



31 October 2022

Quarterly Activities Report – Quarter ended 30 September 2022

The Directors of Cape Range Limited (**Company**) present the quarterly activities report for the 3 months ended 30 September 2022 for its operating subsidiary, Biztrak Business Solutions Sdn Bhd (**Biztrak**).

Financial Highlights

Third Quarter 2022 VS Third Quarter 2021

Biztrak recorded revenue of ~A\$118k (MYR 353k) for the third quarter of 2022, an improvement of over 23% from the revenue of the preceding year's corresponding quarter of ~A\$95k (MYR 286k). The higher revenue was mainly attributed to the increase in the Company's sales of Biztrak MSB software licenses, as well as software maintenance and customisation projects.

As a result of the improved revenue, Biztrak recorded a small profit of MYR 8.5k for the quarter, compared to a loss of MYR 53k for the previous corresponding quarter.

Business and Product Highlights

(1) Biztrak MSB – Desktop Accounting Software

During the quarter, the Biztrak MSB team completed the following enhancements:

- **Updated Goods Received Note Inspection & Print Raw Material Barcode Label program** – a plug-in application that allows users to enter quality control check status and values, and print barcode labels after entering Goods Received Note transactions in the Biztrak MSB application.
- A new **updated unit cost function** that allows the system to update the standard cost of finished goods after recalculating the total cost of all components of the particular finished product.
- Enhanced an existing customised Medical Claim Integration plug in application.
- **Biztrak Mobile application** – upgraded to allow admin to assign mobile users' accessibility by selected customers and products.

The Biztrak MSB team also completed the development of the following modules, which are currently pending user acceptance:

- Improved Financial Report Performance.
- Improved Account Receivable and Account Payable Aging Report Performance.

Work in progress - the on-going R&D tasks that are being undertaken by the Biztrak MSB team are as follows:

Cape Range Limited

ABN 43 009 289 481

Principal and Registered Office: 36 Prestwick Drive, Twin Waters, Queensland 4179

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- **Open Web API Services** to allow 3rd party integration with Biztrak MBS application with:
 - ✓ Customer Profile (Party List)
 - ✓ Customer Payment (Invoice Receipt)
- Enhancing the existing **customised auto archiving function**.
- Developing a new **Biztrak Customised Mobile application** for an existing customer to perform the tasks of receiving finished goods and sales order picking via a hand held computer.
- Performing an initial study for a new customisation project to track and reconcile member savings and loan facilities and dividend payouts.

(2) Biztrak Online – Cloud Accounting Software

During the quarter, Biztrak Online has been updated with new features and enhancements as follows:

- **Cash Payment and Cash Receipt** modifications and enhancements to cater for
 - ✓ Normal Cash Payment/Receipt
 - ✓ Invoice Payment/Receipt
 - ✓ Customer/Vendor Cash Refund
- **Duplicate** function in the following transaction screens:
 - ✓ Cash Receipt
 - ✓ Cash Payment
- **New business form templates:**
 - ✓ AR Debit Note Form
 - ✓ AR Credit Note Form
 - ✓ AP Debit Note Form
 - ✓ AP Credit Note Form
 - ✓ Sales Invoice Account Form
 - ✓ General Journal Form
 - ✓ Cash Payment Form
 - ✓ Cash Receipt Form
- A new report - **General Ledger Detail by Document** (with description)
- Enhanced the following import functions to enable users to more easily identify import data prepared in the import file (*.CSV):
 - ✓ General Journal
 - ✓ Sales Invoice (Account)
 - ✓ AR Debit Note
 - ✓ AR Credit Note
 - ✓ Cash Receipt
 - ✓ Invoice/DN Apply

Work in progress - the on-going R&D tasks currently being taken are as follows:

- A complete **Inventory Control module** to provide total control and visibility of inventory.
- **Open Web API Services** to allow 3rd parties integration with the Biztrak Online cloud accounting system.

