

PRIVATE AND CONFIDENTIAL

# RANGE INTERNATIONAL LIMITED

Investor Presentation

April 2017





## Investor Presentation – April 2017

14kg of mixed plastic waste — this is how much is used in every Re>Pal™ pallet. That's 14kg of waste that doesn't end up in our oceans and on our beaches.



# Table of Contents

1. Introduction to Range International
2. Environmental
3. Industry Overview
4. Product Overview
5. Sales and Marketing
6. Production
7. Recent Developments
8. Conclusion
9. Appendices
  - 2016 Full Year Results
  - Disclaimer



A close-up, black and white photograph of a computer keyboard. The focus is on the keys, with a bright light flare in the top right corner. The text "1. Introduction to Range International" is overlaid in white.

# 1. Introduction to Range International

## Overview

- Founded in 2002
- ThermoFusion™ – wholly owned, proven, proprietary technology
- Re>Pal™ – plastic pallets made from 100% mixed waste plastic
- Targeting one-way export pallet market and domestic supply chains
- Two production lines operational in new East Java, Indonesia facility
- Two production lines operating in Bali factory being moved to East Java
- IPO funds to expand production by 14 production lines
- On track to have 10 production lines in 2017
- Significant focus on sales and marketing implementation, with new product launch in May 2017
- Strong pallet industry experience across the Board and Management team

# Senior Management



**Lars Amstrup**  
Managing Director

- 30 years' experience in supply chain, logistics and industrial manufacturing
- 2012-2014: President of CHEP Asia
- Previously President of HAVI Logistics/AQL Japan and President of HAVI Food Services SE Asia



**Geoff Walker**  
CFO  
Head of Finance

- Experienced CFO with listed company experience
- Previously senior executive and CFO for AP Eagers Ltd (ASX:APE)
- Member: Chartered Accountants Australia and New Zealand, AICD



**Ken Brandt**  
Head of  
Global Strategy

- Over 20 years' extensive strategy, product development and engineering experience
- Last 10 years with Brambles' CHEP Pallets Division; last 5 years as Global Director of Product Development
- Other prior roles with GE Global in its R&D division, and with Parametric Technology Corporation (PTC) leading its global product development and strategy team



**Russell Twine**  
Head of  
Sales and Marketing

- 15 years with CHEP Pallets, most recently as Asia Head of Sales for Key Account Customers
- Has also spent 8 years working in the plastics and packaging industry, including roles with Tetra Pak and Huhtamaki, with a focus on Business Development and Account Management



**Bambang Garnardi**  
Head of  
Global Operations

- More than 13 years' experience in production management of plastic factories, including six years as the Production Manager of PT Dynaplast (Tupperware Indonesia)
- Oversaw commissioning of Range's second production line as the company's Plant Manager in 2015

# Board



**Stewart Hall**  
Executive Chairman

- Over 27 years' international banking experience across various geographies
- 15 years in senior roles in Indonesia, including CEO for Standard Chartered Bank and President Director and CEO for PermataBank



**Matthew Darby**  
Founder and  
Executive Director

- Founded Range in 2002, leading the company through 10 years' research and development and relocating to Indonesia in 2012 to commence commercialization
- Previously founded EStarOnline in 1997, a logistics software company which listed on the NZX in 1999, and Media Partners in 1992, a specialist advertising company which he sold to TMP Worldwide in 1996



**Bill Koeck**  
Non-Executive Director

- Over 35 years' experience in Australian and international corporate law, specializing in capital markets and M&A
- Appointed to the Australian Takeovers Panel in 2015
- Member: AICD
- Previously chairman of formerly ASX listed entity Fleet Capital Limited



**Mark Daniel**  
Non-Executive Director

- More than 25 years' professional experience in supply chain and logistics management, including prior senior management roles with Coca-Cola Amatil Indonesia, Linfox and Pacific Brands
- Most recently, President of China Merchants Loscam International (2008-2015)
- 13 years in the Royal Australian Navy

**Note:** Lars Amstrup also sits on the Board of Range – see previous slide for biography.



A close-up, black and white photograph of a computer keyboard. The focus is on several keys, including a large triangular key in the foreground. The lighting creates strong highlights and shadows, emphasizing the texture and shape of the keys. The text '2. Environmental' is overlaid in the center of the image.

