

ASX Announcement
31 October 2023

SEPTEMBER QUARTER 2023 ACTIVITIES REPORT
AND APPENDIX 4C

Range International Limited (ASX:RAN, **Company** or **Range**) manufacturer of Re>Pal™ 'zero-waste' plastic pallets presents its Quarterly Activities Report and Appendix 4C for the quarter ended 30th September 2023.

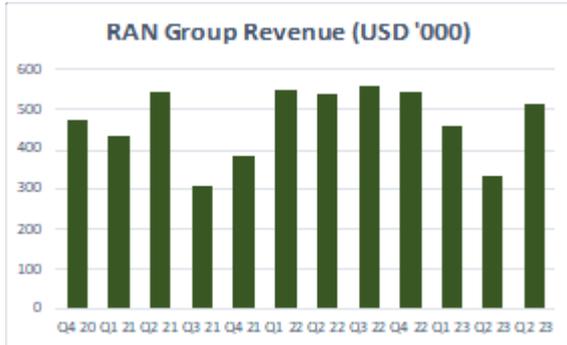
QUARTER HIGHLIGHTS

- In IDR terms, Q3's sales revenue was the Company's 2nd highest quarterly sales result however the strong USD impacted Re>Pal Indonesia's Q3 2023 sales revenues which at US\$508,647 were slightly below the FY2022's quarterly average.
- In the quarter ending 30 September 2023, Re>Pal Indonesia delivered 29% gross margin (gross profit excluding depreciation) as percentage of sales revenue and +2% operating margin as percentage of sales revenue, from an EBITDA profit of US\$9,499 including disposals of fixed assets for the quarter.
- As part of the restructuring of the Re>Pal Indonesia's plastic processing and pallet production, sales of plant and equipment identified as surplus, in Q3 2023, generated profit on disposal of US\$11,710.

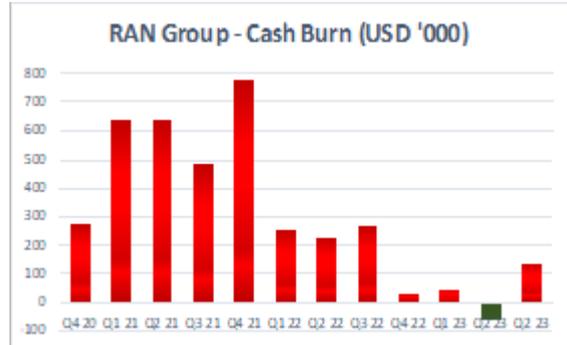
OPERATIONAL UPDATE - INDONESIA

- Efforts to lower feedstock costs and improve processing costs by outsourcing feedstock processing continue and recent COGS and gross margin levels have been maintained.
- Management is in discussions with a number of large Indonesian conglomerates to recycle and utilize their plastic waste production in their pallet purchase requirements.
- Plans to commission two new pallet molds – a heavy duty 1165 x 1165 pallet designed for the Australian market and a medium-weight 1200 x1100 pallet designed for 'closed loop' use with a large multi-national – are well advanced and pre-sales marketing support is now being completed.

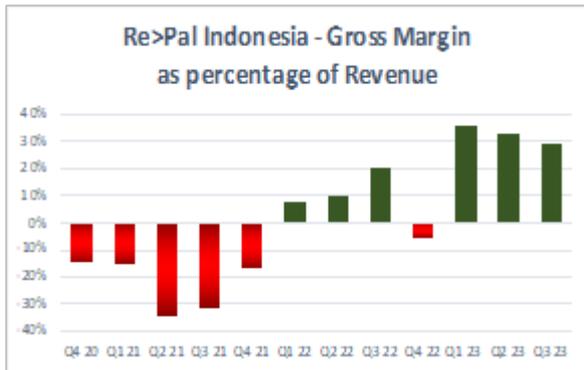
RANGE FINANCIAL SUMMARY



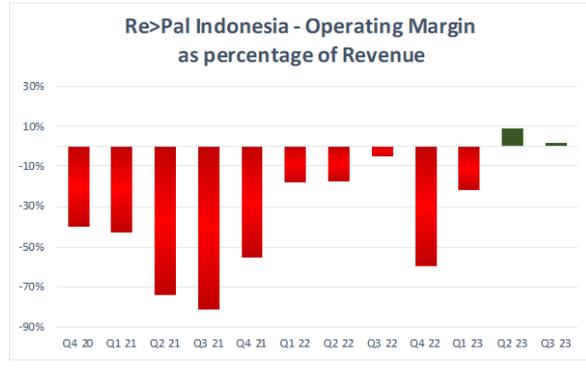
Q3 revenue recovered from the poor Q2 result. In IDR terms, it was the 2nd best result ever. YTD Sales Revenue of IDR 19.4 billion is on par with FY21 and is not likely to exceed 2022's record result of IDR28.7 billion for the full year.



