

ASX Announcement
31 January 2024

DECEMBER 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 31st December 2023.

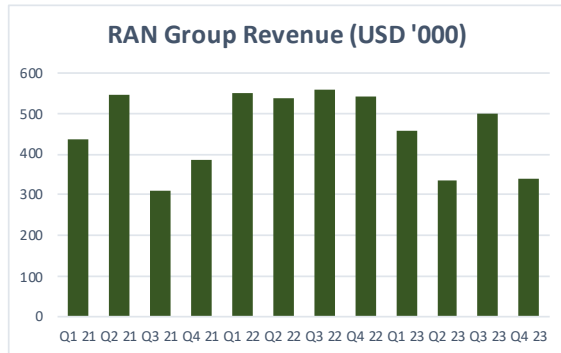
QUARTER HIGHLIGHTS

- In the quarter ending 31 December 2023, Re>Pal Indonesia delivered 22% gross margin (gross profit excluding depreciation as percentage of sales revenue) and -28% operating margin (EBITDA as percentage of sales revenue), from an EBITDA loss of US\$93,761 excluding the disposals of fixed assets.
- The HGB leasehold on factory was sold and fully settled in Q4 2023. The sale provided critical working capital and the agreement included a 12 month, zero-cost, 'right to occupy' so that manufacturing and production of our Re>Pal pallets will continue in East Java until the end of 2024.
- The cash generated from the leasehold sale ensures the viability the Re>Pal business over the next 12 months and allows implementation of delayed staffing changes and the purchasing of molds and equipment and efficiency modifications.

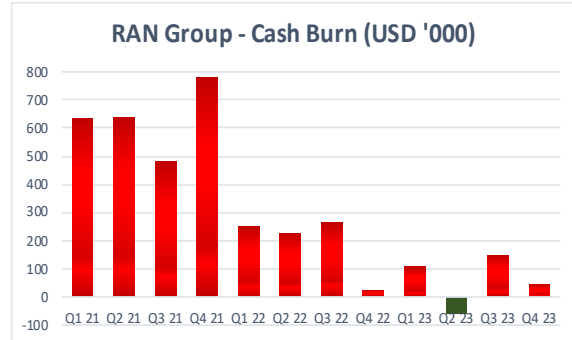
OPERATIONAL UPDATE - INDONESIA

- Q4's customer sales revenue was US\$340,307 with average quarterly sales in 2023 of \$408k - below 2022's average sales revenues of \$546k per quarter.
- Efforts to lower feedstock costs and improve processing costs by outsourcing feedstock processing continue and recent COGS and gross margin improvements have been maintained.
- In Q4, the Company won a contract from PT Frisian Flag, a subsidiary of major multinational dairy producer, Friesland Campina, to supply 50,000 pallets that will utilize and recycle poly-al and multi-layered plastics. The new mold and other equipment for this contract has been ordered and production is expected to commence late in Q2 2024.

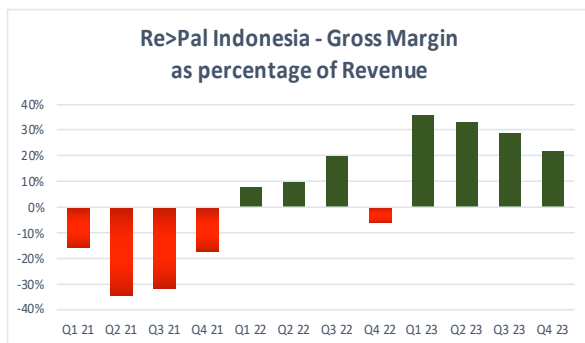
RANGE FINANCIAL SUMMARY



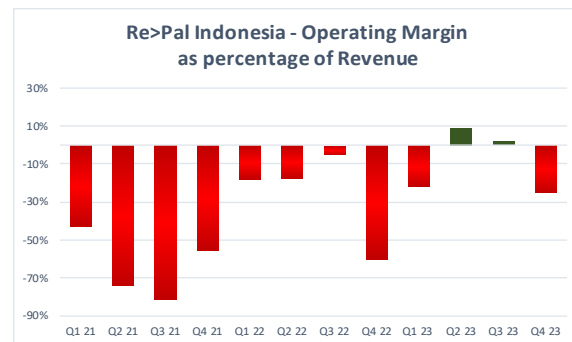
2023 ended with Q4's sales revenue from customers. Indonesia's FY23 Sales Revenue of IDR 24.7 billion was on par with FY21 but less than 2022's record result of IDR28.7 billion.