## 2. Environmental



## Environmental Credentials

- Preliminary results of environmental impacts study received  
Undertaking peer review

### Range International

- reduces waste to landfill through the use of 100% mixed waste plastic
- reduces the potential demand for sawn timber to produce wood pallets, thus having a positive impact on deforestation
- salvaged estimated 888,000 kg of plastic in 2016
- saved an estimated 2,537 trees in 2016



## 2. Industry Overview

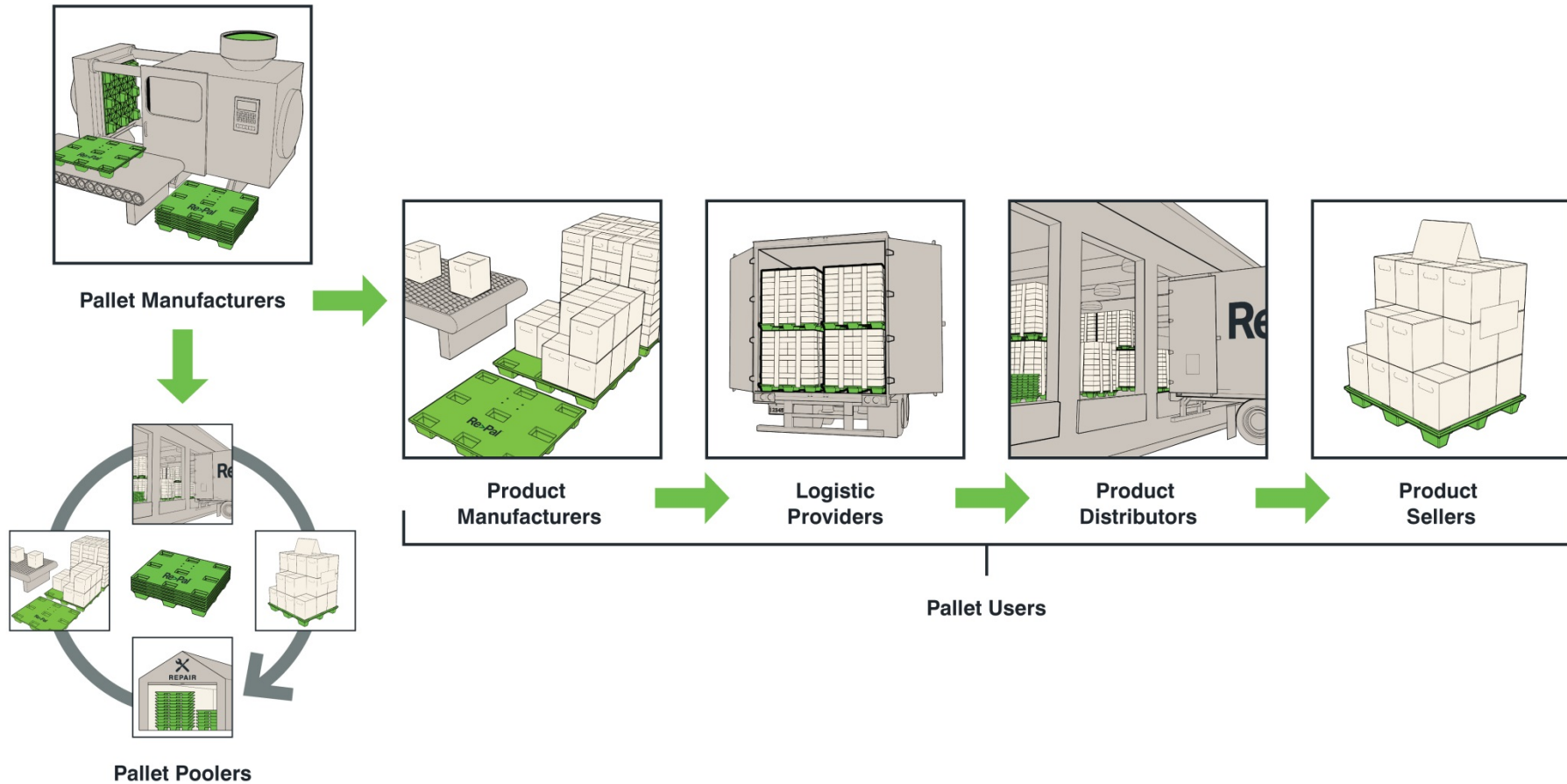


## Disrupting a major global industry

- Pallets are an integral facilitator of global trade
- Global pallet market estimated to exceed USD\$50 billion in annual sales by 2017 and growing at 5% per annum\*
- More than 5 billion new pallets expected to be sold in 2017\*
- More than 90% of new pallets are wood\*
- Asia Pacific is the fastest growing region with forecast annual growth rate of 8.1% (~33% of the global market by 2017)\*

Source: The Freedonia Group, Inc, *Industry Study #3126 World Pallets February 2014*

# Industry composition





# Pallet materials

	Advantages	Disadvantages
Wood	<ul style="list-style-type: none"> <li>• Low cost</li> <li>• Easy to repair</li> <li>• Can be recycled</li> <li>• Easy to manufacture</li> </ul>	<ul style="list-style-type: none"> <li>• Need fumigation and heat treatments to comply with ISPM 15</li> <li>• Easily damaged in use – limited durability</li> <li>• Can cause handling injuries (wood splinters, raised nails, etc.)</li> <li>• Difficult to clean, and, if wet, can encourage growth of bacteria and fungus</li> <li>• Relatively heavy</li> </ul>
