



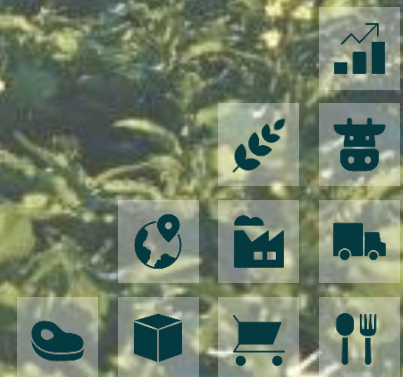
We efficiently connect primary producers to the global market through our protein supply chain platform

Q1 FY21 Presentation

“Strong growth in quarter cash receipts, up 31% to over \$10m”

Gavin Xing, Chief Executive Officer

27 July 2020



Strong increase in Q1 cash receipts supports growth investment

- Q1 FY21 cash receipts reached \$10.02m, up 31.3% up vs Q1 FY20
- Revenue growth is on comparable momentum and reached \$20m+ for the 6-months ending 30 June 2020
- Operating net cash outflow for the quarter of \$(0.02)m is a direct result of inventory build-up to meet our committed sales in FY21
- JC Tanloden continues to benefit from the Raywood facility with output up 45% to 12KT (vs Q1FY20).
- JC Tanloden's output is expected to continue in Q2 FY21 before the new harvest season in Q3 and Q4, where we are expecting a stronger harvest season based on current rainfall in Victoria
- Austco Polar Cold Storage has seen a drop in blast volume by 16% to 410K (vs Q1FY20) due to the global economic impact of COVID-19 as well as re-stocking of lamb/cattle post the draught, but we are expecting a good season ahead in Victoria
- Appointment of David Christie as a Non-executive Director, and resignation of Mark Hardgrave

We have clear visibility on several exciting opportunities to enhance Wingara AG's organic growth trajectory and leverage the agricultural infrastructure platform we have built.

Enabling Australian agricultural products to reach end markets

- WNR's business model:
 - ❖ Owns and manages critical export infrastructure assets within the protein supply chain
 - ❖ Tolling revenue model based on throughput
 - ❖ Capitalise on our global trading network
 - ❖ Partnership with primary producers with a greater access to products for export
 - ❖ Diversification through multi-products
- WNR's mission is to enable products to reach end consumers efficiently and securely, with provenance
- WNR's growth strategy is to build a supply chain platform based on acquisition and organic growth
- The company has established two business divisions based on our growth strategy: Fodder (JC Tanloden) and Red Protein Export Service (Austco Polar)



Business Model: Processor and marketer of fodder products including oaten, wheaten, barley, canola hay and straw

Assets: Two sites; Epsom & Raywood, Victoria providing a combined 110,000 MT processing capability and 30,000 MT storage capacity

Markets: China, Taiwan, Japan and Korea (Key clients include Yili, MengNiu, Fonterra, Bright Holstein, Zenoh, Kanematsu)

JC Tanloden Revenue
FY20: \$21.7m
FY19: \$16.8m



Business Model: Value-add and logistic services for red meat export including blast freezing and cold storage

Assets: Laverton, VIC across 1 Hectare. Blast freezing throughput of 45,000 packs per week plus storage capacity of 10,000 standard size pallets

Markets: Export accredited to key destinations including China, Japan, Korea, EU, USA, Middle East (including Halal certification)

Austco Polar Revenue
FY20: \$13.3m
FY19: \$12.4m

Revenue run-rate growing to \$40m p.a.

