

Wingara AG Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: Wingara AG Limited
ACN: 009 087 469
Reporting period: For the half-year ended 30 September 2023
Previous period: For the half-year ended 30 September 2022

2. Results for announcement to the market

Revenues from ordinary activities	down	97.1%	to	609,574
Loss from ordinary activities after tax attributable to the owners of Wingara AG Limited	up	1,133%	to	(2,180,719)

Dividends

A Special Dividend of 0.6 cents per share was declared by the Company on 14 April 2023 and was paid on 5 May 2023. There were no other dividends paid, recommended or declared during the current half-year financial period.

Comments

The loss for the Consolidated Entity after providing for income tax amounted to \$2,180,719 (30 September 2022: \$176,897).

Please refer to Review of Operations on page 3 of the accompanying half-year financial report.

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	<u>1.60</u>	<u>4.99</u>

4. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half-year Report.

5. Attachments

Details of attachments (if any):

The Half-year Report of Wingara AG Limited for the half-year ended 30 September 2023 is attached and includes all the information required by Listing Rule 4.2A.

6. Signed



Mr David Christie
Non-Executive Chairman
Melbourne
30 November 2023

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Wingara AG Limited

ACN 009 087 469

Half-year Report - 30 September 2023

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**Wingara AG Limited
Corporate directory
30 September 2023**

Directors	Mr Marcello Diamante (Managing Director) Mr David Christie (Non-Executive Chairman) Mr Brendan York (Non-Executive Director)
Chief Executive Officer	Mr Marcello Diamante
Chief Financial Officer	Mr Giuseppe Rinarelli – appointed 1 June 2023
Company secretary	Mr Giuseppe Rinarelli – appointed 30 June 2023
Registered office	50 Ironstone Road Epsom, VIC 3551 Australia
Principal place of business	50 Ironstone Road Epsom, VIC 3551 Australia
Share and debenture register	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth 6000 Australia 1300 55 70 10 (within Australia) +61 8 9323 2000 (overseas)
Auditor	William Buck Level 20, 181 William Street Melbourne Victoria 3000
Solicitors	Align Law Level 2, 306 Little Collins Street Melbourne Victoria 3000
Stock exchange listing	Wingara AG Limited shares are listed on the Australian Securities Exchange (ASX code: WNR)
Website	www.wingaraag.com.au

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Wingara AG Limited
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Wingara AG Limited
Directors' report
30 September 2023

The directors present their report, together with the financial statements, on the consolidated entity, consisting of Wingara AG Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 September 2023 (referred to hereafter as the 'Consolidated Entity').

Directors

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

Mr Marcello Diamante – Managing Director
 Mr David Christie – Non-Executive Chairman
 Mr Brendan York – Non-Executive Director

Dividends

A Special Dividend of 0.6 cents per share was declared by the Company on 14 April 2023 and was paid on 5 May 2023. There were no other dividends paid, recommended or declared during the current half-year financial period.

Review of results and operations

Consolidated Entity financial performance and reported results

Wingara AG Limited is an owner and operator of value-added, mid-stream assets specialising in the processing, storage and marketing of agriculture produce for export markets.

The first half of the 2024 financial year (FY24) included the sale of the Raywood site, which completed on 14 April 2023 and the preparation of the Epsom site for the 2023/24 hay season.

Raywood site:

On 20 February 2023, the Consolidated Entity announced it entered into binding, conditional sale agreements with Balco Australia Pty Ltd for the sale of its 100% owned Raywood Facility. Consequently, net assets totalling \$14,339,448 were classified as held for sale in the 31 March 2023 financial statements.

On 14 April 2023, all conditions precedent to the agreements entered into with Balco Australia Pty Ltd for the sale of its Raywood facility were met. Cash consideration of \$14,300,000 (less working capital adjustments of \$660,552) was received as part of the sale plus \$700,000 paid into escrow, subsequently received post period end.

Epsom site:

The business has invested in operational improvements at the Epsom site, with a view to increase its operating capacity the 2023/24 hay season. The sales volumes during the period were significantly reduced due to severe shortages in Oaten Hay from the 2022/23 season and trading activity is made up of processing residual 2022/23 season straw brought forward from the 2023 financial year.

