

For personal use only



Wide Open
Agriculture



Wide Open Agriculture Ltd
Preliminary Final Report 2024



PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

APPENDIX 4E

COMPANY DETAILS

| | |
|------------------|---|
| Name of Company | Wide Open Agriculture Ltd ("the Company") |
| ABN | 86 604 913 822 |
| Reporting period | For the year ended 30 June 2024 |
| Previous period | For the year ended 30 June 2023 |

RESULTS FOR ANNOUNCEMENT TO MARKET

| | |
|--|----------------------------|
| Revenue from ordinary activities | Down 21% to \$9.0M |
| Profit / (Loss) from ordinary activities after tax | Loss down 13% to (\$12.7M) |

Financial Commentary and Operations

The Company recorded a loss after tax for the year ended 30 June 2024 of \$12.7 million, which was a reduction in loss to the prior year of approximately \$1.9 million.

The Company underwent a transition during the financial year, with the divestment of its Dirty Clean Food business in order to reduce costs and to focus on commercialising its next generation plant-protein product portfolio based on property IP.

As part of this strategic focus, the Company purchased a state-of-the-art manufacturing facility located in Germany, including technical infrastructure and staff. This facility has the ability and capacity to produce multiple plant proteins at commercial scale. Further, the Company has undertaken a review of costs, in order to preserve funds from its capital raising announced in May 2024, while it continues market development and sales efforts for its lupin and plant-proteins.

Dividends

No dividends were paid during the financial year (2023: Nil).

NET TANGIBLE ASSETS

| | 2024 | 2023 |
|---|-------|-------|
| Net tangible assets per ordinary security | 4.57c | 7.06c |

DISCONTINUED ENTITIES / OPERATIONS

The Company disposed of its fully owned subsidiary, Dirty Clean Food Pty Ltd ("DCF") on 23 April 2024 as part of the sale of the 'Dirty Clean Food' business during the financial year.

Contribution of DCF to the Company's (loss) from ordinary activities before income tax during the period was \$7,280,903.

ACCOUNTING STANDARDS

The financial statements cover Wide Open Agriculture Ltd and its subsidiaries as a consolidated entity (Group). Wide Open Agriculture Ltd is a company limited by shares, incorporated and domiciled in Australia and are dated 1 September 2024.

This preliminary final report Wide Open Agriculture Ltd has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

This report is to be read in conjunction with any public announcements made by the Company during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Australian Securities Exchange Listing Rules.

The preliminary final report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

AUDIT REPORT

The preliminary final report is based on financial statements which are in the process of being audited.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

| Note | 30 Jun 2024 \$ | 30 Jun 2023 \$ |
|---|----------------------|----------------------|
| Revenue | 8,994,329 | 11,455,564 |
| Cost of goods sold | (8,290,761) | (10,745,617) |
| Gross profit | 703,568 | 709,947 |
| Other income | 3,379,651 | 772,067 |
| Expenses | | |
| Auditor's remuneration | (82,665) | (59,500) |
| Amortisation expense | (464,138) | (554,486) |
| Consultancy and legal fees | (2,439,554) | (1,723,353) |
| Depreciation expense | (535,036) | (188,998) |
| Employee benefits expense | (6,610,335) | (7,206,571) |
| Finance costs | (169,872) | (56,269) |
| Impairment of fixed assets | (1,204,839) | - |
| Loss on sale of business | (1,360,112) | - |
| Selling expenses | (958,951) | (2,489,991) |
| Share-based payments | (289,130) | (631,136) |
| Restoration/make good provision release | (214,000) | 47,000 |
| Write off asset deposit | (200,000) | - |
| Other administration expenses | (2,293,801) | (3,280,478) |
| Loss for the period before income tax expense | (12,739,214) | (14,661,768) |
| Income tax expense | - | - |
| Loss for the period after income tax expense | - | - |
| Loss for the period after income tax expense from continuing operations | (5,458,311) | (14,661,768) |
| Loss for the period after income tax expense from discontinued operations | (7,280,903) | - |
| Loss for the period after income tax expense | (12,739,214) | (14,661,768) |
| Other comprehensive income: | | |
| Items which may subsequently be reclassified to profit or loss: | | |
| Exchange differences on translation of foreign operations | (210,942) | - |
| Total comprehensive loss for the period | (12,950,156) | (14,661,768) |
| Total loss from the period is attributable to: | | |
| Continuing operations | (5,458,311) | (14,661,768) |
| Discontinued operations | (7,280,903) | - |
| Total comprehensive loss from the period is attributable to: | | |
| Continuing operations | (5,669,253) | (14,661,768) |
| Discontinued operations | (7,280,903) | - |
| Loss per share from continuing operations attributable to members: | | |
| Basic loss per share (cents) | (3.17) | (10.27) |
| Diluted loss per share (cents) | (3.17) | (10.27) |
| Loss per share from discontinued operations attributable to members: | | |
| Basic loss per share (cents) | (4.23) | - |
| Diluted loss per share (cents) | (4.23) | - |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