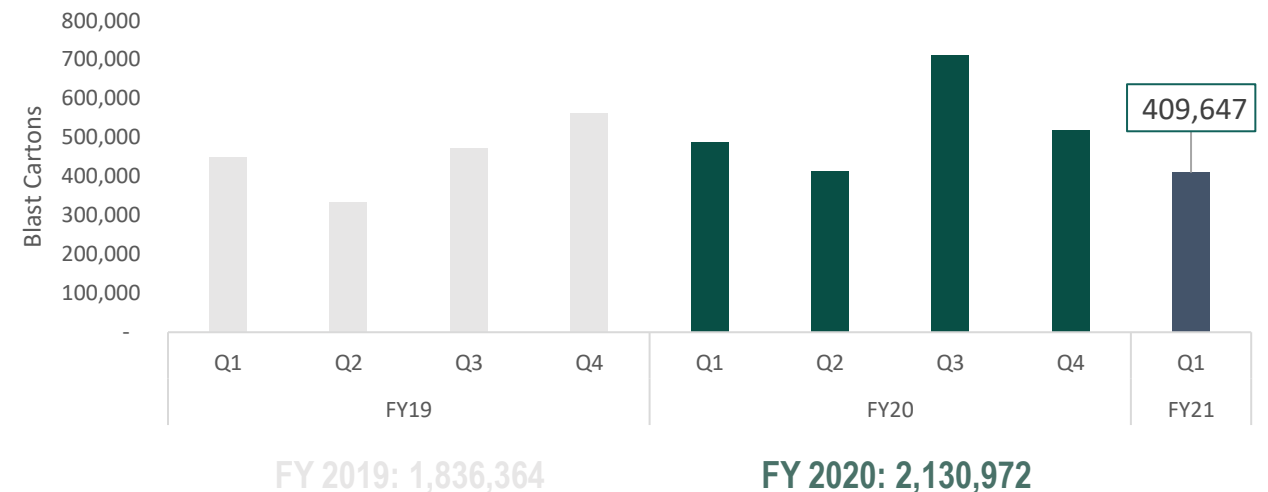
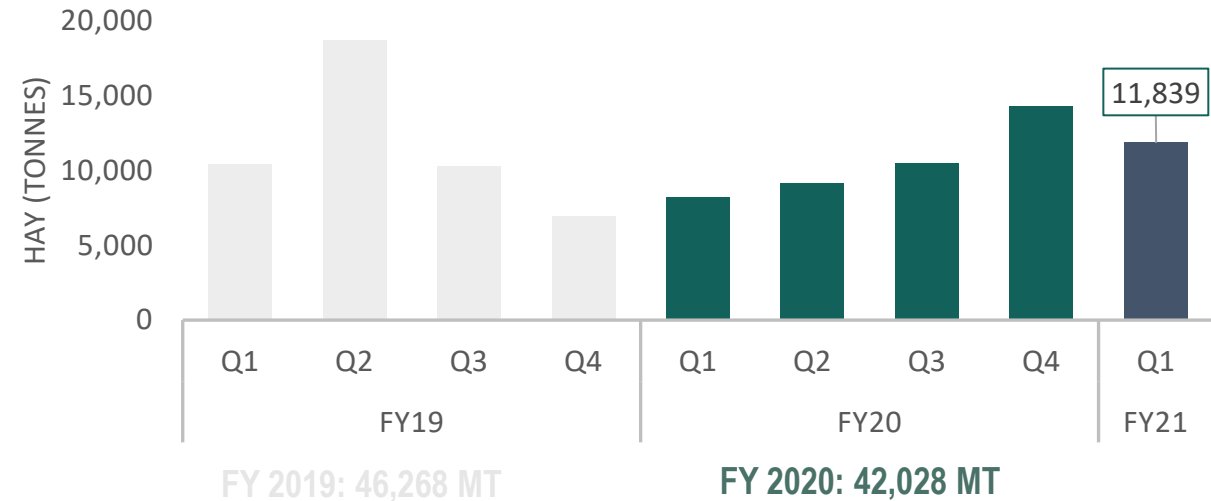
- Wingara's diversified asset investment model produced a solid Q1 FY21 result
- Amid COVID-19 challenges, current revenue run rate of \$40m p.a. is built on a base revenue of \$10.7m from just over 2 years ago in FY18
- Asset base of over \$50m with less than \$5m core debt reflects company's disciplined capital management
- Brown-field improvement at Epsom and greenfield development at Raywood positioned JCT as the largest Victorian fodder exporter in terms of capacity
- Return from Austco Polar is over 100% based on the last raising and profit has been reinvested into the business