Financial Metrics

Net debt and asset position:

The business is now in a positive net cash position, with net cash at 30 September 2023 of \$1,517,464, compared to a net debt position of \$6,889,351 as at 31 March 2023. The change has been driven by the divestment of the AustCo Polar business and Raywood assets during the period.

	30	31 March	Change	Change
	September	2023	\$	%
Net debt metrics¹	\$	\$	\$	%
Borrowings ²	-	(8,045,692)	8,045,692	(100%)
Cash	1,517,464	1,146,341	371,123	32%
Net cash / (debt)	<u>1,517,464</u>	<u>(6,899,351)</u>	<u>8,416,815</u>	<u>(122%)</u>
Net assets	2,812,477	6,037,728	(3,225,251)	(53%)

¹ Includes operations held for sale

² Excludes impact of AASB 16 lease liabilities

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Summary of financial position:

	30 September 2023	31 March 2023	Change \$	Change %
<i>Summary of financial position</i>				
Cash	1,517,464	1,146,341	371,123	32%
Other receivables	700,000	-	700,000	100%
Property, plant and equipment	876,478	809,479	66,999	8%
Right-of-use assets	547,369	924,068	(376,699)	(41%)
Other non-current assets	7,924	8,155	(231)	(3%)
Assets and working capital from continuing operations	3,649,235	2,888,043	761,192	26%
Working capital	(237,523)	(1,252,838)	1,015,315	(81%)
Lease liabilities	(599,235)	(1,891,233)	1,291,998	(68%)
Borrowings	-	(8,045,692)	8,045,692	(100%)
Liabilities from continuing operations	(836,758)	(11,189,763)	10,353,005	(93%)
Net assets from continuing operations	2,812,477	(8,301,720)	11,114,197	(134%)
Assets classified as held for sale	-	14,414,341	(14,414,341)	(100%)
Liabilities classified as held for sale	-	(74,893)	74,893	(100%)
Net liabilities from operations held for sale	-	14,339,448	(14,339,448)	(100%)
Total net assets	2,812,477	6,037,728	(3,225,251)	(53%)

Financial position metrics

The Raywood assets are aggregated as Assets held for sale. Total net assets have decreased to \$2,812,477 on 30 September 2023 from \$6,037,728 as at 31 March 2023. The working capital position has increased as the business has paid down prior period accounts payable balances.

	30 September 2023	30 September 2022	Change \$	Change %
<i>Summary of financial results</i> ³				
Continuing operations				
Operating revenue	609,574	21,316,499	(20,706,925)	(97%)
Gross profit	30,740	10,290,636	(10,259,896)	(100%)
EBITDA ⁴	(1,690,204)	2,039,071	(3,729,275)	(183%)
EBIT ⁴	(1,876,543)	882,711	(2,759,254)	(313%)
Operations held for sale				
Operations held for sale	-	(992,999)	992,999	100%
Combined operations				
Net Loss After Tax	(2,180,719)	(176,897)	(2,003,822)	(1,133%)

Financial performance metrics

The Consolidated Entity's total revenues from continuing operations decreased by 97% to \$609,574 (H1 FY23: \$21,316,499) reflecting the minimal production volumes as the business prepared for the 2023/24 hay season, this reduction in volumes has driven the net loss for the period.

³ Throughout this report, certain financial information is presented which is not prescribed by Australian Accounting Standards ('AAS'), such as EBITDA and EBIT. Earnings before interest and income tax (EBIT) reflects profit for the half year prior to including the effect of net finance costs, income taxes and loss from discontinued operations. Earnings before interest, income tax expense, depreciation and amortisation (EBITDA) reflects profits for the half year prior to including the effect of net finance costs, income taxes depreciation and amortisation and loss from discontinued operations. The individual components of EBITDA and EBIT are included as line items in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Reference to results before significant items excludes the financial impacts of project expenses and due diligence costs, equity settled share-based payments, forfeited options, impairment of capital projects and certain legal expenses. The Directors consider that these measures are useful in gaining an understanding of the performance of the entity, consistent with internal reporting.

⁴ Excludes non-cash loss on sale of property, plant and equipment of \$230,875

Wingara AG Limited
Directors' report
30 September 2023

The business looks forward to the commencement of full time production at the Epsom site with 2023/24 season oaten hay currently being delivered to the site.

