

**ASX Announcement**  
(ASX:RAN)

25 October 2018

**Appendix 4C September Quarter 2018**

Range International Limited ('Range' or 'Company'), manufacturer of Re>Pal™ 'zero-waste', recycled plastic pallets, presents its Appendix 4C for the quarter ended 30 September 2018.

**HIGHLIGHTS**

- Cash balance at the end of the September 2018 quarter was US\$4.0M.
- Sales of US\$367k for the quarter.
- Appointment of CEO - Stephen Bowhill to strengthen and focus on sales, marketing and strategic activities.
- Appointment of Director - Peter Wallace with Company Director and Corporate advisory experience.
- Electricity costs have been lowered, for a maximum period of one year following negotiation with the electricity retailer.
- New raw materials supplier sourced. New processes in place to have more control over costing.
- The market for dry, clean waste in Indonesia is tighter on supply than would be expected on the surface, increasing prices over our expectation of the benchmark. We are working on a variety of solutions with different partners to add new supply for this type of waste and aiming for lower pricing.
- Removed Factory Manager and Sales Manager.
- Sales people are being recruited for Indonesia and aim to close two (2) new appointments by November.
- Range remains highly focused on multi-national companies, large pan Asia companies that understand and value the sustainability benefits we bring to their supply chain.
- Launched a new Lifetime Value Calculator at Responsible Business Forum in Singapore to draw out these benefits to prospects.
- Re-started Re>Pal's LinkedIn and Twitter accounts and revised web-sites.

**OPERATIONAL UPDATE**

In the quarter, the FTI Consulting business review concluded. The Company engaged a new primary raw material supplier and several changes in staffing occurred. In particular the Factory Manager and the Sales Manager, operations were slightly disrupted. However, 33,325 pallets were sold.

Direct sales people focused their efforts in Indonesia, Philippines, Thailand and via a growing indirect reseller network.



The Company has reduced the electricity costs for a maximum period of 12 months following negotiation with the electricity retailer, saving the Company up to USD\$180,000 on an annualised basis.

Range is focused on areas of improving efficiency in the current production process to enable the business to handle the volumes of plastic processing as envisaged in the factory's design. It is anticipated that around USD\$120-USD\$150k as a once off spend to be required to improve our pelletizing rates. This work will occur either in Q4 2018 or early in Q1 2019 a report to the market will be made on the result. Similarly, the Waste Water Treatment Plant (**WWTP**) will be a focus in Q4 2019 to review its operation. Purchasing dirty, raw material rather than clean, dry plastic gives Range more flexibility in its supply. Currently the WWTP is not in operation. We will report on progress as this eventuates.

## **FINANCIALS**

33,325 pallets were sold during the Quarter and Sales Revenue of \$367k was recorded and closing stock is 10,047 pallets.

Closing cash on hand at 30 September 2018 was \$4.0m.

A search is underway for a permanent hire for the Factory Manager however current operations are not affected.

The Sales Manager is not being replaced in the immediate term, as I am personally working closely with the sales team. As a priority, and to further expand the sales pipeline two experienced Business Development Managers in Indonesia for the Jakarta Industrial areas are being recruited as a priority to further expand the sales pipeline.

### **Stephen Bowhill**

Chief Executive Officer  
[sb@rangeinternational.com](mailto:sb@rangeinternational.com)

### **About Range International:**

Range is a manufacturer of plastic pallets. Our ThermoFusion™ technology allows Range to make 'zero waste', 100% recycled and recyclable plastic. Range currently has production lines operating in its East Java factory in Indonesia and sells its pallets under the brand Re>Pal™, supplying pallets into Indonesia and across Asia/ globally.

Media: [media@rangeinternational.com](mailto:media@rangeinternational.com)

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

RANGE INTERNATIONAL LIMITED

**ABN**

22611998200

**Quarter ended ("current quarter")**

September 2018

Consolidated statement of cash flows	Current quarter	Year-to-date (9 months)
	US\$'000	US\$'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	404	1,227
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(239)	(1,695)
(c) sales, advertising and marketing costs	(81)	(82)
(d) leased assets	-	-
(e) staff costs	(101)	(874)
(f) administration and corporate costs	(903)	(2116)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21	62
1.5 Interest and other costs of finance paid	-	(4)
1.6 Income taxes paid	-	(48)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash (used in) operating activities</b>	<b>(899)</b>	<b>(3,529)</b>

Consolidated statement of cash flows		Current quarter	Year-to-date (9 months)
		US\$'000	US\$'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(1,596)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) 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)	-	-
<b>2.6</b>	<b>Net cash (used in) investing activities</b>	-	(1,596)

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from financing activities</b>	-	-

Consolidated statement of cash flows		Current quarter	Year-to-date (9 months)
		US\$'000	US\$'000
<b>4.</b>	<b>Net (decrease) in cash and cash equivalents for the period</b>	<b>(899)</b>	<b>(5,125)</b>
4.1	Cash and cash equivalents at beginning of quarter/year to date	4,980	9,656
4.2	Net cash (used in) operating activities (item 1.9 above)	(899)	(3,529)
4.3	Net cash (used in) investing activities (item 2.6 above)	-	(1,596)
4.4	Net cash from financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(30)	(480)
4.6	Cash and cash equivalents at end of quarter	4,051	4,051

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter US\$'000	Previous quarter US\$'000
5.1	Bank balances	4,051	4,980
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>4,051</b>	<b>4,980</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter US\$'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	74
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
6.1	Directors remuneration.	

7. Payments to related entities of the entity and their associates	Current quarter US\$'000
7.1 Aggregate amount of payments to these parties included in item 1.2	5
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

7.1 Payments to associate entity of Director.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end US\$'000	Amount drawn at quarter end US\$'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	US\$'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(520)
9.3 Advertising and marketing	(120)
9.4 Fixed assets	(150)
9.5 Staff costs	(210)
9.6 Administration and corporate costs	(605)
<b>9.7 Total estimated cash outflows (excludes revenue)</b>	<b>(1,605)</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

### **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.



Sign here: \_\_\_\_\_

Date: 25 October 2018

Company Secretary

Print name: Kim Bradley-Ware

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.