Quarter end Financial Period	Jun-19 Q1 FY20	Sep-19 Q1 FY20	Dec-19 Q3 FY20	Mar-20 Q4 FY20	Annual Total FY 2020	<i>Jun-20</i> <i>Q1 FY20</i>
Receipts from customers (\$m)	7.63	8.13	9.34	10.58	35.68	10.02
Net Cash From Operating Activities (\$m)	1.93	1.09	-1.13	-0.32	1.58	-0.02
JCT fodder throughput (MT)	8,175	9,125	10,449	14,279	42,028	11,839
JCT fodder inventory (MT)	8,981	2,434	18,515	15,777		16,278
Austco Blast freezing cartons	488,852	412,492	712,118	515,510	2,130,972	409,647

- YoY quarterly revenue growth, and the redeployment of profits from the sale and lease back of Austco Polar, allowed hay inventory volume to increase 81% (vs Q1 FY20) to meet demand
- Business planning and hay accumulation contracting for next harvest season (October to February) is well underway with the objective to improve capacity utilisation from the current 50% to 70-75% based on 110,000 MT processing capacity
- Victoria is showing positive signs of a strong lamb season post re-stocking and we are working with key clients to plan for the coming season

Q1 FY21 performance

- Focus for Q1 FY21 was consistency as well as re-stocking of inventory anticipating potential COVID-19 related logistic interruptions
- JC Tanloden's output was slightly affected by changing / delay in ship liners' scheduling due to COVID-19
- Overall export demand is solid, with China in particular showing signs of recovery post its economy re-opening after COVID-19
- Historically, Q1 ending June for Austco Polar sees less volume from the peak in Q3 due to the slowdown in lamb exports. Nonetheless, volume was affected by COVID-19 in key global markets
- With the closure of various processing facilities in Victoria due to COVID-19, Q2 FY21 is expected to have similar blast volumes

