















**TABLE B**

**S&W SEED COMPANY**  
**ITEMIZED RECONCILIATION BETWEEN NET INCOME (LOSS) AND NON-GAAP ADJUSTED EBITDA**  
**(unaudited)**

	Three Months Ended	
	September 30,	
	<u>2018</u>	<u>2017</u>
Net income (loss)	\$ 20,931	\$ (1,817,506)
Non-recurring transaction costs	408,516	29,163
Non-cash stock based compensation	155,305	257,461
Depreciation and amortization	855,108	888,252
Foreign currency (gain) loss	(25,443)	14,558
Change in derivative warrant liabilities	-	(772,499)
Interest expense - amortization of debt discount	66,478	33,999
Interest expense	657,230	347,729
Provision for income taxes	9,334	51,421
Non-GAAP Adjusted EBITDA	<u>\$ 2,147,459</u>	<u>\$ (967,422)</u>





**S&W SEED COMPANY  
CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)**

	<u>September 30, 2018</u>	<u>June 30, 2018</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 4,034,127	\$ 4,320,894
Accounts receivable, net	13,868,575	13,861,932
Unbilled accounts receivable, net	9,530,970	-
Inventories, net	76,058,981	60,419,276
Prepaid expenses and other current assets	<u>3,548,903</u>	<u>1,279,794</u>
<b>TOTAL CURRENT ASSETS</b>	<b>107,041,556</b>	<b>79,881,896</b>
Property, plant and equipment, net	12,966,314	13,180,132
Intangibles, net	32,639,162	33,109,780
Goodwill	10,292,265	10,292,265
Other assets	<u>1,302,904</u>	<u>1,303,135</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>164,242,201</u></b>	<b>\$ <u>137,767,208</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 36,949,282	\$ 5,935,454
Deferred revenue	104,355	212,393
Accrued expenses and other current liabilities	3,031,163	3,114,799
Lines of credit, net	23,569,003	32,630,559
Current portion of long-term debt, net	<u>861,877</u>	<u>503,012</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>64,515,680</b>	<b>42,396,217</b>
Long-term debt, net, less current portion	12,424,048	12,977,087
Other non-current liabilities	<u>645,493</u>	<u>651,780</u>
<b>TOTAL LIABILITIES</b>	<b><u>77,585,221</u></b>	<b><u>56,025,084</u></b>
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$0.001 par value; 5,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock, \$0.001 par value; 50,000,000 shares authorized; 25,981,252 issued and 25,956,252 outstanding at September 30, 2018; 24,367,906 issued and 24,342,906 outstanding at June 30, 2018;	25,981	24,367
Treasury stock, at cost, 25,000 shares	(134,196)	(134,196)
Additional paid-in capital	113,878,725	108,803,991
Accumulated deficit	(21,140,445)	(21,161,376)
Accumulated other comprehensive loss	<u>(5,973,085)</u>	<u>(5,790,662)</u>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b><u>86,656,980</u></b>	<b><u>81,742,124</u></b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ <u>164,242,201</u></b>	<b>\$ <u>137,767,208</u></b>



**S&W SEED COMPANY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

	<b>Three Months Ended</b>	
	<b>September 30,</b>	
	<b>2018</b>	<b>2017</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 20,931	\$ (1,817,506)
Adjustments to reconcile net income (loss) from operating activities to net cash provided by operating activities		
Stock-based compensation	155,305	257,461
Change in allowance for doubtful accounts	(154,896)	20,547
Depreciation and amortization	855,108	888,252
Gain on disposal of property, plant and equipment	-	(66,363)
Change in foreign exchange contracts	39,177	38,989
Change in derivative warrant liabilities	-	(772,499)
Amortization of debt discount	66,478	33,999
Changes in:		
Accounts receivable	77,442	(1,892,959)
Unbilled accounts receivable	(9,530,970)	-
Inventories	(15,907,716)	(38,503,457)
Prepaid expenses and other current assets	(2,274,959)	(698,171)
Other non-current asset	-	(4,963)
Accounts payable	31,100,128	39,781,675
Accounts payable - related parties	-	673,357
Deferred revenue	(107,675)	8,705,963
Accrued expenses and other current liabilities	(104,708)	(115,481)
Other non-current liabilities	(4,802)	57,926
Net cash provided by operating activities	<u>4,228,843</u>	<u>6,586,770</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(199,027)	(636,588)
Additions to internal use software	(36,000)	-
Proceeds from disposal of property, plant and equipment	-	256,000
Net cash used in investing activities	<u>(235,027)</u>	<u>(380,588)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net proceeds from sale of common stock	4,927,682	10,472,021
Taxes paid related to net share settlements of stock-based compensation awards	(6,639)	(58,376)
Borrowings and repayments on lines of credit, net	(8,872,537)	(13,123,859)
Borrowings of long-term debt	2,152,408	-
Debt issuance costs	(38,727)	-
Repayments of long-term debt	(2,327,857)	(46,393)
Net cash used in financing activities	<u>(4,165,670)</u>	<u>(2,756,607)</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(114,913)	112,319
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	(286,767)	3,561,894
CASH AND CASH EQUIVALENTS, beginning of the period	\$ 4,320,894	\$ 745,001
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 4,034,127</u>	<u>\$ 4,306,895</u>