	30 September 2023 \$	30 September 2022 \$	Change \$	Change %
Financial Cash flow metrics				
Receipts from customers	2,018,148	21,371,781	(19,353,633)	(90.6%)
Payments to suppliers and employees	(4,377,019)	(19,765,433)	15,388,414	(77.9%)
Interest and other finance costs paid	(16,730)	(501,972)	485,242	(96.7%)
Cash flow from operations held for sale	-	51,325	(51,325)	(100.0%)
Net cash from operating activities	<u>(2,375,601)</u>	<u>1,155,701</u>	<u>(3,531,302)</u>	<u>(305.6%)</u>

Operating cash flow result for H1 FY23 is (\$2,375,601) a decrease on prior year by \$3,531,302 from (H1 FY23: \$1,155,701).

The key drivers of the operating cash outflows for the period were: the operating loss of (\$2,180,719), non cash depreciation and amortisation of \$186,339, non cash loss on sale of property, plant and equipment of \$230,875 and working capital movements of \$1,015,315.

Outlook

Whilst H1 FY24 was challenging for the business with the reduced production volumes, the next 6 months will be positive for the business with seasonal rain during the months being favourable for oaten hay crops in our catchment area.

Our observations indicate this hay season will deliver above average yields subject to continued favourable weather patterns, with cutting and curing already underway in our catchment area. We expect the current Oaten hay supply for export markets for 2023/24 will be more than sufficient for our processing capacity requirements.

Significant changes in the state of affairs

On 20 February 2023, the Consolidated Entity announced it entered into binding, conditional sale agreements with Balco Australia Pty Ltd for the sale of its 100% owned Raywood Facility. Consequently, net assets totalling \$14,339,448 were classified as held for sale in the 31 March 2023 financial statements.

On 14 April 2023, all conditions precedent to the agreements entered into with Balco Australia Pty Ltd for the sale of its Raywood facility were met. Cash consideration of \$14,300,000 (less working capital adjustments of \$660,552) plus \$700,000 paid into escrow, subsequently received post period end.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 13 October 2023 the \$700,000 escrow relating to the sale of the Raywood property was received, this finalised all outstanding matters regarding the sale of the Raywood facility.

Other than the above, there have been no other matter or circumstance has arisen since 30 September 2023 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.

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Wingara AG Limited
Directors' report
30 September 2023

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Christie
Non-Executive Chairman
30 November 2023

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**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF WINGARA AG LIMITED**

I declare that, to the best of my knowledge and belief during the period ended 30 September 2023 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck
William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis
A. A. Finnis
Director
Melbourne, 30 November 2023

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Wingara AG Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 September 2023

	Note	Consolidated 30 September 2023 \$	Consolidated 30 September 2022 \$
Revenue		609,574	21,316,499
Cost of sales		(578,834)	(11,025,863)
Gross profit		<u>30,740</u>	<u>10,290,636</u>
Other income		53,174	111,487
Expenses			
Corporate, administration and operating expenses		(692,610)	(1,520,589)
Freight expenses		(153,320)	(4,830,944)
Employee expenses		(937,452)	(1,615,144)
Foreign exchange gain /(losses)		9,264	(396,375)
Loss on disposal of property, plant and equipment	4	(230,875)	-
(Loss)/Earnings before finance costs, tax and depreciation		(1,921,079)	2,039,071
Depreciation		(186,339)	(618,258)
Finance costs		(73,301)	(538,102)
Profit/(loss) before income tax expense from continuing operations		(2,180,719)	882,711
Income tax expense		-	(66,609)
Profit/(loss) after income tax expense from continuing operations		(2,180,719)	816,102
Loss after income tax expense from operations held for sale	5	-	(992,999)
Loss after income tax expense for the half-year attributable to the owners of Wingara AG Limited		(2,180,719)	(176,897)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Wingara AG Limited		<u>(2,180,719)</u>	<u>(176,897)</u>
Continuing operations		(2,180,719)	816,102
Discontinued operations	5	-	(992,999)
		<u>(2,180,719)</u>	<u>(176,897)</u>
		Cents	Cents
Earnings/(loss) per share from continuing operations attributable to the owners of the parent			
Basic and Diluted (loss)/ earnings per share	6	(1.24)	0.47
Loss per share from operations held for sale attributable to the owners of the parent			
Basic and Diluted (loss)/ earnings per share	6	-	(0.57)
Loss per share attributable to the owners of the parent			
Basic and Diluted (loss)/ earnings per share	6	(1.24)	(0.10)
Total comprehensive income for the half-year is attributable to:			