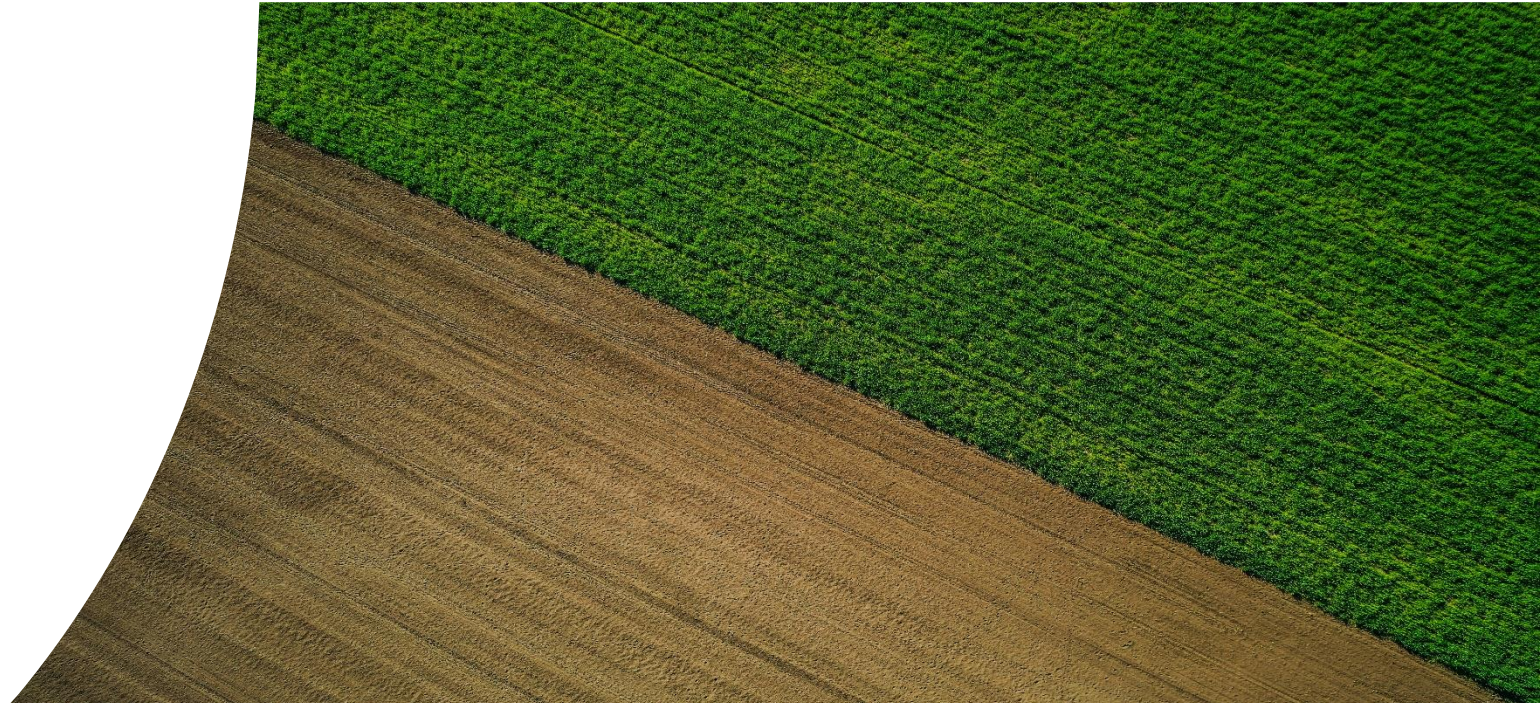


Driving growth amid COVID-19

- Q1 FY21 continues the momentum from Q4FY 20 with customer receipts were up 31.3% to \$10.02m (Q1 FY2020: \$7.63m)
 - Growing cash receipts used for debt reduction and investment in restocking inventory to maintain revenue growth
 - Disciplined investment approach from management delivered a solid infrastructure platform in protein supply chain
 - A balanced AUD and USD cashflow profile to mitigate earning impact
 - Business interruptions were caused through the slowdown at ports, reduction in scheduled services by shipping lines and impact to our export clients at Austco Polar
 - Connectivity with offshore clients are strong despite travel restrictions
- No Government support related to COVID-19 (such as JobKeeper) has been relied upon with proactive risk management procedures have been implemented to minimise disruption to WNR since late Feb 2020
- Substantial output capacity at JC Tanloden to be capitalised to drive further revenue increase based on offshore demand
- Austco Polar's asset base is ready be tapped into for the global protein trading platform

