

ASX Announcement
28 April 2023

MARCH QUARTER 2023 ACTIVITIES REPORT
AND APPENDIX 4C

Range International Limited (ASX:RAN, **Company** or **Range**), manufacturer of Re>Pal™ 'zero-waste', recycled plastic pallets, plastic fencing and retaining wall products presents its Quarterly Activities Report and Appendix 4C for the quarter ended 31st March 2023.

QUARTER HIGHLIGHTS

- Q1 2023 sales revenues increased 40% from Q4 2022 but were 7% below FY 2022's quarterly average.
- Company's cash outflow for the quarter was US\$44k compared to cash outflow US\$15k in Q4 2022 and a quarterly average in FY2022 of US\$193k.
- The Indonesian business was cashflow positive and delivered its best ever result, +36% gross margin (as percentage of revenue), to track in line with improvements achieved in Q1, Q2 and Q3 2022.

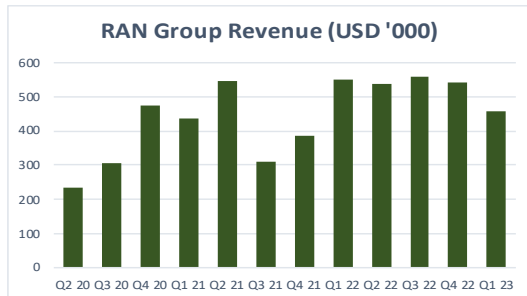
OPERATIONAL UPDATE - INDONESIA

- Q1 2023 sales results for pallets were a welcome recovery from the disappointing sales and deliveries experienced in November 2022 through to January 2023, with the business achieving success with existing and new customers and delivering a 40% increase in sales over Q4 2022.
- Production volumes returned to 'normal' levels by February which resulted in positive gross margins for the quarter and positive operating margin in March.
- Our low cost, 'ECO' pallet range was launched In February and has been well received with sales increasing in line with expectations and with orders of the 'ECO' pallets now extending through to next quarter. These lower cost pallets offer a great solution for one-way exporters especially where a plastic pallet is preferred over timber and complement the Company's standard PREMO pallets.
- Management's drive to reduce raw materials costs continued - accessing new waste plastic sources that has helped reduce COGS to record lows per kg.

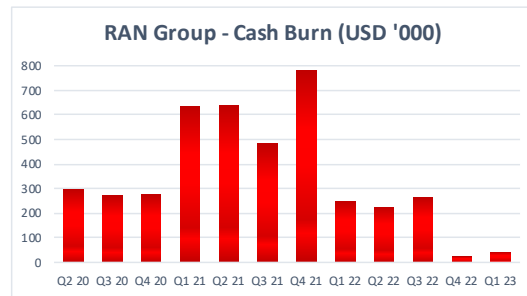
OPERATIONAL UPDATE - AUSTRALIA

- Production and sales of the Company's fencing and landscape products were mothballed in Q1 2023.
- Given the Company's cash flow and capital constraints, reluctantly the Range Board has decided to sell the Company's fledgling pilot plant and expects to conclude the transaction in Q2 2023.

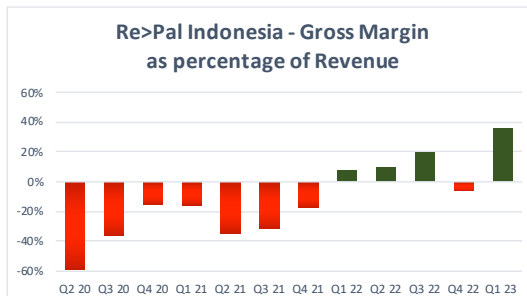
RANGE FINANCIAL SUMMARY



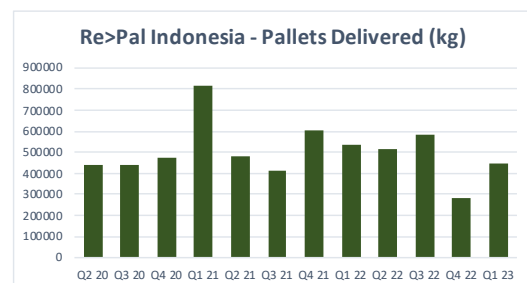
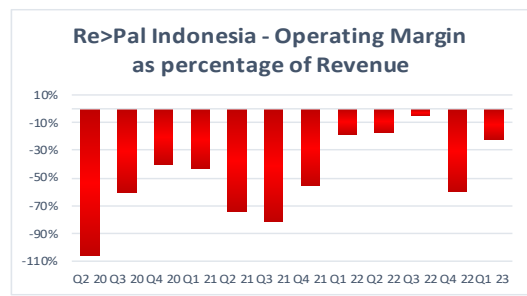
Despite a soft January, Q1 2023 maintained recent quarterly revenues levels deriving all revenues from sales.



