

ASX Announcement
31 October 2024

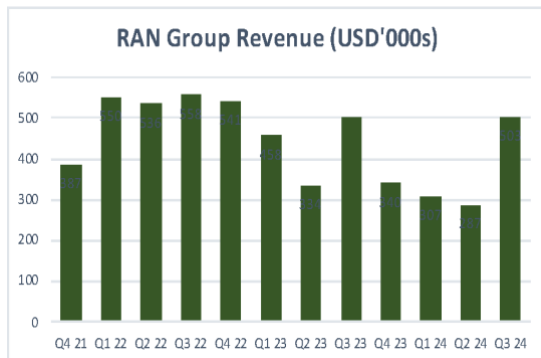
**SEPTEMBER QUARTER 2024 ACTIVITIES REPORT
AND APPENDIX 4C**

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 30 September 2024.

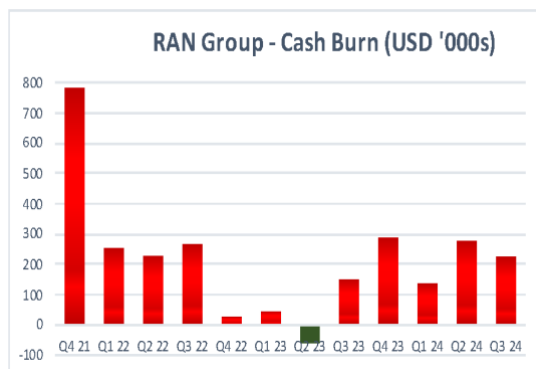
RE>PAL INDONESIA IS ON TRACK FOR A RECORD SALES REVENUE RESULT IN 2024 FOLLOWING THE 3RD QUARTER THAT PRODUCED ONE OF THE COMPANY'S BEST-EVER REVENUE RESULTS.

FINANCIAL SUMMARY

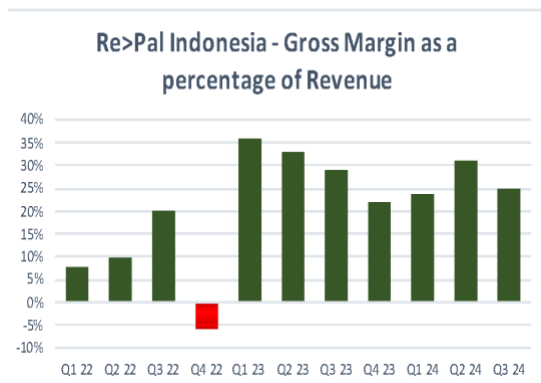
- Revenue in Q3 2024 was US\$517k, which was a 80% increase on Q2 2024 and up 38% on the 2023 quarterly average.
- 31,734 pallets were delivered by Re>Pal Indonesia in Q3 2024 which was 45% increase on Q2 2024 deliveries and 25% up on the 2023 quarterly average.
- In the quarter ending 30 September 2024, Re>Pal Indonesia delivered a +25% gross margin (gross profit excluding depreciation as a percentage of sales revenue) and -15% operating margin (EBITDA as a percentage of sales revenue) from an EBITDA loss of US\$76k for the quarter.
- Group cash burn in Q3 2024 was US\$224k, which was a 17% improvement on Q2 2024 however twice the 2023 quarterly average as a consequence of commencing to prepay legal fees associated with the court challenges of the tax matters and occupancy costs for 2025 as well as increasing levels of inventories of feedstocks, work-in-progress and finished goods associated with contracted orders and expected sales for H2 2024.



Sales Revenue of IDR 7.6B in Q3 24 produced one of the Company's best-ever revenue results. The prospect of posting the Company's best-ever year for Sales Revenue, despite a slow H1 in 2024, is achievable following the start to Q4 with October's sales exceeding sales Q1 2024.



Re>Pal Indonesia continues its tight cost management and is funding of the rest of the Group as well as the various 'one-off' costs associated with its continued production process restructure, the cost of introducing new pallets and equipment and R&D.