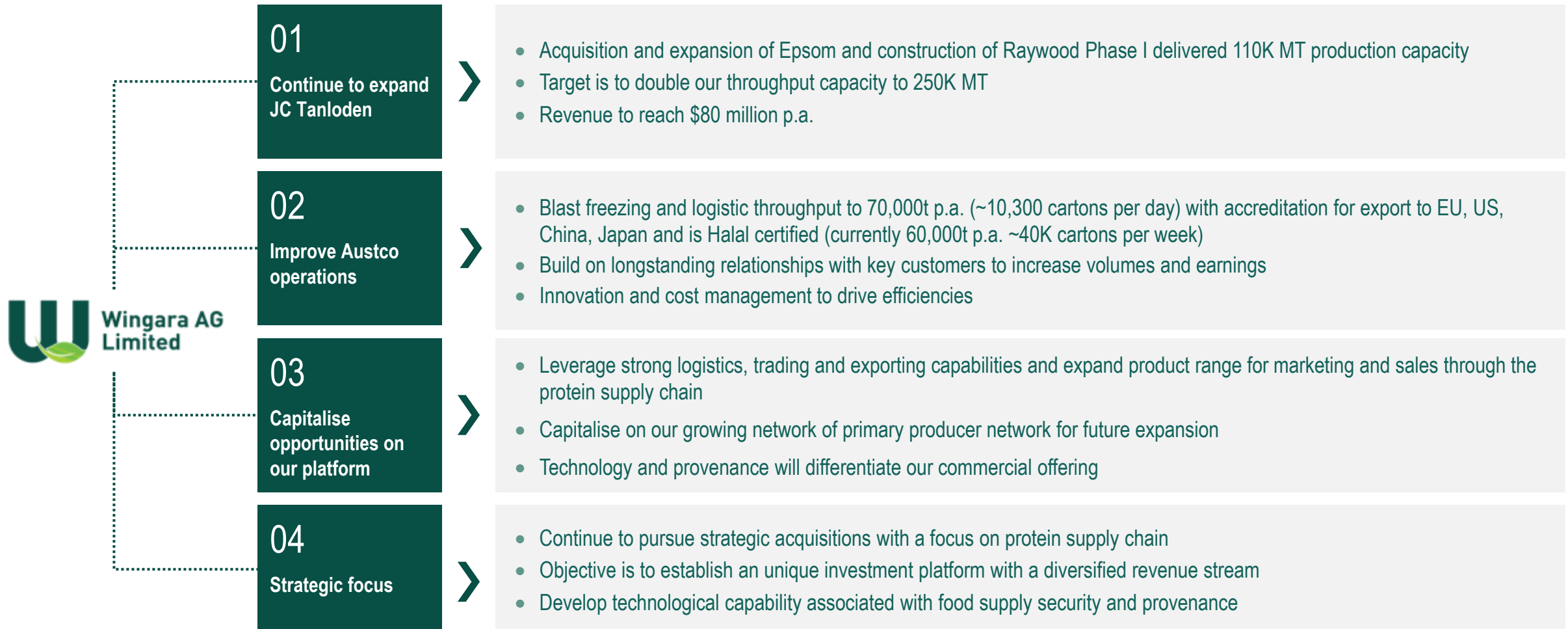
Overall business is benefitting from management's commitment to develop a diversified customer base amid the current COVID-19 pandemic. Trading activities are largely expected to continue as normal, absent any unanticipated external shocks.

Strategy and market potential



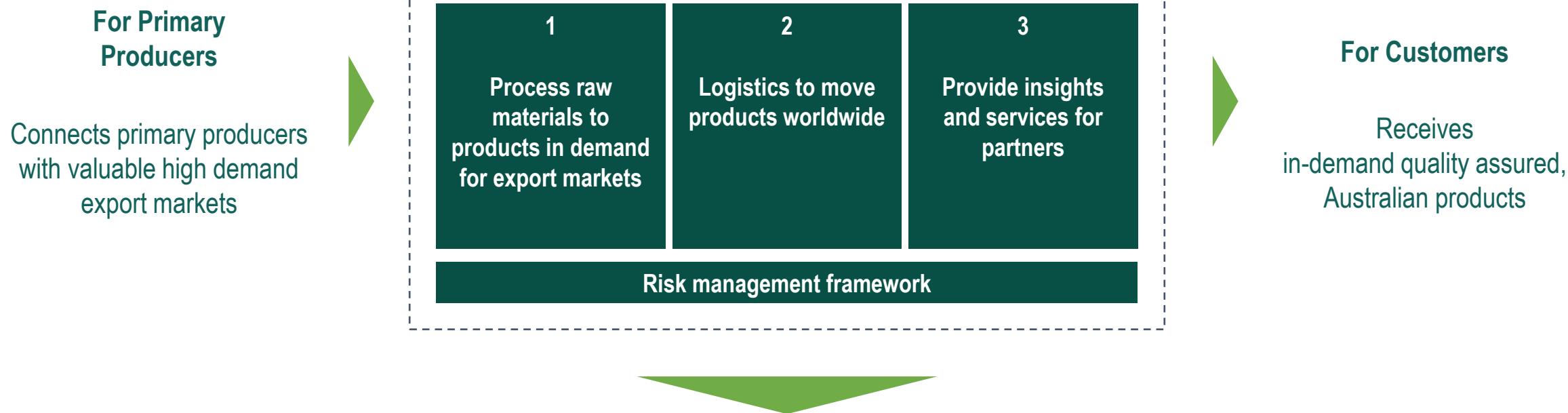
WNR's strategy

Wingara is well positioned to capitalise on expected increased customer demand over the next 5 years



