

Range International Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity: Range International Limited
ABN: 22 611 998 200
Reporting period: For the year ended 31 December 2021
Previous period: For the year ended 31 December 2020

2. Results for announcement to the market

	31-Dec-21	31-Dec-20	Movement	
	US\$'000	US\$'000	\$	%
Revenues from ordinary activities	1,830	1,422	408	28.7%
Loss from ordinary activities after tax attributable to the owners of Range International Limited	(3,100)	(2,987)	(113)	(3.8%)
Net loss for the year attributable to the owners of Range International Limited	(3,100)	(2,987)	(113)	(3.8%)

Dividends

There were no dividends paid, recommended or declared during the current financial year.

Comments

The loss for the consolidated entity after providing for income tax amounted to US\$3,100k (31 December 2020: US\$2,987k).

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	<u>0.72</u>	<u>1.62</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial year.

Previous period

There were no dividends paid, recommended or declared during the previous financial year.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are in the process of being audited. There is likely to be an emphasis of matter regarding the going concern basis of preparation of the final report.

11. Signed

Signed  _____

Richard Jenkins
Executive Chairman

Date: 28 February 2022

Range International Limited

ABN 22 611 998 200

Preliminary Annual Report - 31 December 2021

Range International Limited
Preliminary annual report
31 December 2021

The preliminary annual report covers Range International Limited as a consolidated entity consisting of Range International Limited (the Company) and its subsidiaries (the Group) it controlled at the end of, or during, the year. The financial statements are presented in US dollars, which is the Company's presentation currency. The Company's functional currency is Australian dollars.

Review and results of operations

Range International Limited (Range or the Company) posted a 28.7% increase in group revenue to \$1,820k for the 12 months ended 31 December 2021 (FY2020: \$1,422k).

During the year, the Group incurred an operating loss after tax of \$3.1 million (FY2020: \$3 million), net operating cash outflows of \$2.8 million (FY2020: \$1.6 million), net investing cash outflows of \$0.2 million (FY2020: \$0.04 million) and financing cash inflows of \$3.7 million (FY2020: \$1.6 million).

As at 31 December 2021 the Group has cash and cash equivalents of \$1.2 million (Dec 2020: \$0.49 million).

Board changes and COVID-19 impact

Stephen Bowhill tendered his resignation as Chief Executive Officer on 12 May 2021. Stephen served his 6-month notice period and his resignation as Chief Executive Officer and transition to Non-Executive Director took effect on 12 November 2021. As of 12 May 2021, Marcus Goldstein, was appointed as President Director of Indonesian Operations. In that role, he assumed most of the responsibilities that were previously undertaken by Stephen Bowhill.

During the year there were continued supply issues due to COVID-19 which had affected revenue, however, market conditions in Indonesia are improving with confidence returning to the economy after the lockdowns of Q3 2021. Most companies are still enforcing work from home conditions, with plans to return to office in 2022.

Capital Raising

On 25 August 2021 the Company announced a fully underwritten A\$3.6m non-renounceable entitlement offer. Shareholders were invited to participate in the offer on the basis of 1 new fully paid ordinary share in the Company at an issue price of A\$0.008 per New Share for every 1 existing share held.

On 17 September 2021 the Company successfully completed the fully underwritten non-renounceable entitlement offer which raised A\$3.6m (before costs). Completion of the capital raise, which was strongly supported by existing shareholders and Directors of the Company, has allowed the Company to progress its strategy towards both EBIT and cash flow positive in 2022.

Australian Manufacturing Operation

On 3 August 2021 the Company's wholly owned subsidiary, Re>Pal Australia (Re>Pal), signed a proposal to lease in Cairns, Queensland to establish an Australian manufacturing operation initially focused on a plastic fencing product made solely from Australian-sourced recycled plastic. The Company purchased equipment formerly owned by ReGen Plastics Pty Ltd, which was forced to cease operations when its parent entity went into liquidation. At that time, ReGen was operating successfully and was delivering finished product to its flagship client Botanica Property Group (Botanica). Botanica is developing an Over 50's resort in the northern suburbs of Cairns and is likely to be completed within 5 years. The Company has signed a conditional product supply agreement with Botanica for the purchase of plastic planks over the project's development period of 5 years.

To assist with the acceleration of the Company's Australian manufacturing operations in Queensland, the Company's Executive Chairman, Richard Jenkins, agreed to provide a convertible loan facility on commercial terms. The loan is only convertible with receipt of Shareholder approval at the 2022 Annual General Meeting. The loan facility is for a total of A\$400,000 and will earn interest at 10%, which is payable in arrears or at conversion.