Over the past two years, significant improvements in Re>Pal's production processes and cost control as well as in sourcing and preparing alternative feedstock have been achieved. These efficiencies underpin the platform to grow EBITDA from increased sales.



Despite economic uncertainty impacting some key customers' investment and procurement budgets, Re>Pal's pallet deliveries rebounded in Q3 and the pipeline and outlook for the next quarters remains strong. Pallet production and delivery during Q3 was evenly spread across Re>Pal's light pallets through to its heavy-duty pallets, like the new HDX1210CBL racking pallet.

INDONESIAN OPERATIONS

To minimise production disruption risk while controlling cashflow during the 2nd half of 2024, we have extended Re>Pal Indonesia's right to occupy the existing factory premises through to 31 December 2025.

Q3 delivered a welcome recovery in domestic Indonesian and export sales reflecting the ongoing efforts to improve Re>Pal's "general" sales effectiveness. In addition to winning back old customers, a pleasing set of first-time customers were introduced - trialing and ordering Re>Pal pallets during Q3.

Re>Pal has designed and ordered a mold for a lighter-weight two-piece pallet mold that is based around the well-received HDX1210CBL pallet. We believe this pallet design is particularly well suited to pallet rentals and pre-delivery marketing efforts for this pallet have resulted in negotiations regarding both sales and rentals of the new HDX1210RL pallet with two large 3PL logistics companies.

Efforts to integrate pallet sales with our feedstock purchases to facilitate "project" sales with key, large manufacturing customers and prospects continues. Indonesia's Extended Producer Responsibility obligations and the welcome and growing understanding of the problem of plastic pollution especially of some 'hard to recycle' plastics, assists in our circular solution approach that integrates feedstock purchases with pallet sales and has contributed to Q3 results with recent sales successes.

Production for FFI commenced in the final week of Q3 and is contracted for the next 10 months. Pallet deliveries for this contract slowed in Q3 due to requested slower deliveries that contributed to a quarter-end increase in our finished pallet inventory as well as raw material and work-in-progress inventories. Despite this the Company was able to achieve near record sales for the quarter. The contracted delivery schedule recommenced at the end of Q3 and is expected to achieve targeted aggregate deliveries under the contract by year end.

We have revamped our [website](https://re-pal.com) (re-pal.com) – improving the messaging around the value proposition of our competitively-priced, durable and tough pallets. The new website also highlights Re>Pal's pallet's significant environment credentials - in particular, the substantially lower carbon footprint of our pallets compared to either timber or injection-molded pallets.

The new 'squeezer' equipment will be installed in Q4 and will be used to process plastic flake for use in the extruders. It produces superior quality feedstock at lower costs and will improve gross margins by a reduction in electrical consumption, labor

and repair and maintenance costs. The old equipment will be sold in December for more than the cost of the squeezer.

Plant and equipment from the Company's Cairns pilot plant was packed and shipped to Indonesia in Q3. We plan to commence R&D production in Q4 of the fencing products previously manufactured from recycled HDPE in Cairns, using alternative feedstocks and potentially a modified extrusion profile, to dramatically improve performance and reduce production costs to enable a more competitively priced fencing product for distribution in Australia and Asia.

Re>Pal Indonesia's extensive experience and expertise with compression molding can be applied to products other than pallets. Requiring similar production costs, some of these products have a higher per kg, achievable market value.

We have been trialing the manufacture of plastic boards to be used in outdoor furniture production. The 20mm and 40mm flat boards produced by Re>Pal from waste plastics are undergoing final testing with the manufacturer, with the expectation that we will commence production in November of 10 tonnes of plastic boards per month using plastics recovered from the waterways and estuaries in Bali.

CORPORATE UPDATE

The Company continues to assess initiatives to drive value for Shareholders in its operations. As part of these initiatives, the Company is considering a number of possible joint ventures, either with local suppliers of feedstocks or with established operators in neighboring overseas markets that would expand the Company's reach and scale for potential growth. These discussions remain ongoing, the Company remains hopeful that it will be able to announce these joint ventures in the near term.

