Range International Limited

ABN 22 611 998 200

Annual Report - 31 December 2022

Range International Limited
Corporate directory
31 December 2022

Directors	Stephen Bowhill (Non-Executive Director) Richard Jenkins (Executive Chairman) Christopher Fong (Executive Director)
Company secretaries	Robyn Slaughter Maggie Niewidok (appointed 9 August 2022, resigned 15 November 2022) David Hwang (resigned 9 August 2022)
Registered office and principal place of business	Range International Limited Level 5, 126 Phillip Street Sydney NSW 2000
Share register	Automic Level 5, 126 Phillip Street Sydney NSW 2000
Auditor	LNP Audit and Assurance (appointed 30 August 2022) Level 8, 309 Kent Street Sydney NSW 2000
Bankers	ANZ Banking Group Limited
Stock exchange listing	Range International Limited shares are listed on the Australian Securities Exchange (ASX code: RAN)
Website	www.rangeinternational.com www.re-pal.com www.re-pal.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Range International Limited (referred to hereafter as the 'Company' or 'parent entity' or ‘Range’) and the entities it controlled at the end of, or during, the year ended 31 December 2022.

Directors
The following persons were directors of Range International Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Richard Jenkins	Executive Chairman
Stephen Bowhill	Non-Executive Director
Christopher Fong	Executive Director

The Company has retained Automic Group for company secretarial, finance and share registry services. Due to changes in personnel at Automic, the past year has seen the Company’s joint company secretary change twice. David Hwang resigned from his role of Joint Company Secretary on the 9August 2022. Maggie Niewdiok was appointed Company Secretary on 9 August 2022 and served until her resignation, which took effect on 15 November 2022. Robyn Slaughter has acted as Joint Company Secretary from July 2021 and remains in her role, now as the sole Company Secretary.

Principal activities
The Company is a manufacturer of recycled plastic products. In Indonesia our ThermoFusion™ technology allows us to make plastic pallets from 100% recycled mixed waste plastic. In Australia we manufacture plastic fencing and retaining wall panels from recycled plastic.

Dividends
There is no current intention for the Company to pay a dividend. In the event that the Company reaches profitability, it may consider the payment of a dividend, although for the foreseeable future it expects to reinvest any free cash flow in the further expansion of the business.

Review and results of operations
Information on the operations and financial position of the Group and its business strategies is set out in the review of operations and activities of this annual report.

Australian Manufacturing Operation
The Company’s pilot plant in Cairns began production of its fencing and retaining wall products from recycled plastic and in 2022, the Company pushed hard to gain recognition for our new-to-market recycled plastic fencing product. Re>Pal Australia is yet to receive significant sales traction. Recent events have forced the Board to curtail its plans to pursue these opportunities, A stronger balance sheet and cash position are required to progress the fledgling business.

Indonesian Manufacturing Operation
The Company’s Indonesian manufacturing business, producing pallets from mixed waste plastic, increased revenues by 12% and reduced its cost of goods sold, thereby improving its gross margin, net result and cash flow in 2022 compared to previous years. Plans scheduled for the latter part of the year to further lower the cost of production were delayed due to the uncertainty stemming from the tax audit of financial year 2018.

Significant changes in the state of affairs
In January 2023 the Group received a tax assessment from The Indonesian Directorate General of Taxes (“ITO”). The tax assessment was for an amount of IDR 47,253,968,434 ($3,041,970) in total, constituting withholding tax (“WHT”) and value added tax (“VAT”) of IDR 27,593,140,052 ($1,776,306) alongside interest and penalties of approximately IDR 19,660,828,382 ($1,265,664).

The ITO holds the view that funds raised by Range, and subsequently remitted to Re>Pal to fund the Indonesian operations, are loans that do not meet the WHT exemption requirements. The Company provided funds to its Indonesian subsidiary using interest free loans after 2018 and may be assessed for WHT in subsequent years. Range contends these loans subsequently converted to equity were made interest-free and meet the WHT exemption requirements. The Company received independent advice with respect to WHT and accordingly, a provision of $483,692 has been made in the consolidated financial report for financial year 2022. The ITO alleges that Re>Pal disposed of property, plant and equipment in FY2018 that should be subject to VAT despite the Company’s conclusive evidence supporting the facts that it still holds and uses items of equipment that the ITO claims were sold. The Company contends that it did not sell these assets and thus did not incur any VAT liability. The Company has received independent advice relating to this part of the assessment that assured the Company of its interpretation of the tax code with respect to VAT and accordingly a provision has not been provided for the FY2018 assessed VAT liability in the accounts.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year than disclosed in the financial report.