On 14 October 2021 the Company announced that Re>Pal commenced manufacturing of commercial quantities of saleable recycled plastic products. Initially the focus will be on producing plastic planks used for fencing, garden beds and retaining walls as part of our 5-year product supply agreement with Botanic Property Group. So far we have made 2 deliveries to Botanica Lifestyle Resorts.

Re>Pal is also in the process of applying for both an R&D tax rebate and a non-binding joint Federal/State funding grant to facilitate an expansion of its existing plant.

Large New Orders from Indonesian Distributor

On 5 October 2021 it was announced that PT Jordan Trading and Consulting (PT Jordan) has signed two new orders for a total value of IDR 9.111 billion (approx. A\$876K). PT Jordan is a key distribution partner in Indonesia and the Company's best performing Indonesian-based distributor. These new orders include the NP 1210 L pallet and the new Re>Pal C48 pallet and will be distributed to parties who have not utilised the Company's pallets previously. The pallets will be delivered over 27 months, with the new Re>Pal C48 pallets being delivered until Q4 2023.

Range International Limited
Contents
31 December 2021

Consolidated statement of profit or loss	4
Consolidated statement of other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the consolidated financial statements	9

Range International Limited
Consolidated statement of profit or loss
For the year ended 31 December 2021

	Note	Consolidated 2021 US\$'000	2020 US\$'000
Revenue	1	1,830	1,422
Other income	2	105	86
Expenses			
Employee benefits expense	3	(749)	(763)
Depreciation and amortisation expense	3	(110)	(120)
Other expenses		(282)	(277)
Finance costs	3	(15)	-
Cost of sales		(3,155)	(2,634)
Sales and marketing expense		(219)	(151)
Professional fees		(430)	(322)
Impairment expense	3	-	(211)
Foreign exchange (loss)/gain		(75)	(17)
Loss before income tax expense		(3,100)	(2,987)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Range International Limited		<u>(3,100)</u>	<u>(2,987)</u>
		Cents	Cents
Basic loss per share	16	(0.55)	(0.84)
Diluted loss per share	16	(0.55)	(0.84)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of other comprehensive income
For the year ended 31 December 2021

	Consolidated	
	2021	2020
	US\$'000	US\$'000
Loss after income tax expense for the year attributable to the owners of Range International Limited	(3,100)	(2,987)
Other comprehensive loss		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign controlled entities	<u>(96)</u>	<u>(115)</u>
Other comprehensive loss for the year, net of tax	<u>(96)</u>	<u>(115)</u>
Total comprehensive loss for the year attributable to the owners of Range International Limited	<u><u>(3,196)</u></u>	<u><u>(3,102)</u></u>

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of financial position
As at 31 December 2021

	Note	Consolidated 2021 US\$'000	2020 US\$'000
Assets			
Current assets			
Cash and cash equivalents	4	1,245	490
Trade and other receivables	5	686	554
Inventories	6	134	118
Other current assets		37	28
Total current assets		<u>2,102</u>	<u>1,190</u>
Non-current assets			
Property, plant and equipment	8	6,742	7,243
Right-of-use assets	7	816	584
Other current assets		117	100
Total non-current assets		<u>7,675</u>	<u>7,927</u>
Total assets		<u>9,777</u>	<u>9,117</u>
Liabilities			
Current liabilities			
Trade and other payables	10	618	463
Borrowings	11	309	-
Provisions	12	2,273	2,650
Total current liabilities		<u>3,200</u>	<u>3,113</u>
Non-current liabilities			
Provisions	12	94	157
Total non-current liabilities		<u>94</u>	<u>157</u>
Total liabilities		<u>3,294</u>	<u>3,270</u>
Net assets		<u>6,483</u>	<u>5,847</u>
Equity			
Issued capital	13	114,969	111,239
Reserves	14	(28,048)	(28,054)
Accumulated losses		(80,438)	(77,338)
Total equity		<u>6,483</u>	<u>5,847</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of changes in equity
For the year ended 31 December 2021

Consolidated	Issued capital US\$'000	Reserves US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 January 2020	109,676	(28,108)	(74,351)	7,217
Loss after income tax expense for the year	-	-	(2,987)	(2,987)
Other comprehensive loss for the year, net of tax	-	(115)	-	(115)
Total comprehensive loss for the year	-	(115)	(2,987)	(3,102)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	169	-	169
Issue of shares, net of transaction costs	1,563	-	-	1,563
Balance at 31 December 2020	<u>111,239</u>	<u>(28,054)</u>	<u>(77,338)</u>	<u>5,847</u>
Consolidated	Issued capital US\$'000	Reserves US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 January 2021	111,239	(28,054)	(77,338)	5,847
Loss after income tax expense for the year	-	-	(3,100)	(3,100)
Other comprehensive loss for the year, net of tax	-	(96)	-	(96)
Total comprehensive loss for the year	-	(96)	(3,100)	(3,196)
Foreign Currency translation	-	(8)	-	(8)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	110	-	110
Issue of shares, net of transaction costs	3,730	-	-	3,730
Balance at 31 December 2021	<u>114,969</u>	<u>(28,048)</u>	<u>(80,438)</u>	<u>6,483</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of cash flows
For the year ended 31 December 2021