A diversified agricultural products platform

WNR has built a sustainable platform for processing and marketing agricultural products – more products can be added at the appropriate time

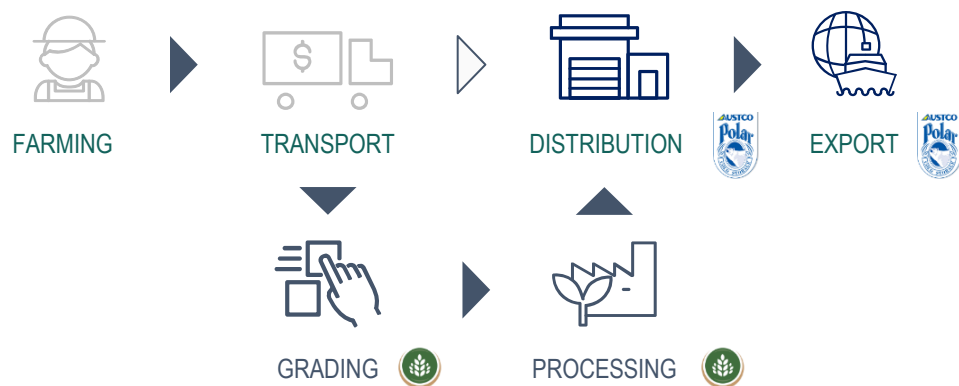


- A highly scaleable model that unlocks value in Asian export markets
- Ability to capitalise on opportunities in the 'protein supply chain' that meet Asian demand characteristics which are driven by the need for increased 'food security'

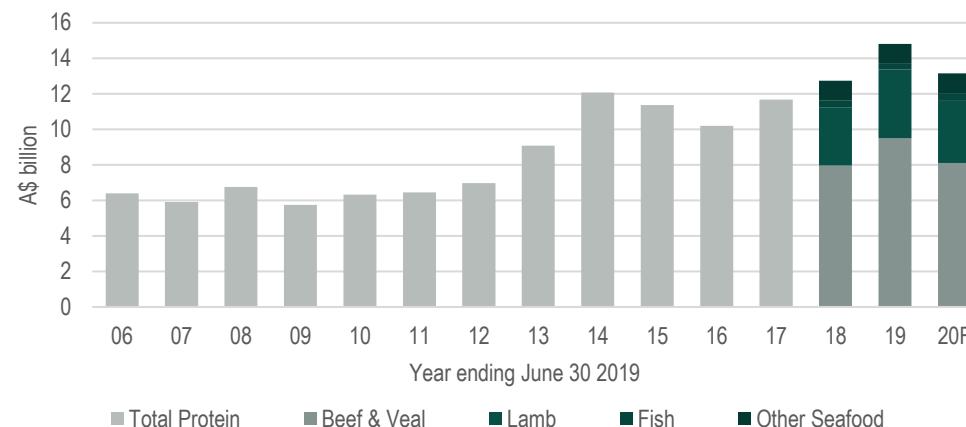
WNR's markets

JC Tanloden and Austco Polar form key parts of the Australian agriculture industry's supply chain and export capabilities for protein and fodder products – both which have grown significantly over the past 5 years

- **Export markets for proteins & fodder: \$13 billion annually** (from \$9 billion 5 years ago)
- **Oaten hay demand from China: 1.5 – 2 million MT per annum** (accelerating in the past 5 years and cannot be met in Australia alone)
- **Australia's brand strength has increased share of production for fodder:** Product traceability, quality and lack of contamination underpin the favourable reputation of Australian agricultural exports leading to major export expansion.
- **Oaten hay is a desirable export product:** Australian producers primarily export oaten hay, which improves milk production. Oaten hay has high demand worldwide as a reliable, high quality fodder that meets stringent animal production requirements.
- **Wingara advantage:** Under the Free Trade Agreement with China, only oaten hay from Australia is allowed to be imported