Plastic (excluding Re>Pal™ pallets)	<ul style="list-style-type: none"> <li>• Low weight</li> <li>• Highly durable</li> <li>• Does not require treatment and marking for international transport</li> <li>• Easy to clean</li> <li>• More hygienic than wood pallets</li> <li>• Can be recycled</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly more expensive than wood</li> <li>• More complex/difficult to manufacture than wood</li> <li>• Harder to repair than wood</li> <li>• Manufactured from non-renewable resource</li> </ul>
Metal	<ul style="list-style-type: none"> <li>• Highly durable</li> <li>• Easy to clean</li> <li>• Can be recycled</li> <li>• Does not require treatment and marking for international transport</li> </ul>	<ul style="list-style-type: none"> <li>• High cost</li> <li>• Heavy</li> <li>• More complex/difficult to manufacture than wood</li> <li>• Harder to repair than wood</li> <li>• Manufactured from non-renewable resource</li> </ul>
Cardboard	<ul style="list-style-type: none"> <li>• Very light weight</li> <li>• Low cost</li> <li>• Fully recyclable</li> <li>• Can be manufactured in customized sizes</li> </ul>	<ul style="list-style-type: none"> <li>• Easily damaged</li> <li>• Suitable for only one journey</li> <li>• Cannot handle heavy loads (generally above 750kg)</li> <li>• Cannot withstand inclement weather conditions</li> </ul>