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 30 September 2023

	Consolidated	
	30	31 March
Note	September	2023
	2023	2023
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	1,517,464	1,146,341
Trade and other receivables	849,176	1,429,122
Inventories	286,435	489,047
Other current assets	235,942	285,072
	<u>2,889,017</u>	<u>3,349,582</u>
Assets relating to Raywood facility classified as held for sale	4	-
	<u>-</u>	<u>14,414,341</u>
Total current assets	<u>2,889,017</u>	<u>17,763,923</u>
Non-current assets		
Property, plant and equipment	876,478	809,479
Right-of-use assets	547,369	924,068
Other non-current assets	7,924	8,155
	<u>1,431,771</u>	<u>1,741,702</u>
Total assets	4,320,788	19,505,625
Liabilities		
Current liabilities		
Trade and other payables	698,052	3,152,772
Borrowings	-	6,160,000
Lease liabilities	222,908	958,627
Employee benefits	161,513	234,051
	<u>1,082,473</u>	<u>10,505,450</u>
Liabilities relating to Raywood facility classified as held for sale	4	-
	<u>-</u>	<u>74,893</u>
Total current liabilities	<u>1,082,473</u>	<u>10,580,343</u>
Non-current liabilities		
Borrowings	-	1,885,692
Lease liabilities	376,327	932,606
Employee benefits	49,511	69,256
	<u>425,838</u>	<u>2,887,554</u>
Total liabilities	<u>1,508,311</u>	<u>13,467,897</u>
Net assets	<u>2,812,477</u>	<u>6,037,728</u>
Equity		
Issued capital	29,570,874	29,570,874
Reserves	8,723	-
Accumulated losses	(26,767,120)	(23,533,146)
Total equity	<u>2,812,477</u>	<u>6,037,728</u>

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 half-year ended 30 September 2023

Consolidated	Contributed equity	Share based payment reserves	Accumulated losses	Total equity
	\$	\$	\$	\$
Balance at 1 April 2022	29,570,874	75,226	(19,995,648)	9,650,452
Loss after income tax expense for the half-year	-	-	(176,897)	(176,897)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(176,897)	(176,897)
Balance at 30 September 2022	<u>29,570,874</u>	<u>75,226</u>	<u>(20,172,545)</u>	<u>9,473,555</u>
Balance at 1 April 2023	29,570,874	-	(23,533,146)	6,037,728
Loss after income tax expense for the half-year	-	-	(2,180,719)	(2,180,719)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,180,719)	(2,180,719)
<i>Transactions with owners in their capacity as owners:</i>				
Dividends	-	-	(1,053,255)	(1,053,255)
Share based payments (note 7)	-	8,723	-	8,723
Total transactions with owners	-	8,723	(1,053,255)	(1,044,532)
Balance at 30 September 2023	<u>29,570,874</u>	<u>8,723</u>	<u>(26,767,120)</u>	<u>2,812,477</u>

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

Wingara AG Limited
Consolidated statement of cash flows
For the half-year ended 30 September 2023