RAN's extreme tight cash management was required throughout Q4 and resulted in cash burn of \$44k for the quarter and FY23 cash burn totaling \$290k (vs FY22 of \$772k).



2023 Q4's Gross Margin as percentage of Sales Revenue maintained positive gross operating margin achieved during past 2 years, demonstrating sustained COGS improvements



Q4's lower sales and end of year expenses resulted in an EBITDA loss of \$94k – excluding disposal of leasehold property at slightly above book value – and Op Margin dropping to -28%.



Deliveries in Q4 was slightly below the 2023's quarterly average of 25.4k units. In Q4 2023, the Company won a contract to supply 50,000 pallets (25,000 in FY2024) with deliveries to commence in Q2 2024. Continued interest from large multinationals contributes to the positive sales outlook as the business restructure continues.



CORPORATE UPDATE

Since September 2022, RAN's liquidity pressures have been severe and throughout, the Indonesian business has self-funded and has funded most of the operating costs of the parent entity throughout 2023.

The Company is yet to be advised of a hearing date for the appeals lodged regarding the assessment of withholding and value added taxes by the Indonesian tax office for the year ending 2018. Advice to the Board and the Board's opinion remains steadfast that our position is strong although it may take years for the legal process and a successful resolution of these matters.

The Company finalised negotiations with an Indonesian company for the sale of its factory in East Java and full settlement was completed in early December 2023. The factory leasehold sale resolved the Company's immediate and uncertain liquidity position and enabled the repayment of a short-term unsecured loan facility required in Q3 2023.

We will continue to manufacture in the East Java factory until Q4 2024, when the Company will relocate to Jakarta - closer to its customers and main sources of feedstock. Throughout the relocation process, manufacturing and production is expected to continue without interruption.

The Frisian Flag win in Q4 supports the Board's expectations for Re>Pal Indonesia's improved sales performance. The business' continued positive gross margin underpins the Company's strategy to expand its production, leverage relationships with multi-national corporate customers and improve its sales capabilities and performance.

The open position as Head of Sales for Re>Pal Indonesia was filled in mid-January 2024. Improving our sales performance in our home market is the priority while further analysis is undertaken of the identified opportunities to sell pallet production into other markets including Australia, to expand our production capabilities into Philippines and also to finance and meet existing customers' pallet rental requirements.

These opportunities will require additional funding and the Board is considering its potential sources of funds including an equity placement (subject to ASX and regulatory approval) to ensure that RAN is able to respond appropriately to the identified business opportunities and that its funding requirements are 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 31 December 2023 is **attached**.

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

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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")

31 December 2023

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (12months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	747	2,261
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(328)	(1,008)
(c) advertising and marketing	(25)	(104)
(d) leased assets	-	-
(e) staff costs	(194)	(727)
(f) administration and corporate costs	(243)	(666)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	(3)	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(1)	(45)
1.9 Net cash from / (used in) operating activities	(46)	(290)

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 (12months) \$US'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	1,221	1,317
	(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	1,221	1,317

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	(10)	(7)
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	(10)	(20)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	32	198
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(46)	(290)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,221	1,317

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12months) \$US'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(10)	(20)
4.5	Effect of movement in exchange rates on cash held	10	2
4.6	Cash and cash equivalents at end of period	1,207	1,207

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	431	32
5.2	Call deposits	776	-
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)	1,207	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	-

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	<input type="text"/>	
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.		
<input type="text"/>			

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(46)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,207
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,207
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	26.24
<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: : 30 January 2024

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.