

ASX Announcement
28 October 2024

Quarterly Report for the Period Ended 30 September 2024

HIGHLIGHTS

- **Group-wide cost reduction to preserve funds for future growth**
- **Engaging potential fee-based toll treatment partners to increase German facility utilisation and efficiency**
- **Board renewal and change of premise**

Wide Open Agriculture Ltd (ASX: WOA, "Wide Open Agriculture" or the "Company") is pleased to present the Company's Quarterly Activity Report for the three-month period ending 30 September 2024.

The September quarter saw the Company streamline its business operations as part of ongoing cost reduction measures. The goal was to preserve capital and support commercialising the Company's globally patented plant-protein products. Company management continues to engage with potential channel partners and explore strategic opportunities for future growth.



WOA's German Production Team in preparation for toll production at the Facility



Seeking Industry Partnership and Global Commercialisation Opportunities

Following the acquisition of Prolupin GmbH in Grimmen, Germany, the Company focused on commercialising its production facilities, patented IP, and in-house expertise to attract and strengthen its channel to market. For example, the company completed trials with toll treatment clients and entered discussions with several food manufacturers and distributors.

WOA continues investigating strategic partnerships and opportunities to mitigate German operational costs while the facility is underutilised.

Strategic Cost Review and Quarterly Cashflow Report Commentary

WOA has undertaken a comprehensive operational review to reduce its ongoing costs, preserve capital, and reset the business for future growth.

As part of cost-reduction measures, WOA relocated its head office and R&D facility and closed its pilot plant, which is expected to save over \$600,000 for the 2024/25 financial year.

At the end of the quarter, the Company had cash at the bank of approximately \$3.4 million.

During this quarter, the Company incurred a total net operating cash outflow of \$1.7 million, with essential items comprising:

- Administration and corporate costs of \$894k, previously incurred by the Company and paid during the September quarter. These include one-off legal and advisory costs related to the divestment of the Dirty Clean Food business. The Company is reviewing all key service agreements and making necessary changes. It expects administration and corporate costs to reduce further in the following quarter as management maintains its efficiency focus.
- \$429k as a once-off factory retrofit for the trial production of BP80 and research and development activities of new lupin protein applications for the Germany facility; and
- Staff costs amounted to \$407k, reduced by 60% compared to the previous June 2024 quarter. After the September quarter, further staff reduction measures were implemented, which will be reflected in costs for the upcoming quarters.

Research & Development Activities

WOA continued its research and development activities, exploring new market applications for its lupin protein products and enhancing production protocols to improve yield in the manufacturing process.

Completed Capital Raise

In July 2024, the Company completed the second tranche of its share placement to sophisticated investors and a priority offer to shareholders to raise an additional \$620k. The Company received strong support from new and existing investors.



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Appointment of New Board Members

In August and October 2024, respectively, WOA welcomed Ms. Yaxi Zhan as the non-executive chair and Mr. Brett Tucker as a non-executive director and company secretary.

Ms. Zhan has 17 years of experience in Australia and China's resource sectors. She has managed multi-million-dollar projects, mergers and acquisitions, and strategic business transformations. Her ability to navigate regulatory challenges and lead high-performance teams, coupled with connections in the Australian and Chinese business communities, positions her as a valuable addition to our leadership team.

Mr. Tucker has 20 years of experience providing advisory and compliance services to ASX-listed and private companies across various industries. He was previously a director of the corporate advisory group Ventnor Capital, which provides capital raising and compliance services to various ASX-listed companies. He also acted as advisor and lead manager to various initial public offerings.

Disclosure of Related Party Payments within Quarterly Cashflow Report

The aggregate payments to related parties and their associates included in the current quarter cash flow from operating activities was \$40,000, comprising Director fees, salaries and superannuation.

This announcement has been authorised and approved by the Board in accordance with the Company's published continuous disclosure policy.

For investor, media or other enquiries, please contact:

Yaxi Zhan Non-executive Chair, Wide Open Agriculture Ltd
investors@wideopenagriculture.com.au

About Wide Open Agriculture Ltd

Wide Open Agriculture (WOA) is an ASX-listed ingredient company focusing on the next generation of plant protein ingredients for food and drink manufacturers globally. Using its unique Intellectual Property (IP), WOA manufactures a range of plant proteins and fibres that create better food and drink products for consumers. The Company's flagship product, Buntine Protein[®], is a novel plant-based protein derived from lupins. Manufactured under a globally protected patent, Buntine Protein[®] is a versatile ingredient that creates products across multiple categories, including plant-based dairy, meats, baked goods, and health foods. Buntine Protein[®] is gaining a reputation as a clean-tasting, versatile, high-performing plant protein, and WOA is focused on generating sales and scaling production at its state-of-the-art manufacturing facility in Grimmen, Germany.

WOA is listed on the Australian Securities Exchange (ASX: WOA) and the Frankfurt Stock Exchange (2WO).

www.wideopenagriculture.com.au



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

WIDE OPEN AGRICULTURE LTD

ABN

86 604 913 822

Quarter ended ("current quarter")

30 SEPTEMBER 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 85 | 85 |
| 1.2 Payments for | | |
| (a) research and development | (429) | (429) |
| (b) product manufacturing and operating costs | (61) | (61) |
| (c) advertising and marketing | (37) | (37) |
| (d) leased assets | - | - |
| (e) staff costs | (407) | (407) |
| (f) administration and corporate costs | (894) | (894) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 17 | 17 |
| 1.5 Interest and other costs of finance paid | (4) | (4) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | 37 | 37 |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,693) | (1,693) |

| | | |
|--|---|---|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 2.2 Proceeds from disposal of: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | - | - |

| | | |
|---|--------------|--------------|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | 3,360 | 3,360 |
| 3.2 Proceeds from issue of convertible debt securities | - | - |
| 3.3 Proceeds from exercise of options | - | - |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | (360) | (360) |
| 3.5 Proceeds from borrowings | - | - |
| 3.6 Repayment of borrowings | - | - |
| 3.7 Transaction costs related to loans and borrowings | - | - |
| 3.8 Dividends paid | - | - |
| 3.9 Other (provide details if material) | - | - |
| 3.10 Net cash from / (used in) financing activities | 3,000 | 3,000 |

| | | |
|---|---------|---------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 2,109* | 2,109* |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (1,693) | (1,693) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | - | - |

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| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 3,000 | 3,000 |
| 4.5 | Effect of movement in exchange rates on cash held | (20) | (20) |
| 4.6 | Cash and cash equivalents at end of period | 3,396 | 3,396 |

*cash at the beginning of the period, as per the FY24 annual report, represents cash at bank of \$2,453,523 and lease bond term deposits \$123,446, net of the bank overdraft balance of \$467,687.

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 3,273 | 2,453 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | (467) |
| 5.4 | Other (provide details) – lease bond | 123 | 123 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,396 | 2,109 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----|--|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 40 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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| 7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| 7.1 Loan facilities | 700 | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | 700 | - |
| 7.5 Unused financing facilities available at quarter end | | 700 |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (1,693) |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 3,396 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | 700 |
| 8.4 Total available funding (item 8.2 + item 8.3) | 4,096 |
| 8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) | 2.42 |
| <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> | |
| 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: N/A | |
| 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: N/A | |
| 8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| Answer: N/A | |
| <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i> | |

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Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:28 October 2024.....

Authorised by:the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.