



Eneco Refresh Limited (ABN 28 079 681 244)
 17 Denninup Way, Malaga WA 6090
 Tel: 08 **92487222** Fax: 08 92487233
 Email: info@eneco-refresh.com.au
 Website: www.eneco-refresh.com.au

Thursday, 27 October 2021

ASX Announcement
 (ASX: ERG)

Quarterly Activity Report to September 2021

Eneco Refresh Ltd (Eneco) is pleased to provide a review for the first quarter ending September 2021. Eneco manufactures at 7 bottled water factories across Australia and 1 plastic factory in Melbourne. There was no change in its business activities for the quarter.

Revenue by Cash Generating Units (CGU) compared to the same period last year are as follows:

<u>Cash Generating Units</u>	<u>Revenue</u>		<u>Variance</u>
	<u>July -</u>	<u>July -</u>	
	<u>Sept 21</u>	<u>Sept 20</u>	
	<u>\$'000</u>	<u>\$'000</u>	
Western Australia (WA)	767	698	10%
New South Wales (NSW)	367	390	-6%
Victoria (VIC)	383	307	25%
Northern Territory (NT)	370	360	3%
Queensland (QLD)	<u>538</u>	<u>435</u>	23%
Refresh Waters	2,425	2,190	11%
Refresh Plastics	<u>660</u>	<u>843</u>	-22%
Total	<u>3,085</u>	<u>3,033</u>	2%

There was no significant expenditure for the quarter. However, we had a higher than normal outflow of cash because a number of payments were made in the quarter that is for the full financial year, e.g. insurance premiums. A summary of expenditure incurred is as follows:

	<u>\$'000</u>
Product manufacturing and operating costs	2,396
Advertising and marketing	123
Leased premises	271
Staff costs *	735
Purchase of plant and equipment	44

* Includes \$91k paid as director fees and salaries



Refresh Waters

Refresh Waters has continued to do well, with a 11% increase in sales compared to the same period last year.

WA achieved good sales growth of 10%.

NSW was badly impacted by the long lockdown becoming the only CGU in Refresh Waters to deliver a negative sales variance.

VIC was also impacted by another round of lockdown. However, the sharp increase in industrial sales more than offset the drop in business deliveries of bulk water. This helped it achieve the best revenue growth in Eneco at 25%. To cope with the growth, a new distiller 5 times the capacity of the old one has been installed.

Sales in the NT continued to grow. We are currently organising for the old Melbourne distiller to be sent to Darwin. This will open up another revenue stream and help accelerate its turnaround.

QLD continued to do well both in revenue and profit. It is currently our most profitable CGU.

Refresh Plastics

Refresh Plastics sales has declined to pre-COVID level. This was further impacted because we were selling Petainer one-way PET kegs up to end of 2020 but are no longer doing so. We did manage to secure some new businesses but not enough to offset the loss of Petainer business.

This announcement was authorised for release by Henry Heng, Executive Chairman.

For more information, please contact:

Henry Heng

Executive Chairman

henry@eneco-refresh.com.au

Supplying Australia's purest drinking water since 1997

Eneco Australia Pty Ltd (ABN 16 631 139 261)

17 Denninup Way, Malaga WA 6090 T: 08 **92487222** F: 08 92487233 E: info@eneco-refresh.com.au

Refresh Waters Pty Ltd (ABN 20 115 000 318)

Perth - 17 Denninup Way, Malaga WA 6090 T: 08 **92487222** F: 08 92487233 E: info@refreshwaters.com.au

Kalgoorlie – 33/46 Great Eastern Hy, Kalgoorlie WA 6430 T: 08 **90222266** F: 08 90224468 E: kalgoorlie@refreshwaters.com.au

Melbourne – 11 Olive Grove, Keysborough Vic 3173 T: 03 **87128432** F: 03 97015744 E: melbourne@refreshwaters.com.au

Sydney – 3 Salisbury St, Silverwater NSW 2128 T: 02 **97484200** F: 02 97484366 E: sydney@refreshwaters.com.au

Darwin – 22 Hamaura Rd, East Arm NT 0822 T: 04 06841719 E: darwin@refreshwaters.com.au

Refresh Waters Queensland Pty Ltd (ABN 97 095 451 406)

Brisbane – 120 Mica Street, Carole Park Qld 4300 T: 07 **32711251** F: 07 38793019 E: brisbane@refreshwaters.com.au

Toowoomba – 600 Boundary St, Toowoomba Qld 4350 T: 07 **46590400** F: 07 46590411 E: toowoomba@refreshwaters.com.au

Refresh Plastics Pty Ltd (ABN 82 616 217 791)

t/a Ampo Plastics – 9 Olive Grove, Keysborough Vic 3173 T: 03 **97015600** F: 03 97015744 E: enquiries@refreshplastics.com.au



Rule 4.7B

Appendix 4C

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

Name of entity

Eneco Refresh Limited

ABN

28 079 681 244

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,174	3,174
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(2,396)	(2,396)
(c) advertising and marketing	(123)	(123)
(d) leased assets	(271)	(271)
(e) staff costs	(735)	(735)
(f) administration and corporate costs		
1.3 Dividends received (see note 3)		
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	38	38
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(309)	(309)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(44)	(44)
	(d) investments	(10)	(10)
	(e) intellectual property		
	(f) other non-current assets		
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	(54)	(54)
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		
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	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,455	1,455
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(309)	(309)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(54)	(54)
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,092	1,092

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	251	251
5.2	Call deposits	841	841
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)	1,092	1,092

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	91
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 \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	0	0
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	0	0
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	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(309)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,092
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	1,092
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.5
<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: 27 October 2021



Authorised by: Henry Heng, Executive Chairman
(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.