Indonesia's Q3 cashflow was positive however parent entity costs resulted in negative cash flow for the Group. FY23 quarterly cash burn average of \$44k is a significant improvement on average FY22 cash burn of \$193k.



Q2's Gross Margin as percentage of Sales Revenue maintained the year's positive gross operating margin demonstrating the improvements in managing COGS.



Tight expense management and the recovery in Gross Margin, carried through to Operating Margin for the Indonesian operations, and resulted in small positive EBITDA for Q3 2023.



The improved operating gross margin, and continued interest from large multinationals to choose Re>Pal plastic pallets manufactured from their waste plastics contributes to the positive sales outlook as the business restructure continues. We expect improved sales outcomes from significant new business tenders made in H2 2023.

CORPORATE UPDATE

The Board is confident that the improvements in Re>Pal Indonesia's gross margin are stable and can be leveraged with a commitment to achieving higher sales and expanding the Company's pallet production. Opportunities to expand our production capabilities beyond Indonesia are being examined. The Indonesian business' continued positive gross margin underpins the Company's strategic objective to expand operations, improve our sales capabilities and leverage relationships with multi-national corporate customers.

The Company is in negotiations with an Indonesian company, for the sale and leaseback of its factory in East Java, with full settlement expected to be completed by mid-November 2023. The transaction will assist the Company's liquidity position which has remained extremely tight due to the as yet unresolved appeal to the Indonesian tax assessment and the inter-related ASX trading suspension.

The Company is yet to be advised of a hearing date for the appeals lodged, to the assessment by the Indonesian tax office for the year ending 2018 of withholding and value added taxes. Advice to the Board and the Board's opinion remains steadfast that our position is strong and that the matter can be successfully resolved.

The Group's liquidity pressures since September 2022 have been significant. The Indonesian business has successfully self-funded for the past year and has funded much of the operating costs of the parent entity throughout Q3 2023 however the parent company's funding requirements in Q3 2023 required the Company to borrow US\$13,000 on commercial terms, and unsecured, from a Related Party.

The Board is considering alternative sources of funds including an equity placement (subject to ASX and regulatory approval) to ensure that RAN's funding requirements are adequately covered.

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 30 September 2023 is **attached**.

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

Richard Jenkins

Executive Chairman and Company Secretary

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About Range International:

Range is a manufacturer of plastic pallets. Our ThermoFusion™ technology allows Range to make 'zero waste', 100% upcycled plastic pallets. 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 Pacific.

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")

30 September 2023

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (9months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	464	1,396
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(228)	(681)
(c) advertising and marketing	(22)	(79)
(d) leased assets	-	-
(e) staff costs	(159)	(534)
(f) administration and corporate costs	(191)	(424)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(14)	(44)
1.9 Net cash from / (used in) operating activities	(150)	(365)
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 (9months) \$US'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	11	217
	(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	11	217

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	13	13
3.6	Repayment of borrowings	(10)	(10)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	(13)
3.10	Net cash from / (used in) financing activities	3	(10)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	172	198
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(150)	(365)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	11	217

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9months) \$US'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3	(10)
4.5	Effect of movement in exchange rates on cash held	(4)	(8)
4.6	Cash and cash equivalents at end of period	32	32

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	32	32
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)	32	32

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>		

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

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
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)	(149)
8.2 Cash and cash equivalents at quarter end (item 4.6)	32
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	32
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.2
<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: Yes	
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: During Q3, RAN commenced negotiations for the sale and leaseback of its factory with expectations that settlement will occur before mid-November 2023.	
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: Yes	
<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: 31 October 2023

Authorised by: Arief Setyadi
Chief Financial Officer

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.