| Note | 30 Jun 2024 \$ | 30 Jun 2023 \$ |
|--------------------------------------|----------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 1,985,835 | 5,871,597 |
| Trade and other receivables | 1,363,111 | 1,119,527 |
| Inventory | 456,143 | 1,952,665 |
| Other current assets | 195,383 | 382,907 |
| TOTAL CURRENT ASSETS | 4,000,472 | 9,326,696 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 4,215,550 | 3,809,740 |
| Right-of-use assets | 620,613 | 1,871,003 |
| Secured loans | - | 68,182 |
| Intangible assets | 1,210,405 | - |
| Other | 169,944 | 323,446 |
| NON-CURRENT ASSETS | 6,216,512 | 6,072,371 |
| TOTAL ASSETS | 10,216,984 | 15,399,067 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 1,133,950 | 1,812,269 |
| Lease liabilities | 114,754 | 517,653 |
| Borrowings | 500,000 | 112,339 |
| Provisions | 205,167 | 684,498 |
| Funds held in trust | 2,609,208 | - |
| TOTAL CURRENT LIABILITIES | 4,563,079 | 3,126,759 |
| NON-CURRENT LIABILITIES | | |
| Lease liabilities | 423,194 | 1,494,561 |
| Borrowings | - | 587,178 |
| Provisions | 28,441 | 81,803 |
| TOTAL NON-CURRENT LIABILITIES | 451,635 | 2,163,542 |
| TOTAL LIABILITIES | 5,014,714 | 5,290,301 |
| NET ASSETS | 5,202,270 | 10,108,766 |
| EQUITY | | |
| Issued capital | 52,225,087 | 44,626,557 |
| Share-based payments reserves | 5,071,677 | 4,626,547 |
| Foreign exchange translation reserve | (210,942) | - |
| Accumulated losses | (51,883,552) | (39,144,338) |
| TOTAL EQUITY | 5,202,270 | 10,108,766 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

| | Issued Capital | Unlisted Options | Performance rights reserves | Foreign exchange reserve | Accumulated Losses | Total Equity |
|---|-------------------|---------------------|--------------------------------|--------------------------------|-----------------------|---------------------|
| 30 June 2024 | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2023 | 44,626,557 | 4,545,473 | 81,074 | - | (39,144,338) | 10,108,766 |
| Loss for the period | - | - | - | - | (12,739,214) | (12,739,214) |
| Other comprehensive income | - | - | - | (210,942) | - | (210,942) |
| Total comprehensive loss for the period | - | - | - | (210,942) | (12,739,214) | (12,950,156) |
| Transactions with owners, in their capacity as owners, and other transfers | | | | | | |
| Shares issued | 7,990,030 | - | - | - | - | 7,990,030 |
| Options issued – Share based payments | - | 445,130 | - | - | - | 445,130 |
| Share issue costs | (391,500) | - | - | - | - | (391,500) |
| Balance at 30 June 2024 | 52,225,087 | 4,990,603 | 81,074 | (210,942) | (51,883,552) | 5,202,270 |

| | Issued Capital | Unlisted Options | Performance rights reserves | Accumulated Losses | Total Equity |
|---|-------------------|---------------------|--------------------------------|-----------------------|---------------------|
| 30 June 2023 | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2022 | 44,384,452 | 4,080,514 | - | (24,482,570) | 23,982,396 |
| Loss for the period | - | - | - | (14,661,768) | (14,661,768) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive loss for the period | - | - | - | (14,661,768) | (14,661,768) |
| Transactions with owners, in their capacity as owners, and other transfers | | | | | |
| Shares issued on unlisted options exercised | 242,105 | - | - | - | 242,105 |
| Options issued – Share based payments | - | 550,063 | - | - | 550,063 |
| Options exercised | - | (85,104) | - | - | (85,104) |
| Performance rights issued | - | - | 81,074 | - | 81,074 |
| Balance at 30 June 2023 | 44,626,557 | 4,545,473 | 81,074 | (39,144,338) | 10,108,766 |

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2024

| Note | 30 Jun 2024 \$ | 30 Jun 2023 \$ |
|---|----------------------|----------------------|
| Cash flows from operating activities | | |
| Receipts from customers | 9,216,124 | 11,135,715 |
| Payments to suppliers and employees | (21,310,329) | (23,613,252) |
| Interest received | 61,690 | 211,042 |
| Grants received | 2,784,940 | 411,875 |
| Movement in term deposits | - | (18,253) |
| Net cash flows (used in) operating activities | (9,247,575) | (11,872,873) |
| Cash flows from investing activities | | |
| Payments for acquisition of plant and equipment | (582,391) | (1,441,459) |
| Proceeds from secured loans | - | 9,268 |
| Proceeds from sale of business | 150,000 | - |
| Payments to acquire business | (4,187,500) | - |
| Net cash flows (used in) investing activities | (4,619,891) | (1,432,191) |
| Cash flows from financing activities | | |
| Proceeds from issue of shares (net of issues costs) | 7,598,530 | - |
| Proceeds in advance for the issue of shares (net of costs) | 2,609,208 | - |
| Proceeds from option entitlement | - | 156,833 |
| Repayment of borrowings | (90,526) | - |
| Proceeds from borrowings | 795,000 | 112,339 |
| Repayment of lease liabilities | (687,013) | (588,256) |
| Net cash flows (used in) from financing activities | 10,225,199 | (319,084) |
| Net (decrease)/increase in cash and cash equivalents | (3,642,267) | (13,624,148) |
| Cash and cash equivalents at the beginning of the period | 5,871,597 | 19,474,506 |
| Effects of exchange rate fluctuations on cash held | (243,495) | 21,239 |
| Cash and cash equivalents at the end of the period, represented by: | 1,985,835 | 5,871,597 |
| Cash at bank / (bank overdraft facility) | (623,373) | 5,871,597 |
| Share subscription cash received in advance | 2,609,208 | - |
| Cash and cash equivalents at the end of the period | 1,985,835 | 5,871,597 |