### 3. Product Overview

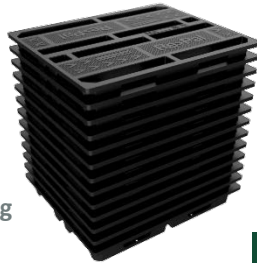


# New Product Suite & Branding



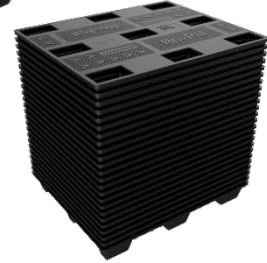
**NSP**

Nesting Stacking & Racking  
1200 x 1000  
1090 x 1090



**NP**

Nesting  
1200 x 1000  
1090 x 1090



On stream and  
ISO Certification  
in May 2017



**HD**

Heavy Duty  
1200 x 1000



**RP**

Racking  
1200 x 1000



# Re>Pal™ Product Benefits

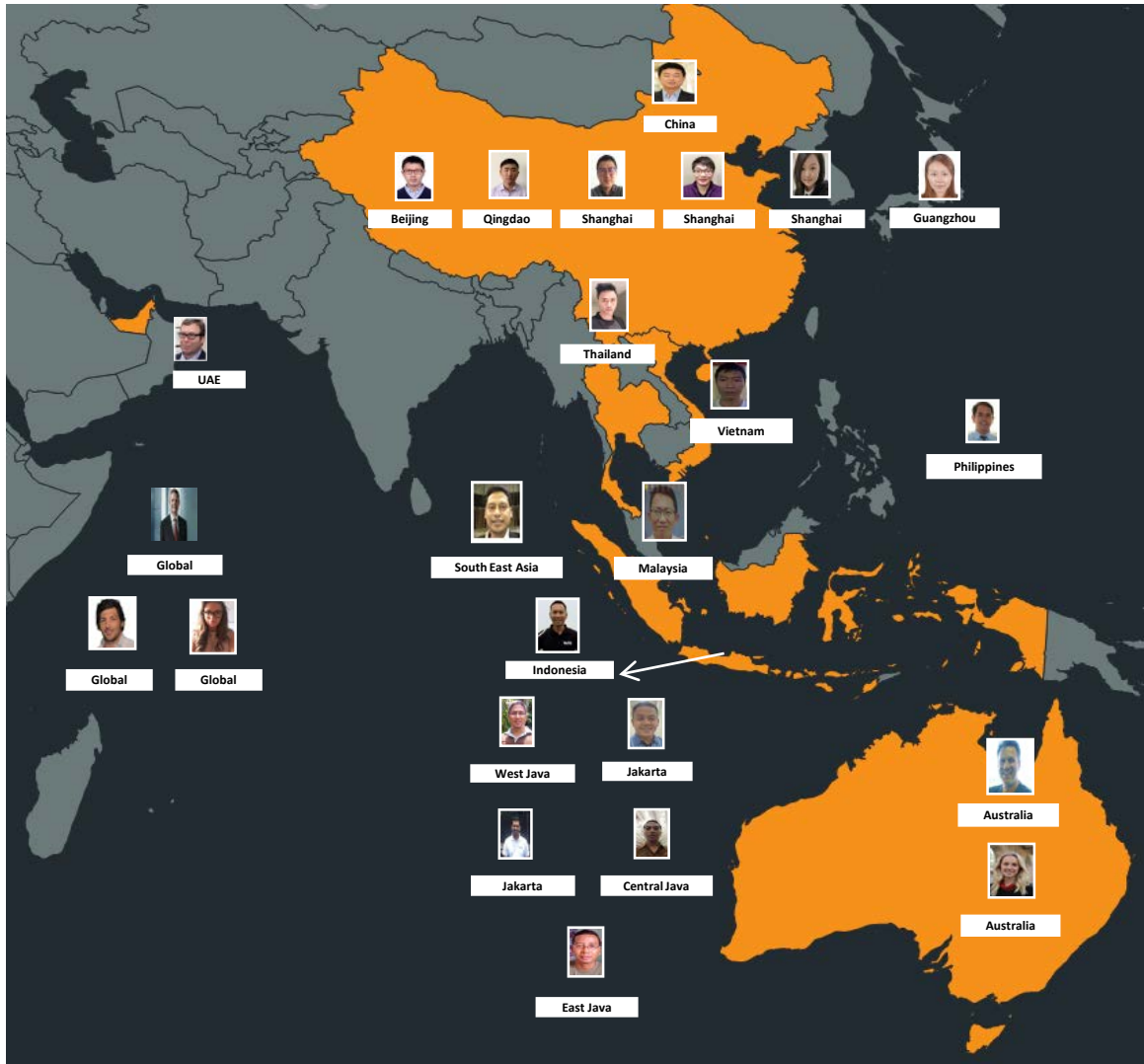
Environmental Value	<ul style="list-style-type: none"> <li>• Salvages waste plastic from going to landfill and reduces timber consumption.</li> <li>• The pallets themselves are recyclable and can be re-processed through the ThermoFusion™ production lines.</li> <li>• A number of potential industrial customers are exploring the possibility of disposing waste plastic by delivering to Range for conversion to pallets.</li> </ul>
Strength and Durability	<ul style="list-style-type: none"> <li>• ISO validation for unit load deflection and stacking strength.</li> <li>• Range considers plastic to be inherently stronger than the wood used in similar-cost pallet applications.</li> </ul>
Dimension Compliance	<ul style="list-style-type: none"> <li>• Highly uniform and improved performance in conveyorised factories.</li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>• No raised nails, no wood splinters, do not absorb moisture.</li> </ul>
Export friendly	<ul style="list-style-type: none"> <li>• Resistant to fungi, insects and wood beetles.</li> <li>• Don't require ISPM15 heat treatment or fumigation as is the case for wood.</li> </ul>
IOT compatible	<ul style="list-style-type: none"> <li>• Easy to incorporate RFID devices.</li> </ul>
Space-saving	<ul style="list-style-type: none"> <li>• Nestable pallets require only up to one-third of the space taken up by wood pallets for storage, thus economic to ship to Range's overseas customers.</li> </ul>
Low cost	<ul style="list-style-type: none"> <li>• Plastic pallet that closes the cost gap between wood and conventional plastic pallets.</li> <li>• This translates into a foundation of sustainable cost-competitiveness.</li> </ul>