	Note	Consolidated 2021 US\$'000	2020 US\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,823	1,359
Payments to suppliers (inclusive of GST)		(4,227)	(2,959)
		(2,404)	(1,600)
Interest received		6	5
Interest and other finance costs paid		(8)	-
Government grants received		-	67
Income taxes paid		(346)	(7)
Net cash used in operating activities		(2,752)	(1,535)
Cash flows from investing activities			
Payments for property, plant and equipment	8	(205)	(44)
Net cash used in investing activities		(205)	(44)
Cash flows from financing activities			
Proceeds from issue of shares	13	3,989	1,611
Transaction costs related to share issue		(260)	(48)
Proceeds from borrowings		45	-
Repayment of borrowings		(54)	-
Net cash from financing activities		3,720	1,563
Net increase/(decrease) in cash and cash equivalents		763	(16)
Cash and cash equivalents at the beginning of the financial year		490	569
Effects of exchange rate changes on cash and cash equivalents		(8)	(63)
Cash and cash equivalents at the end of the financial year	4	<u>1,245</u>	<u>490</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 1. Revenue

	Consolidated	
	2021	2020
	US\$'000	US\$'000
Pallet sales - point of sales	1,830	1,422

Note 2. Other income

	Consolidated	
	2021	2020
	US\$'000	US\$'000
Other income	99	14
Interest income	6	5
ATO COVID-19 Cashflow Boost	-	67
Other income	105	86

Note 3. Expenses

	Consolidated	
	2021	2020
	US\$'000	US\$'000
Loss before income tax includes the following specific expenses:		
<i>Depreciation and amortisation</i>		
Leasehold improvements right-of-use assets	34	22
Property, plant and equipment	76	98
Property, plant and equipment - cost of sales	876	-
Total depreciation	986	120
<i>Impairment expense</i>		
Plant and equipment	-	211
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	11	-
Interest and finance charges paid/payable on lease liabilities	4	-
Finance costs expensed	15	-
<i>Employee benefits expense</i>		
Remuneration, bonuses and on-costs	1,182	929
Superannuation expenses	37	66
Net share-based payments expense	110	169
Less amounts included in Cost of sales	(580)	(401)
Employee benefits expense	749	763

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 4. Cash and cash equivalents

	Consolidated	Consolidated
	2021	2020
	US\$'000	US\$'000
<i>Current assets</i>		
Cash at bank	1,245	490
	<u>1,245</u>	<u>490</u>

Note 5. Trade and other receivables

	Consolidated	Consolidated
	2021	2020
	US\$'000	US\$'000
<i>Current assets</i>		
Trade receivables	301	318
Finance lease receivables	131	-
	<u>432</u>	<u>318</u>
Other receivables	254	236
	<u>686</u>	<u>554</u>

Note 6. Inventories

	Consolidated	Consolidated
	2021	2020
	US\$'000	US\$'000
<i>Current assets</i>		
Raw materials - at cost	1	22
Work in progress - at net realisable value	12	2
Finished goods - at net realisable value	121	94
	<u>134</u>	<u>118</u>

Note 7. Right-of-use assets

	Consolidated	Consolidated
	2021	2020
	US\$'000	US\$'000
Leasehold improvements - right-of-use	634	634
Translation differences	6	17
Less: Accumulated depreciation	(88)	(67)
	<u>552</u>	<u>584</u>
Office Lease - right-of-use	275	-
Less: Accumulated depreciation	(11)	-
	<u>264</u>	<u>-</u>
	<u>816</u>	<u>584</u>

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 8. Property, plant and equipment

