation of diluted EPS given they are antidilutive.

For personal use only



**Wingara AG
Limited**

www.wingaraag.com.au