The Board continues to work with its Indonesian legal advisors regarding the disputed 2018 Indonesian tax assessment. The hearing for the withholding tax matter commenced in Q3 and the scheduled hearings are expected to conclude by mid-January 2025 with a judgement delivered by early Q2. Regarding the VAT matter, the Company received notice that hearings are to commence in Q4 2024 and could continue through to July 2025 with a judgement expected before early Q4 2025. To date, there have been no material developments in the court hearings that have changed the advice to the Company.

Mr Neil MacDonald was appointed as a non-executive director of Range International replacing Mr Stephen Bowhill who resigned effective 10 September 2024. Mr Bowhill was previously CEO of Range and had been a director of Range

since March 2018. His sales and marketing experience and knowledge of the Indonesian market and commitment to Re>Pal's vision has made a valuable contribution to the Company.

The audit review of the financial accounts for the Company's 2024 half year was completed and lodged in the quarter. The Board was pleased with the result of the audit review (with an unmodified auditor's conclusion) which was a significant improvement from the Company's two previous audit outcomes. However, it has raised queries regarding the earlier audits (which was performed by a different auditor), which are continuing to be assessed by the Company.

The Board is aware of the urgency and is continuing its efforts to resolve any remaining issues impacting the suspension of RAN's securities listing on the ASX.

The Board is aware of its cash resources and the need to possibly access additional funding requirements in the future. The Board's efforts to raise capital has been significantly constrained by the Company's ongoing suspension on the ASX. To this end, the Board continues to liaise with the ASX to seek reinstatement to ASX. If reinstatement is achieved, the Company anticipates that its optionality to raise capital will significantly improve, which will assist to support the Company's growth plans for the future.

ASX ADDITIONAL INFORMATION AND APPENDIX 4C

In accordance with Listing Rule 4.7C, payments made to related parties and their associates are included in item 6.1 of Appendix 4C was US\$1,000 being the minimum amount payable as required under Indonesia labor law to Directors or Commissioners of an Indonesian Company, otherwise the Directors of Range International Ltd do not receive any cash director fees.

The Company's Appendix 4C for the quarter ended 30 September 2024 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")

30 September 2024

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	517	1,075
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(343)	(763)
(c) advertising and marketing	(2)	(9)
(d) leased assets	-	-
(e) staff costs	(101)	(309)
(f) administration and corporate costs	(244)	(658)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	8
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)	(52)	20
1.9 Net cash from / (used in) operating activities	(224)	(636)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(33)	(237)
(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	-	-
	(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	(33)	(237)

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	-	(7)
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	-	(7)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	525	1,208
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(224)	(636)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(33)	(237)

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)	-	(7)
4.5	Effect of movement in exchange rates on cash held	46	(14)
4.6	Cash and cash equivalents at end of period	314	314

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	248	47
5.2	Call deposits	66	478
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)	314	525

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>		

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 \$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 <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
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)	(224)
8.2	Cash and cash equivalents at quarter end (item 4.6)	314
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	314
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.40
<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: No. The quarter's cash burn was impacted by a number of extraordinary items (such as the prepayment of legal fees and occupancy costs). Accordingly, the cash burn is projected to improve in Q4.	
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: The Company is considering options to raise capital in the future. Part of the Company's challenge (to raising capital) has been due to the Company's ongoing suspension. The Company is working closely with ASX to resolve outstanding issues that may lead to the Company's securities being reinstated to ASX. Irrespective of whether this occurs, the Board is confident that it can raise capital if required in the short-term.	

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?

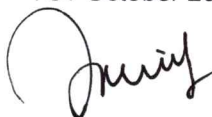
Answer: Yes. The Company anticipates that its Indonesian business will continue to improve its results and therefore, the Company will be able to continue its operations and meet its business objectives (which includes growth opportunities).

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: : 31 October 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.