	Note	Consolidated 30 September 2023 \$	30 September 2022 \$
Cash flows from operating activities			
Receipts from customers		2,018,148	21,371,781
Payments to suppliers and employees		(4,377,019)	(19,765,433)
Interest and other finance costs paid		(16,730)	(501,972)
Net operating cash generated by continuing operations		<u>(2,375,601)</u>	<u>1,104,376</u>
Net operating cash outflows from operations held for sale		-	51,325
Net cash from operating activities		<u>(2,375,601)</u>	<u>1,155,701</u>
Cash flows from investing activities			
Payments for plant, equipment, and capital works in progress		(99,614)	(390,510)
Net proceeds from disposal of property, plant and equipment		12,676,898	41,019
Proceeds from release/(payment) of security deposits		-	(24,096)
Net cash used in continuing operations' investing activities		<u>12,577,284</u>	<u>(373,587)</u>
Net investing cash outflows from operations held for sale		-	(120,143)
Net cash used in investing activities		<u>12,577,284</u>	<u>(493,730)</u>
Cash flows from financing activities			
Payment of dividend		(1,053,255)	-
Proceeds from borrowings		-	6,150,000
Repayment of borrowings		(8,637,685)	(5,550,000)
Repayment of lease liabilities		(139,620)	(440,612)
Net cash from continuing operations' financing activities		<u>(9,830,560)</u>	<u>159,388</u>
Net financing cashflows from operations held for sale		-	(1,005,883)
Net cash from/(used in) financing activities		<u>(9,830,560)</u>	<u>(846,495)</u>
Net increase/(decrease) in cash and cash equivalents		371,123	(184,524)
Cash and cash equivalents at the beginning of the financial half-year		1,146,341	1,627,547
Net decrease in cash and cash equivalents arising from cash balances held by operations held for sale		-	(186,545)
Cash and cash equivalents at the end of the financial half-year		<u><u>1,517,464</u></u>	<u><u>1,256,478</u></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
30 September 2023

Note 1. General information

The financial statements cover Wingara AG Limited as a Consolidated Entity consisting of Wingara AG Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Wingara AG Limited's functional and presentation currency.

Wingara AG Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office & Principal place of business

50 Ironstone Road
Epsom, VIC 3551
Australia

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 November 2023.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 30 September 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 March 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

This half-year financial report may also include certain non-IFRS measures including earnings before finance costs, tax and depreciation (EBITDA), earnings before finance costs and tax (EBIT) and net profit after tax (NPAT). These measures are used internally by management to assess the performance of the consolidated entity and segments, to make decisions on the allocation of resources and assess operational management.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. As a result, there was no impact to the financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

During the period:

- the Consolidated Entity generated a loss after tax of \$2,180,719 (30 September 2022: \$176,897);
- had net operating cash outflows from operations of \$2,375,601 (30 September 2022: net outflow of \$1,155,701);
- had a net current assets of \$1,806,544 (31 March 2023: deficiency of \$7,155,868 excluding held for sale assets and liabilities); and
- had consolidated net assets of \$2,812,477 (31 March 2023: \$6,037,728).

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.

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Wingara AG Limited
Notes to the consolidated financial statements
30 September 2023

Note 3. Operating segments

As detailed in the 31 March 2023 financial statements the business completed the disposal of Austco Polar on 7 October 2022, accordingly the Consolidated Entity has one operating segment, acting as a product processor and marketer of agricultural products in Australia (Fodder Business). The entities operations are within Australia.

Note 4. Other Assets and Liabilities held for sale

On 20 February 2023, the Consolidated Entity announced it entered into binding, conditional sale agreements with Balco Australia Pty Ltd for the sale of its 100% owned Raywood Facility. Consequently, net assets totalling \$14,339,448 were classified as held for sale in the 31 March 2023 financial statements.

On 14 April 2023, all conditions precedent to the agreements entered into with Balco Australia Pty Ltd for the sale of its Raywood facility were met. The sale included subsidiary JC Tanloden Victoria Pty Limited which owned the land and buildings at the Raywood site, in addition to the business assets and liabilities of the Raywood site purchased from Elect Performance Pty Limited. Cash consideration of \$14,300,000 (less working capital adjustments of \$660,552) plus \$700,000 paid into escrow, subsequently received post period end. An additional \$239,079 loss on disposal was recognised during the period.

Note 5. Discontinued Operations

Financial performance of discontinued operations

On 7 October 2022, the Consolidated Entity deconsolidated Austco Polar Cold Storage Pty Ltd, its Service Business. The financial performance of the discontinued operations to 30 September 2022 were as follows:

	Consolidated
	30 September 2022
	\$
(a) Statement of profit or loss	
Revenue	5,870,996
Cost of sales	(3,874,495)
Gross profit	1,996,501
Other income	89,223
Corporate, administration and operating expenses	(1,045,410)
Employee expenses	(315,682)
Freight expenses	(251,176)
Depreciation expense	(831,296)
Finance costs	(701,769)
Total other expenses (net of other income)	(3,056,110)
Loss before income tax benefit	(1,059,609)
Income tax benefit	66,610
Loss after income tax benefit from operations held for sale	(992,999)

The business completed the disposal of Austco Polar on 7 October 2022.

