



**Eneco Refresh Limited** (ACN 079 681 244)  
17 Denninup Way, Malaga WA 6090  
Tel: (08) 9248 3006  
Email: [info@eneco-refresh.com.au](mailto:info@eneco-refresh.com.au)  
Website: [www.eneco-refresh.com.au](http://www.eneco-refresh.com.au)

Monday, 30 October 2023

ASX Announcement  
(ASX: ERG)

## Quarterly Activity Report to 30 September 2023

Eneco Refresh Ltd (Eneco) is pleased to present a review for its performance for the first quarter ending September 2023. Total revenue for the quarter by Cash Generating Units (CGU) compared to the same period last financial year are as follows:

<u>Cash Generating Units</u>	<u>July 23 - Sept 23</u> \$'000	<u>July 22 - Sept 22</u> \$'000	<u>Variance</u> \$'000
Western Australia (WA)	946	883	7%
New South Wales (NSW)	825	654	26%
Victoria (VIC)	448	367	22%
Northern Territory (NT)	31	462	-93%
Queensland (QLD)	<u>684</u>	<u>604</u>	13%
<b>Refresh Waters</b>	2,934	2,970	-1%
<b>Refresh Plastics</b>	<u>544</u>	<u>588</u>	-7%
<b>Total</b>	<b><u>3,478</u></b>	<b><u>3,558</u></b>	-2%

Revenue dropped by 2% this quarter because of the sale of our Northern Territory property and business. However, as previously announced, the sale has also generated significant cash funds, which are being held for future investment. But for this anomaly, our revenue would otherwise have increased.

The increased outflow of funds last quarter was primarily due to 2 factors:

- Costs for the mandatory cleanup following the fire at our Melbourne factory, as mandated by EPA Victoria and Melbourne Water totalling \$1,790,000; and
- Payment of insurance premiums for the full year, amounting to \$256,287. This advance payment enabled us to achieve a total discount on the premium, noting that we have significant funds at bank.

A summary of expenditure incurred compared to the previous quarter is as follows:

	<u>Sept Quarter</u> \$'000	<u>June Quarter</u> \$'000
Product manufacturing and operating costs	2,015	1,682
Advertising and marketing	110	198
Leased premises	258	202
Staff costs <sup>1</sup>	1,266	839
Purchase of plant and equipment	233	-7
Clean up costs for fire at Melbourne factory <sup>2</sup>	1,790	-



<sup>1</sup> Includes \$61,000 paid as director fees and salaries

<sup>2</sup> We are currently pursuing legal action against our insurer to recover these costs. We have lodged separate claims with our insurer for assets, inventories, and business interruption and anticipate receiving \$1,973,000 within the next few weeks.

## **Refresh Waters**

NSW has performed exceptionally well, registering a significant 26% increase in revenue. This can be attributed in large part to the sale of bulk distilled water, one of our most profitable products.

VIC also demonstrated strong performance, with a growth of 22% primarily driven by increased sales to Woolworths.

QLD exhibited 13% growth, which was broad-based and expected to continue.

WA recorded a 6% increase in revenue.

Refresh Waters sold its Northern Territory operation on 15 Aug 2023 to Territory Springwater Au Pty Ltd as set out above.

While the persistent increase in business costs continue to impact our bottom-line the strong sales figures reflect robust growth and a promising start to the new financial year.

## **Refresh Plastics**

Following the fire incident at the Refresh Plastics factory, we continued to trade in plastic products, although the factory is presently not operational. We are pleased to note that many customers have returned to us, resulting in sales only slightly below pre-fire levels.

This announcement was authorised for release by Henry Heng, Managing Director.

For more information, please contact:

Henry Heng

Managing Director

[henry@eneco-refresh.com.au](mailto:henry@eneco-refresh.com.au)

**Eneco Australia** Pty Ltd (ABN 16 631 139 261)

17 Denninup Way, Malaga WA 6090 T: 08 92487222 E: [info@eneco-refresh.com.au](mailto:info@eneco-refresh.com.au)

**Refresh Waters** Pty Ltd (ABN 20 115 000 318)

**Perth** - 17 Denninup Way, Malaga WA 6090 T: 08 92487222 E: [info@refreshwaters.com.au](mailto:info@refreshwaters.com.au)

**Kalgoorlie** – 33/46 Great Eastern Hy, West Kalgoorlie WA 6430 T: 08 90222266 E: [kalgoorlie@refreshwaters.com.au](mailto:kalgoorlie@refreshwaters.com.au)

**Melbourne** – 95B Cheltenham Road, Dandenong Vic 3175 T: 03 87128432 E: [melbourne@refreshwaters.com.au](mailto:melbourne@refreshwaters.com.au)

**Sydney** – 3 Salisbury St, Silverwater NSW 2128 T: 02 97484200 E: [sydney@refreshwaters.com.au](mailto:sydney@refreshwaters.com.au)

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

**Brisbane** – 120 Mica Street, Carole Park Qld 4300 T: 07 32711251 E: [brisbane@refreshwaters.com.au](mailto:brisbane@refreshwaters.com.au)

**Toowoomba** – 600 Boundary St, Glenvale Qld 4350 T: 07 46590400 E: [toowoomba@refreshwaters.com.au](mailto:toowoomba@refreshwaters.com.au)

**Refresh Plastics** Pty Ltd (ABN 82 616 217 791)

t/a Ampil Plastics – 95B Cheltenham Road, Dandenong Vic 3175 T: 03 97015600 E: [enquiries@refreshplastics.com.au](mailto:enquiries@refreshplastics.com.au)



## 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 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,568	3,568
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(2,015)	(2,015)
(c) advertising and marketing	(110)	(110)
(d) leased assets	(258)	(258)
(e) staff costs	(1,266)	(1,266)
(f) administration and corporate costs	(126)	(126)
1.3 Dividends received (see note 3)		
1.4 Interest received	32	32
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (CSA Specialised Services for fire accident clean up)	(1,790)	(1,790)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,965)</b>	<b>(1,965)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(233)	(233)
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	250	250
	(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)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>17</b>	<b>17</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
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 (including AASB16 expense)	(92)	(92)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (AASB16 adjustments and depreciation)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(92)</b>	<b>(92)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,395	5,395
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,965)	(1,965)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	17	17
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(92)	(92)
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,355</b>	<b>3,355</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,156	4,218
5.2	Call deposits	2,199	1,180
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,355</b>	<b>5,398</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	61
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>		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	0	0
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	0	0
7.5	<b>Unused financing facilities available at quarter end</b>		
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.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,965)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,355
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	3,355
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	1.7
<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. Net cash outflow is mainly because of the cleaning costs required by EPA Victoria and Melbourne Water after the fire at our Melbourne factory. We are pursuing legal action against our insurer to recover the costs. We have lodged separate claims with our insurer for assets, inventories and business interruption and is expecting to receive \$1,973,000 within the next few weeks.		
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: This is not necessary as there is more than sufficient cash to cover our normal operation.		

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. Excluding the clean up cost of \$1,790,000, there is a net operating cash outflow of \$250,000. This is because insurance premiums amounting to \$256,287 has been made for the full financial year.

*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.*

## 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 October 2023 .....



Authorised by: ..... Henry Heng, Managing Director .....  
(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.