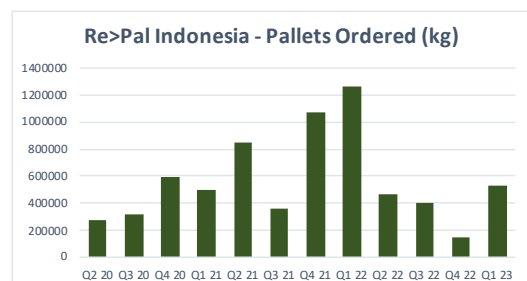
Q4 2022's improvement in cash burn was maintained with the Indonesian business being cash flow positive for Q1 2023.



Q1 2023 saw Gross Margin as percentage of Revenue rebound strongly with improved sales orders and higher production levels. The recovery in Gross Margin, carried through to Operating Margin however non-variable production expenses with low production in January kept Op Margin negative.



Pallets delivered (shipped and invoiced) in February and March shows the recovery from Q4 2022.



From the disappointing levels of Q4 2022 and January 2023, sales rebounded in February 2023.

CORPORATE UPDATE

The above charts illustrate the business focus and successes of Re>Pal Indonesia over the past year. The Group's liquidity pressures since June 2022 have been significant and the Indonesian business has successfully self-funded since Q3 2022.

The Board believes that Re>Pal Indonesia's gross margin can improve further as plans, that are underway, for reductions in feedstock costs come to fruition and that there is also potential for ongoing reductions in freight and manufacturing costs by relocating production. The Company hopes to conclude the sale of its Indonesian factory in Q2 and expects to relocate closer to its main sources of raw material and its main customer base by Q4 2023.

The relocation will also assist the Company's liquidity position which is currently hamstrung by the unresolved ITO assessment and the inter-related ASX trading suspension, both of which hamper efforts to expand and grow the business. Preliminary work on the post-sale-of-the-factory restructure is underway.

With the Company's positive gross margin in place, the strategic objective now is to expand operations – improve its sales capabilities and expand its production footprint and its range of pallets.

Tax Assessment

We have lodged our formal appeal to the recent Indonesian Tax Office assessment of withholding and value added taxes payable for the year ending 2018. The hearing of our appeal at the regional tax court may be subject to further delay but is expected to commence within 6 months. The Company has engaged a well-regarded tax lawyer and their opinion is that our position is strong. The matter may be successfully settled with the ITO at the regional level, if not, the Board intends to pursue the appeal to the tax court in Jakarta.

Annual Report and Release of 2022 Financial Accounts

The uncertainty around the tax audit postponed any debt or equity raising which resulted in a detailed examination of the Group's ability to continue as a going concern. Compliance with accounting standards has required assets, once identified for sale, to be revalued from 'fair' value to 'disposal' value. The finalisation of the revised valuations and the impairments as well as the complexity of the tax assessment and the associated tax provisions delayed the release of the audited FY 2022 accounts.

ASX ADDITIONAL INFORMATION AND APPENDIX 4C

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of Appendix 4C were nil, as the Directors do not receive any cash director fees.

The Company's Appendix 4C for the quarter ended 31 March 2023 is **attached**.

Richard Jenkins

Executive Chairman

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This announcement has been approved for release by the Board of the Company.

**About Range International:**

Range is a manufacturer of plastic pallets, plastic fencing and retaining wall products. 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. Range also has a production line in its Cairns, Australia factory where it makes plastic fencing and retaining wall products.

Forward looking statements:

This announcement may contain forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Such 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 Range International Limited or its Directors and management, and could cause Range International Limited's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Appendix 4C

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

Name of entity

Range International Limited

ABN

22 611 998 200

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3months) \$US'000
1. Cash flows from operating activities			
1.1 Receipts from customers		458	458
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(190)	(190)
(c) advertising and marketing		(46)	(46)
(d) leased assets			
(e) staff costs		(85)	(85)
(f) administration and corporate costs		(170)	(170)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	-
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		(12)	(12)
1.7 Government grants and tax incentives		-	-
1.8 Other (provide details if material)		1	1
1.9 Net cash from / (used in) operating activities		(44)	(44)
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 \$US'000	Year to date (3months) \$US'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)	-	-
3.2	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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(60)	(60)
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	(60)	(60)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	195	195
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(44)	(44)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3months) \$US'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(60)	(60)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	90	90

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 \$US'000	Previous quarter \$US'000
5.1	Bank balances	90	90
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	90	90

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1	Loan facilities	80	25
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		55
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	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(45)
8.2	Cash and cash equivalents at quarter end (item 4.6)	90
8.3	Unused finance facilities available at quarter end (item 7.5)	55
8.4	Total available funding (item 8.2 + item 8.3)	145
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.22
	<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>	

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 April 2023

Authorised by: ...Board of Directors
(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.