Going Concern
During the year, the Group incurred an operating loss after tax of $1,952,366 (FY2021: $3,100,667), net operating cash outflows of $814,212 (FY2021: $2,729,786), net investing cash outflows of $188,790 (FY2021: $231,406) and financing cash outflow of $38,841 (FY2021: $3,719,585 inflow).

As at 31 December 2022 the Group has cash and cash equivalents of $195,235 (Dec 2021: $1,244,961) and net current assets of $216,342 (Dec 2021: net current liabilities $965,363).

To preserve the cash on hand the Board implemented a number of cost-saving measures during the reporting period to reduce its cost base. These actions included optimising shifts, non-renewal of casual workers, outsourcing factory workers and laying off or rostering off permanent workers to better match immediate short-term production demands and negotiating new tariffs with our electricity supplier.

The operational improvements achieved during the year and planned for 2023 are expected to deliver for the first time positive gross operating margin and positive net operating margin at lower sales volumes. Sales grew 12% during the year which combined with COGS improvements, improved the cash burn and operating results of the Company. New customers were won in a competitive price-driven market that more than offset the Company's largest customer reducing its purchases by 36% (and now comprising about 16% of total sales). When sales and operating targets are not achieved, the ability of the Group to raise additional funds is essential to operate as a going concern. The ITO assessment relating to FY 2018 has cast doubt as to whether the Group can raise additional capital or obtain external financing.

The Board has identified non-core assets that are to be sold to provide funds to keep the business operating. The Board's strategy to further lower feedstock and operational costs, includes relocating feedstock production closer to the supply of suitable raw material. This decision means that the existing factory would be used only for pallet manufacture, and it is then too large and inefficient to justify being retained. In addition to the factory, the Board has selected other assets that it considers non-core including the fledgling Australian landscape-product manufacturing business and various items of older equipment in the Indonesian factory. Sales of these assets will provide cash to extend the time required for the Company to build the business case that provides investors' confidence that the business can operate while it resolves the legal challenge to the 2018 tax assessment.

As a consequence of identifying certain assets that could be sold by the Group, these assets have been stated at lower of carrying value and fair value less cost to sell. Significant impairments relating mainly to the factory building and construction-in-progress assets were made as a consequence of the decision to sell and resulted in the carry value of these assets of the Group reducing in 2022. At this time, the Board and management are of the opinion that assets expected to be sold will realise the amount at which they are recorded in the financial reports at 31 December 2022. No adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern. It continues to be the Board's ambition that Range International continues to operate and manufacture and produce pallets from recycled mixed plastic waste in 2023 and beyond.

Matters subsequent to the end of the financial year
The Group has engaged legal counsel in Indonesia and has lodged appeals relating to the assessment of value-added tax and withholding tax as mentioned above. The appeal is still ongoing at the date of signing this report and the outcome including potential financial impact are subject to uncertainty and are not practically able to be estimated. Management believes that the appeal will be successful.

On 14 January 2023, 12,000,000 options each issued to both Christopher Fong and Richard Jenkins lapsed. Neither Directors chose to exercise these options and they lapsed on their expiration date.

Apart from the above, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Directors believe the reductions in production and administrative costs combined with current and prospective sales in its pipeline will extend the Company's cash flow runway. The Board intends to continue its drive to improve the efficiency of the Indonesian business. As described above, the Company expects to change its approach to producing feedstock from raw mixed plastic waste materials and will contemplate joint venture opportunities that will deliver lower cost feedstock with assured supply and reduced processing costs.

Environmental and Governance

Environmental regulations

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law. The Group is required to adhere to numerous environmental regulations in Indonesia. The Group seeks to be compliant with all applicable environmental laws and regulations relevant to its operations. We monitor compliance on a regular basis, including through external and internal means, to minimise the risk of non-compliance.