Australian Protein Exports



Oaten Hay Export Demand



Source: Company websites, WNR management estimates, Australian Fodder Industry Association

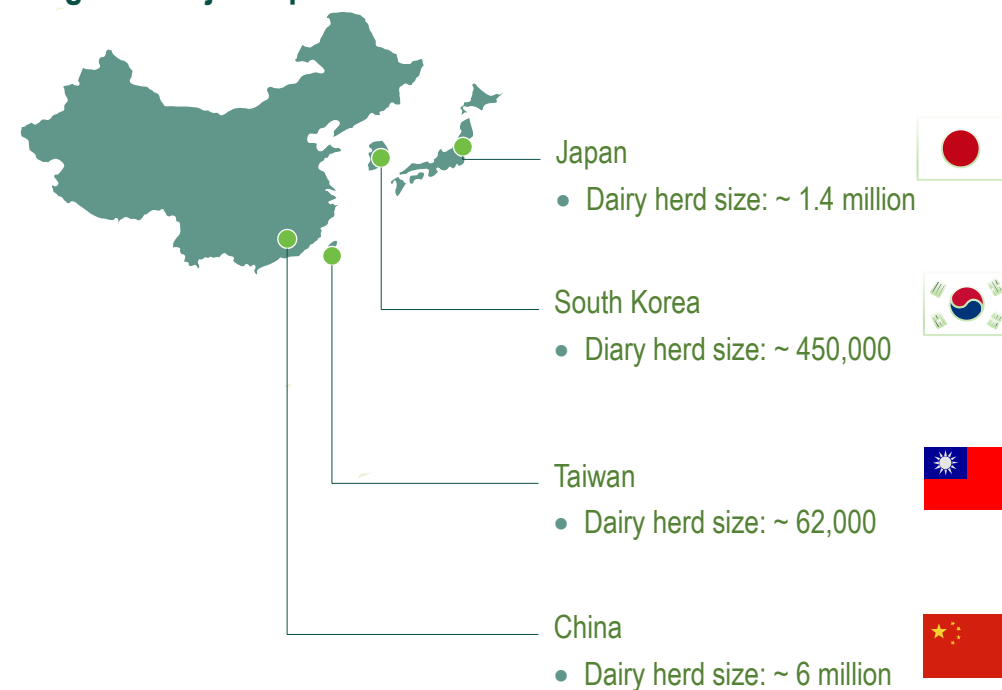
JC Tanloden – services and key markets

- Original business was one of the first fodder exporter from Victoria with a 30 years history
- We purchase, process and transport our high quality produce to our domestic and global customers
- Revenue is generated via a tolling model where fees charged are dependent on the grade of the hay. Typically consistent in terms of margin which is based on a cost-plus structure.

Services Provided

Hay Accumulation	Processing	Logistics
• Supply sourced from more than 2,000 farmers over 100,000km² throughout Victoria • Purchase typically occur during November – January • Current storage capacity of 30,000 MT • Storage capability of up to 3 years	• Quality control testing on new hay deliveries • Compress bales to reduce size by 50% • Repackaging and fumigation • Current processing capacity of 110,000t per annum	• Domestic and interstate markets • Offshore freight to key markets including China, Taiwan, South Korea and Japan

Wingara's major export destinations



Austco Polar – services and key markets

Established in 1987, Austco Polar Cold Storage owns and operates a cold storage facility which specialises in temperature controlled facilities, blast freezing, storage and distribution for domestic and international clients. Key clients account for over 30% of VIC meat production

Services Provided

Storage & Handling

- Receive containers and store products
- Complete exporters documentation and product selection
- Load domestic and export containers with frozen product