A photograph of a truck bed filled with large sacks of material, likely sand or gravel, with palm trees in the background. The image is in a teal color scheme. The text "4. Sales & Marketing" is overlaid in white.

## 4. Sales & Marketing





Region wide sales organization implemented across 8 countries

Continuing to expand the breadth and reach of the sales presence



# Sales

Positive and encouraging engagement with large scale multinational customers. Now strengthened by our ability to demonstrate the path to large scale operations

Expansion across all major Asian countries, establishing sales forces and legal entities

Significant focus on sales, marketing, distribution implementation, with new product launch in May 2017



Full utilization of export Ocean Container capacity - **Nestables**



Bagged Bulk Loaded Products - **Nestables**



Fast Moving Consumer Goods Preparation for export - **Nestables**



FMCG Products - **Nestables**



Double stacked products Preparation for export - **Nestables**



Packed Food Products – **Heavy Duty**

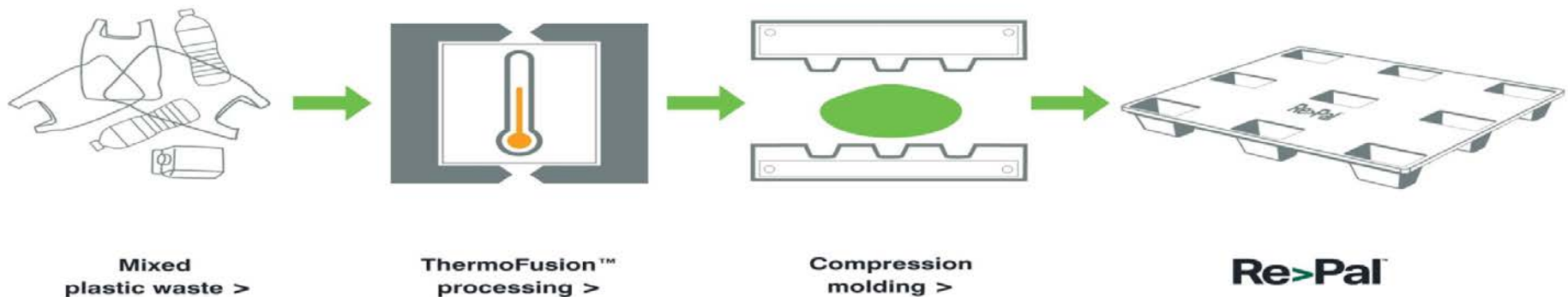


A close-up, black and white photograph of a mechanical assembly. The image shows several dark, triangular components arranged in a radial pattern, possibly part of a turbine or a specialized valve. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the metallic texture and geometric shapes. The text "5. Production" is overlaid in the center in a white, sans-serif font.