Corporate governance

The Company and the Board are committed to achieving and demonstrating corporate governance standards commensurate with the size of the Company. The Company has reviewed its corporate governance practices against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) and the Company's corporate governance statement which can be found on its website via the following link:
https://www.rangeinternational.automic.com.au/documents

Information on directors

Name:	Stephen Bowhill
Title:	Non-Executive Director
Experience and expertise:	Stephen brings over twenty-five years of business leadership experience to Range International, with a proven track record and focus on sales growth and business transformation, having led and grown several businesses in Australia and run sales teams in Asia and Australia. Stephen joined Range as Chief Executive Officer in 2018 and was subsequently appointed as Managing Director. During the period from late 2018 until mid-2021, he was primarily responsible for introducing new and cheaper waste streams, new pallets, new strategic client relationships, improving COGS/GM and building relationships with NFP/ potential grant providers. Stephen stepped down as Managing Director of the Company in November 2021 due to Covid-19 making travel to Indonesia impractical and remains on the Board as a Non-Executive Director to help maximise Range's chances of success in the future. Stephen was previously a Director of the Australian and Asian activities for VivoPower International PLC, a Nasdaq listed global solar developer (NASDAQ: VVPR), and served on the Board of VivoPower's Australian subsidiary companies (Aevitas, Kenshaw and J.A.Martin). Prior to VivoPower, he was Managing Director of an Australian Securities Exchange (ASX) listed IT research company, IDEAS International (ASX:IDE). Within five years, he delivered a ten-fold increase in the company's valuation and secured its sale to Gartner Inc.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of the Audit and Risk Committee and a Member of Remuneration and Nomination Committee (Appointed 24 February 2022).
Interests in shares:	22,600,000
Interests in options:	24,000,000

Name:	Richard Jenkins
Title:	Executive Chairman
Experience and expertise:	Richard commenced work with Hill Samuel in 1979 in the Financial Markets Division. In 1986 Hill Samuel became Macquarie Bank and in the same year, Richard was appointed an executive director of the bank. In 1990 he became the Head of the bank's Equities group which included institutional and retail stocking broking and proprietary trading activities. He steered the offshore growth for Macquarie Bank and oversaw the establishment of offices in both the western and eastern hemispheres. In 1992 he joined the Executive Committee of the Bank and in 2000 he became co-head of the investment bank. In July 2001 he left Macquarie and in 2004 he set up Shell Cove Capital Management which holds an Australian Financial Services Licence. In 2018 Shell Cove established a fund that focuses on listed and unlisted small capitalisation stocks and the fund has been a shareholder of Range since mid-2018. Richard has spent extensive periods of time in Indonesia from 2010 until 2018.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of Remuneration and Nomination Committee and a Member of Audit and Risk Committee
Interests in shares:	100,282,031
Interests in options:	38,109,716 (26,109,716 options as at the date of this report)

Name:	Christopher Fong
Title:	Executive Director
Experience and expertise:	Chris is an Australian with thirty years of business experience in Indonesia. In 1992 he was appointed country manager (Indonesia) for media services group YRN, followed by Vice President, Marketing overseeing offices in 6 countries. In 1998 he became a managing partner in a Singapore based communications business that experienced significate growth associated with the Indonesian market. Over the following ten years, Chris managed a diverse range of projects from debt restructuring, crisis management, consumer and brand development to democratic and environmental reform on behalf of multinational corporations, family-controlled conglomerates and government.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Member of the Remuneration and Nomination Committee and the Audit and Risk Committee
Interests in shares:	29,374,518
Interests in options:	26,000,000 (14,000,000 options as at the date of this report)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretaries
David Hwang (resigned 9 August 2022)
Mr Hwang formerly worked in the company secretarial division of Automic Group, which provides market leading, cloud-based share registry technology, compliance and governance solutions, supported by a tailored range of professional services. Mr Hwang is an experienced Executive, Corporate Lawyer and Company Secretary specialising in listings on ASX (IPOs and reverse listings), equity capital markets and providing advice on corporate governance and compliance issues. Mr Hwang formally serves as outsourced Company Secretary and Non-Executive Director to a number of ASX listed entities. Mr Hwang holds a Bachelor of Laws from University of New South Wales.

Maggie Niewidok (Appointed 9 August 2022 and resigned 15 November 2022)
Ms. Niewidok is an admitted lawyer and Company Secretary who formerly worked at Automic Group, which provides market leading, cloud-based share registry technology, compliance and governance solutions, supported by a tailored range of professional services. Ms. Niewidok holds a double degree, Bachelor of Laws and Bachelor of Commerce majoring in Finance and a Graduate Diploma of Applied Corporate Governance from the Governance Institute.