Note 6. Earnings per share

	Consolidated	
	30	30
	September	September
	2023	2022
	\$	\$
<i>Earnings/(loss) per share from continuing operations</i>		
Profit/(loss) after income tax attributable to the owners of Wingara AG Limited	(2,180,719)	816,102

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Wingara AG Limited
Notes to the consolidated financial statements
30 September 2023

Note 6. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in:		
calculating basic earnings/(loss) per share	175,542,504	175,542,504
calculating diluted earnings/(loss) per share	<u>175,542,504</u>	<u>175,542,504</u>
	Cents	Cents
Basic earnings/(loss) per share	(1.24)	0.47
Diluted earnings/(loss) per share	(1.24)	0.47
	Consolidated	Consolidated
	30	30
	September	September
	2023	2022
	\$	\$
<i>Loss per share from operations held for sale</i>		
Loss after income tax attributable to the owners of Wingara AG Limited	-	<u>(992,999)</u>
	Cents	Cents
Basic loss per share	-	(0.57)
Diluted loss per share	-	(0.57)
	Consolidated	Consolidated
	30	30
	September	September
	2023	2022
	\$	\$
<i>Loss per share</i>		
Loss after income tax attributable to the owners of Wingara AG Limited	<u>(2,180,719)</u>	<u>(176,897)</u>
	Cents	Cents
Basic loss per share	(1.24)	(0.10)
Diluted loss per share	(1.24)	(0.10)

Note 7. Share-based payments

A performance rights plan has been established by the Consolidated Entity and approved by shareholders at a general meeting, whereby the Consolidated Entity may, at the discretion of the Nomination and Remuneration Committee, grant performance rights over ordinary shares in the Company to certain key management personnel of the Consolidated Entity. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Performance rights

Set out below are summaries of performance rights granted under the plan:

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
1/12/2021	31/05/2024	\$0.000	889,698	-	-	-	889,698
2/08/2023	31/05/2024	\$0.000	-	1,387,000	-	-	1,387,000
2/08/2023	31/05/2025	\$0.000	-	1,387,000	-	-	1,387,000
2/08/2023	31/05/2026	\$0.000	-	1,387,000	-	-	1,387,000

Wingara AG Limited
Notes to the consolidated financial statements
30 September 2023

Note 7. Share-based payments (continued)

For the 4,161,000 performance rights granted on 2 August 2023, the valuation has been based on the grant date of the rights and the fair value per right is \$0.042.

For any of the rights to vest, the employees must remain continuously employed by the Company to the expiry date of the grant. The number of rights that will vest will be based on the Consolidated Entity achieving the following for the 2024, 2025 and 2026 financial year, as follows:

Grant date	Expiry date	Granted	Financial year	Vesting Condition	Vesting Condition
2/08/2023	31/05/2024	1,387,000	2024	Board approved Revenue target	Board approved EBIT target
2/08/2023	31/05/2025	1,387,000	2025	Board approved Revenue target	Board approved EBIT target
2/08/2023	31/05/2026	1,387,000	2026	Board approved Revenue target	Board approved EBIT target

Net expense arising from share-based payment transactions recognised during the financial period was \$8,723 (\$0 for comparative period). This expense was in relation to the rights associated with FY25 and FY26 which have been determined as probable to vest.

Note 8. Subsequent events after the reporting period

On 13 October 2023 the \$700,000 escrow relating to the sale of the Raywood property was received, this finalised all outstanding matters regarding the sale of the Raywood facility.

Other than the above, there have been no other matter or circumstance has arisen since 30 September 2023 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.

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Wingara AG Limited
Directors' declaration
30 September 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 September 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Christie
Non-Executive Chairman
30 November 2023

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Wingara AG Limited Independent auditor's review report to members

REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Wingara AG Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 30 September 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wingara AG Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the consolidated entity's financial position as at 30 September 2023 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report


The directors of the Wingara AG Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.


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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 September 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136


A. A. Finnis
Director
Melbourne, 30 November 2023