(3) Biztrak WMS – Warehouse Management System

The **Biztrak WMS** team completed a number of enhancements during the third quarter of 2022, which include the following:

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- **Biztrak WMS Application**

- ✓ Auto allocation, with filter criteria of Full Pallet First and Pick Loose Balance from Loose Bin;
- ✓ Enhanced Inventory Balance showing movement quantity in and out;
- ✓ Enhanced Setting Access Audit for the following master settings:
 - Billing Company
 - Billing Group
 - Billing Profile
 - Billing Party
 - Charging Type
 - Logistics Profile
 - Source Mapping
 - Print Report Mapping
 - Carton Size
 - Postcode Mapping for mail delivery
 - Postcode Mapping for courier delivery
 - Package Group
 - Package Profile
 - Package Item
 - Combined Pick Criteria
- ✓ Enhanced Import Item and Item Wizard with the following new fields:
 - Item Variant Code
 - Warehouse Profile Code
 - Customer Branch Code

In addition, the Biztrak WMS team completed development of the following modules, which are currently pending user acceptance:

- **Biztrak WMS Integration with Customer's eCommerce Platform**
 - ✓ Web API Services to allow customer to push data to Biztrak WMS's Order module by:
 - Internal Request (Internal Staff)
 - Internal Request (Sales Marketing/Agent)
 - ✓ Allows customer to push Stock Returns data to Biztrak WMS Receive module;
 - ✓ Allows Biztrak WMS to push back Stock Returns confirmed receive data to customer.

Moving forward, we will further strengthen the Biztrak WMS in the following areas:

- **Biztrak WMS**
 - ✓ DHL Express Integration
 - ✓ Develop kitting master file setting and kitting wizard to simplify the ordering process.
- **Biztrak WMS Web Portal**
 - ✓ Extend customer integration to add Pallet No at Order module
 - ✓ Extend the Web API Services for the e-Commerce integration
 - ✓ Import item with file format (CSV)
 - ✓ Import consignee with file format (CSV)
 - ✓ Export ASN listing to excel
 - ✓ Export Order listing to excel

For the remaining of 2022, Biztrak will intensify its marketing and sales initiatives to improve sales.

Biztrak is currently undertaking promotional Malaysian roadshows in Klang Valley, Kuantan and Ipoh. Moving forward, sales & marketing events with strategic partners are being planned.

Strategically, Biztrak has established an alliance with the Malaysian Institute of Accountants (**MIA**) by providing MIA members with the right to a "buy 1 year and get 1 year free" subscription for Biztrak's Online Cloud Accounting. The offer is targeting MIA's professional accountants.

Biztrak's online marketing is actively focusing on Search Engine Optimisation to maintain the visibility of our website, as well as creating contents on different social media platforms to drive traffic to our website to generate leads for our sales team.

Expenditure (A\$'000)

Biztrak expenditure on the business activities undertaken during the quarter and described in this report are summarised below:

- Biztrak MSB: ~\$76k (MYR 230k), includes Malaysian staff costs and third-party server MSB hosting direct expenditure attributable to the product/service delivery
- Biztrak Online: ~\$39k (MYR 116k), includes Malaysian staff costs
- Biztrak WMS: ~\$19k (MYR 56k), includes Malaysian staff costs

During the quarter, a total of \$63k was paid to related parties of the Company as follows:

- \$57.5k for director fees paid to non-executive directors (including superannuation)
- \$4k for the provision of corporate, accounting and company secretarial services by a non-executive director
- \$1.5k related to payments for office rental

Authorised for release by the Board

Michael Higginson
Director/Company Secretary

Telephone: +61 42 999 5000

Appendix 4C

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

Name of entity

Cape Range Limited

ABN

43 009 289 481

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		118	404
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(7)	(19)
(c) advertising and marketing		-	-
(d) leased assets		-	-
(e) staff costs		(199)	(588)
(f) administration and corporate costs		(79)	(249)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		3	7
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)		(30)	(30)
1.9 Net cash from / (used in) operating activities		(194)	(475)
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 \$A'000	Year to date (9 months) \$A'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	(9)	(27)
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	(9)	(27)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,648	2,948
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(194)	(475)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(9)	(27)
4.5	Effect of movement in exchange rates on cash held	-	(1)
4.6	Cash and cash equivalents at end of period	2,445	2,445

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	2,445	2,648
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)	2,445	2,648

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	63
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	183	45
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	183	45
7.5	Unused financing facilities available at quarter end		138
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.		
	The facility, as disclosed in item 7.1 above, is an unsecured term loan with Maybank, Malaysia for MYR 550,000 at a rate of 6.65% and a term of 7 years		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(194)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,445
8.3	Unused finance facilities available at quarter end (item 7.5)	138
8.4	Total available funding (item 8.2 + item 8.3)	2,583
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	13.3
	<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:	
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:	
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:	
	<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.

31 October 2022

Date:

The Board of the Company

Authorised by:
(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.