	Consolidated	Consolidated
	2021	2020
	US\$'000	US\$'000
<i>Non-current assets</i>		
Plant and equipment - at cost	6,951	6,745
Less: Accumulated depreciation and impairment	<u>(3,167)</u>	<u>(2,282)</u>
	<u>3,784</u>	<u>4,463</u>
Building - at cost	2,439	2,479
Less: Accumulated depreciation and impairment	<u>(403)</u>	<u>(339)</u>
	<u>2,036</u>	<u>2,140</u>
Capital work-in-progress - at cost	<u>758</u>	<u>640</u>
Leased pallets - at cost	178	-
Less: Accumulated depreciation	<u>(14)</u>	<u>-</u>
	<u>164</u>	<u>-</u>
	<u>6,742</u>	<u>7,243</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment US\$'000	Building US\$'000	Capital work- in-progress US\$'000	Leased pallets US\$'000	Total US\$'000
Balance at 1 January 2020	4,872	2,284	1,573	-	8,729
Additions	1	-	45	-	46
Disposals	(2)	-	(277)	-	(279)
Exchange differences	(75)	(26)	(16)	-	(117)
Impairment of assets	(222)	-	-	-	(222)
Transfers in/(out)	684	1	(685)	-	-
Depreciation expense	<u>(795)</u>	<u>(119)</u>	<u>-</u>	<u>-</u>	<u>(914)</u>
Balance at 31 December 2020	4,463	2,140	640	-	7,243
Additions	55	-	205	178	438
Exchange differences	92	(35)	(10)	-	47
Transfers in/(out)	77	-	(77)	-	-
Depreciation expense	<u>(903)</u>	<u>(69)</u>	<u>-</u>	<u>(14)</u>	<u>(986)</u>
Balance at 31 December 2021	<u>3,784</u>	<u>2,036</u>	<u>758</u>	<u>164</u>	<u>6,742</u>

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 9. Intangibles

	Consolidated	
	2021	2020
	US\$'000	US\$'000
<i>Non-current assets</i>		
Development - at cost	277	277
Less: Accumulated amortisation and impairment	<u>(277)</u>	<u>(277)</u>
	-	-
Intellectual property - at cost	10,424	10,424
Less: Accumulated amortisation and impairment	<u>(10,424)</u>	<u>(10,424)</u>
	-	-
	<u>-</u>	<u>-</u>

Note 10. Trade and other payables

	Consolidated	
	2021	2020
	US\$'000	US\$'000
<i>Current liabilities</i>		
Trade payables	408	155
Other payables	<u>210</u>	<u>308</u>
	618	463
	<u>618</u>	<u>463</u>

Note 11. Borrowings

	Consolidated	
	2021	2020
	US\$'000	US\$'000
<i>Current liabilities</i>		
Convertible loan facility	<u>309</u>	<u>-</u>

Note 12. Provisions

	Consolidated	
	2021	2020
	US\$'000	US\$'000
<i>Current liabilities</i>		
Tax provisioning	<u>2,273</u>	<u>2,650</u>
<i>Non-current liabilities</i>		
Employee benefits	<u>94</u>	<u>157</u>
	<u>2,367</u>	<u>2,807</u>

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 13. Issued capital

	2021 Shares '000	Consolidated 2020 Shares '000	2021 US\$'000	2020 US\$'000
Ordinary shares - fully paid	902,743	361,371	114,969	111,239

Movements in ordinary share capital

Details	Date	Shares '000	Issue price	US\$'000
Balance	1 January 2020	201,055		109,676
Issue of ordinary shares	14 January 2020	160,316	US\$0.010	1,563
Balance	31 December 2020	361,371		111,239
Issue of ordinary shares	8 February 2021	90,000	US\$0.015	1,387
Issue of ordinary shares	20 September 2021	231,041	US\$0.006	1,332
Issue of ordinary shares	23 September 2021	220,331	US\$0.006	1,270
Costs of capital raising				(259)
Balance	31 December 2021	902,743		114,969

Note 14. Reserves

	Consolidated 2021 US\$'000	2020 US\$'000
Restructure reserve	(27,891)	(27,891)
Foreign currency reserve	(677)	(581)
Share-based payments reserve	520	418
	(28,048)	(28,054)

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Restructure Reserve US\$'000	Share based payment Reserve US\$'000	Foreign Currency Reserve US\$'000	Total US\$'000
Balance at 1 January 2020	(27,891)	249	(466)	(28,108)
Foreign currency translation	-	-	(115)	(115)
Share based payment transactions, net	-	169	-	169
Balance at 31 December 2020	(27,891)	418	(581)	(28,054)
Foreign currency translation	-	(8)	(96)	(104)
Share based payment transactions, net	-	110	-	110
Balance at 31 December 2021	(27,891)	520	(677)	(28,048)

Range International Limited
Notes to the consolidated financial statements
31 December 2021

Note 15. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 16. Earnings per share

	Consolidated	
	2021	2020
	US\$'000	US\$'000
Loss after income tax attributable to the owners of Range International Limited	<u>(3,100)</u>	<u>(2,987)</u>
	Number	Number
	'000	'000
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>567,563</u>	<u>355,677</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>567,563</u>	<u>355,677</u>
	Cents	Cents
Basic loss per share	(0.55)	(0.84)
Diluted loss per share	(0.55)	(0.84)