Blast Freezing

- Blast freeze product; extends shelf life from 12 weeks to up to 3 years
- Process capacity of 40K cartons per week

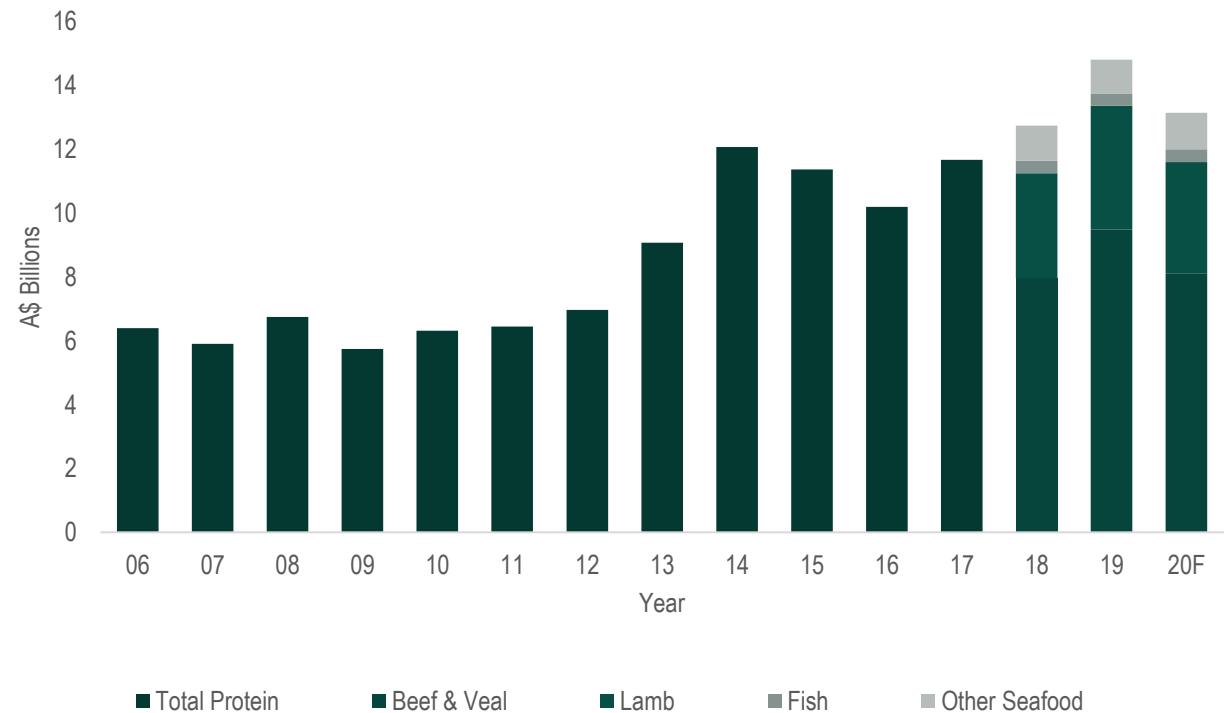
Tenancy

- Chillers and freezers occupied by various food suppliers on long term contracts
- Average tenure of clients of 5 years

Revenue Model

- Service oriented to cover fixed costs
- Tolling based on volume to key exporters
- Cost plus arrangement
- Seeing steady growth in demand
- Rent revenue charged monthly based on freezer space
- Mitigates revenue profile and meets fixed cost in winter periods

Australian Protein Exports



Source: Meat & Livestock Australia

Disclaimer

This presentation has been prepared by Wingara for professional investors. The information contained in this presentation is for information purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. The presentation has been prepared without taking into account the investment objectives, financial situation or particular need of any particular person.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in the presentation. To the maximum extent permitted by law, none of Wingara, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in this presentation nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies.

Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Past performance is no guarantee of future performance.

The distribution of this document in jurisdictions outside Australia may be restricted by law. Any recipient of this document outside Australia must seek advice on and observe such restrictions.



We connect primary producers to the global market
efficiently through our protein supply chain.

wingaraag.com.au