## 5. Production

## Current production capacity

- Currently two lines in operation at new East Java facility
- An additional line scheduled to be operational every 6 weeks throughout 2017
- Company on track to have 10 production lines by December 2017
- Two existing lines operating in Bali in process of being moved to East Java facility. Production volumes for 2017 not to be negatively impacted due to improved efficiencies once the two lines commence production in Pasuruan





# Commercial Scale Production

Through the successful IPO listing, Range ramp up to commercial scale production underway

## Economies of Scale:

- 8 new lines enables processing of up to 33,000 MTS of plastic per year subject to full testing and successful commissioning of all new equipment, availability of plastic waste, and successful establishment of all new facilities to full capacity
- Large scale raw material preparation systems being deployed
- Increased production efficiency

## New facility – East Java, Indonesia:

- Located at the centre of Asia Pacific markets
- Population: Indonesia 250 Mill; Java 141 Mill
- Access to major trading port in Surabaya
- Close proximity to large domestic and international exporters, logistics companies, and existing key suppliers of waste plastic



## Key inputs

- Key production input: waste plastic
  - Currently sourced through delivery by local contractors
  - Several international companies have approached Range searching for waste plastic disposal solutions
  - High likelihood that Range will engage with some of these companies to diversify its waste plastic supply
- Other key inputs: labour and power
  - Priced very competitively in Indonesia, especially in comparison to developed economies
  - Reliable access to labour and power a key criteria in Range's decision to expand into East Java



## 6. Recent Developments





# East Java Facility

Re>Pal™ Pallet Production in Pasuruan, Indonesia



East Java Factory site acquired August 2016

10,000 SqM Factory Buildings, ~19,000 SqM Land Area

Able to accommodate 14 Production Lines, Raw-material Preparation and Finished Goods storage. An excellent match for our needs

Located in Pasuruan Industrial Estate, 61 KM south of Surabaya

2 new lines now operational in East Java, with a new line scheduled to be commissioned every 6 weeks throughout 2017



## Commercial scale up on track

Raw material preparation systems	Installation on track
2 new lines operational	March 2017
Additional new line scheduled to be installed	every 6 weeks thereafter
Total of 8 new lines scheduled to be installed	in 2017
Total of 10 lines in Indonesia	in 2017 (existing 2 lines)







## 7. Conclusion



# Conclusion

An environmentally sustainable product, designed to meet the needs of pallet customers

---

An opportunity to service a large and growing market

---

Addressing major global issues of disposal of waste plastic and constraints on timber consumption

---

Management with deep pallet industry, manufacturing and geographic experience

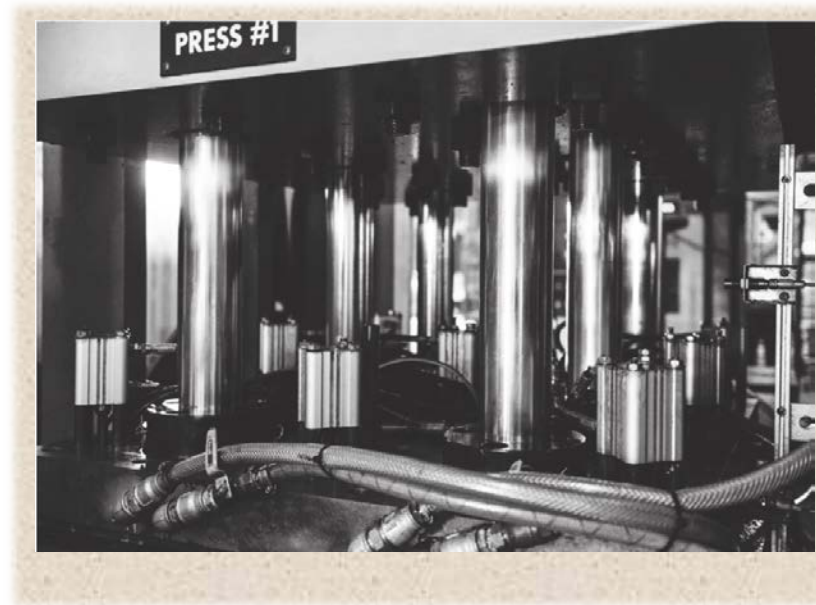
---

Scaling up for growth

---

Well positioned to participate in the pallet market

---







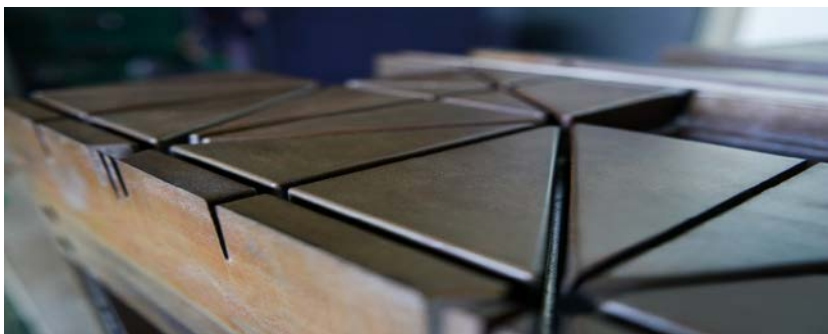
## 8. Appendices





## 2016 Full Year Results

- Further development of the ThermoFusion™ production process and design of new pallets
- \$2.8M in costs associated with IPO
- \$2.7M in employee expenses associated with the appointment of the Board, new key management personnel and support staff
- \$2.6M in professional fees (legal and other advisory) mainly incurred in relation to the pre-IPO capital raising and the acquisition of the ThermoFusion™ intellectual property



### Condensed Consolidated Income Statement for the year ended 31 December 2016

	US'000	US'000	YOY %
Sales revenue	462	347	33%
Cost of goods sold	(1,885)	(1,516)	24%
Gross loss	(1,423)	(1,169)	
IPO costs expensed	(2,836)	-	
Other expenses	(5,684)	(4,751)	
Net loss after tax	(9,943)	(5,920)	

Key highlights for the year and period to date as follows:

- Admission to ASX on 21 July 2016, raising US\$37.5M
- US\$10.4M invested to acquire the ThermoFusion™ intellectual property
- US\$12.2M capital expenditure in new production property, plant and equipment
- US\$23.9M cash on hand as at 31 December 2016 for further investment and working capital
- Successful commencement of production at new Pasuruan facility in January 2017
- Second ThermoFusion™ machine currently being installed at Pasuruan and scheduled to be operational in March 2017
- New Re>Pal™ pallet designs with increased functionality scheduled to be released in Q2 2017



## DISCLAIMER

**You must read the following notices before reading or making any use of this presentation or any information contained in this presentation. By continuing to read, use or otherwise act on this presentation, you agree to be bound by the following terms and conditions, including any modifications to them.**

### THIS IS NOT A PROSPECTUS

This presentation is provided by Range International Holdings Ltd and its related bodies corporate (**Range** or the **Company**) solely for information purposes. This presentation is not a prospectus, product disclosure statement or disclosure document for the purposes of the Corporations Act 2001 (Cth) and has not been lodged with ASIC.

This presentation is not, and does not constitute, an offer to sell or the solicitation of an offer to buy any securities in the United States. This presentation may not be distributed to, or relied upon by, any person in the United States.

If you are not such a person, please do not read this presentation. Please return it immediately to the Company and destroy or delete any copies.

### NOT FINANCIAL PRODUCT ADVICE

This presentation is not, and should not be construed as a recommendation by the Company or its affiliates, related bodies corporate, or any of their respective officers, employees, directors, partners, representatives, agents or advisers or any other party referred to in this presentation.

The provision of this presentation is not and should not be considered as financial product advice, investment advice or a recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice. The information in this presentation does not take into account particular investment objectives, financial situation or needs of any person. You should make your own assessment in preparing any research report or other assessment of an investment in the Company and should not rely on this presentation. You should seek legal, financial, tax and other advice appropriate to your jurisdiction.

### DISTRIBUTION

Distribution of this presentation outside Australia may be restricted by law. Persons who come into possession of this presentation who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER OR ADVERTISEMENT

The information in this presentation is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to apply for or purchase any securities and neither this presentation nor anything contained herein shall form the basis of any contract or commitment and is not intended to induce any person to engage in, or refrain from engaging in, any transaction. This presentation does not constitute an advertisement for an offer or proposed offer of securities and does not contain any application form for any securities.

### FORWARD LOOKING STATEMENTS

This presentation contains forward looking statements which are statements that may be identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', 'intends' and other similar words that involve risks and uncertainties.

Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors of the Company and management. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this presentation will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.