Robyn Slaughter

Ms Slaughter works in the company secretarial division of Automic Group, which provides market leading, cloud-based share registry technology, compliance and governance solutions, supported by a tailored range of professional services. Ms Slaughter is a qualified Governance Professional (CGI) and an Associate of the Governance Institute of Australia (GIA), who holds a Master’s degree in Corporate Governance and a Bachelor’s degree in Accounting and Finance. Ms Slaughter currently serves as an outsourced Company Secretary and providers company secretarial support to various ASX listed, unlisted public and private companies across a range of industries including financial services, education, biotechnology and healthcare, technology, mining, cyber security and manufacturing.

Meetings of directors

The number of meetings of the Company’s Board of Directors (‘the Board’) held during the year ended 31 December 2022, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Stephen Bowhill	13	13	-	-	2	2
Richard Jenkins	13	13	-	-	2	2
Christopher Fong	10	13	-	-	2	2

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The Board has determined that the following individuals were KMP during FY22 within the meaning of Australia Accounting Standard AASB 124:

Name	Position title
Executive Directors	
Richard Jenkins	Executive Chairman
Christopher Fong	Executive Director
Non-Executive Directors	
Stephen Bowhill	Non-Executive Director

Stephen Bowhill was previously the Managing Director of the Company from 14 April 2020 – 12 November 2021, Chief Executive Officer from 10 September 2018 to 14 April 2020 and a Non-Executive Director of the Company from 28 February 2018 – 10 September 2018.

The terms ‘Non-Executive Directors’, ‘Executive Directors’ and ‘Executive Management’ are used in this Report to describe the persons grouped under these headings in the table above. ‘Executive KMP’ means the Executive Directors and Executive Management.

Principles used to determine the nature and amount of remuneration

Role of the Board and Remuneration and Nomination Committee

The Company's Board of Directors has reserved to itself for decision the following remuneration related matters:

(i) the determination of the CEO's remuneration arrangements and review of the CEO's performance; and

(ii) approval of:

a. the Company's remuneration policy including:

i. the remuneration of Executive Directors, the Chief Executive Officer, the Company Secretary and senior executives;

ii. Industrial instruments or agreements of general application to some or all of the Company's employees; and

iii. Incentive plans; and

b. the performance evaluation of senior executives and any other officers as the Board may determine.

To assist the Board in making decisions on the above matters, the Board has delegated responsibility to the Remuneration and Nomination Committee (**Committee**) in respect of:

- reviewing and making recommendations to the Board on the remuneration arrangements for the KMPs including contractual terms, annual remuneration and participation in any short or long term incentive plans;
- reviewing and recommending short term incentive strategies, performance targets and bonus payments for employees;
- reviewing and recommending to the Board implementation of, or any major changes to, employee equity incentive plans;
- recommending to the Board whether offers are to be made under the Company's employee equity incentive plans in respect of a financial year and the terms of performance hurdles or other conditions;
- assessing and recommending to the Board whether performance hurdles or other conditions have been satisfied in respect of a particular award under an employee equity incentive plan;
- overseeing the processes for the performance evaluation of the executives reporting to the Executive Chairman and reviewing the results of that performance evaluation process; and
- reviewing and approving the remuneration arrangements for senior management including contractual terms, annual remuneration and participation in any short or long-term incentive plans.

As at 31 December 2022 the Committee's three members were Non-Executive Director Stephen Bowhill, Executive Director Christopher Fong and Executive Chairman Richard Jenkins – Chair of the Committee.

No remuneration consultants were engaged during FY22.

Remuneration policy and link to performance

Remuneration Policy

The Company has established a formal remuneration policy to provide a framework for the making of decisions about pay design and reward to ensure fair and consistent decisions are made.

The purpose of the Company's pay design is to: attract, incentivise and retain the management talent the Company needs to build its business; balance value creation for shareholders, employees and customers; and drive good performance within a pay governance framework that is appropriate for an Australian listed company.

KMP remuneration elements FY22

Executive KMP remuneration in FY22 comprised of the following elements:

Component	Fixed remuneration
Determination	Based on relevant market relativities reflecting responsibilities, performance, qualifications, experience and geographic location.
Delivery	Salary plus benefits including any fixed elements relating to local markets such as superannuation or equivalents. All income taxation on net fixed remuneration is for the Company's account.
Total target remuneration	Set by reference to the relevant geographic market for each KMP which in FY22 was Australia. Intended to be positioned in the 60th percentile compared to the relevant market benchmark comparison. The Committee has determined that this is appropriate given the present size of the Company and market penetration of its product.

Non-Executive Directors remuneration
The Company's Non-Executive Directors are remunerated in accordance with the Company's Constitution which provides for an aggregate pool that is set and varied only by approval of a resolution of shareholders. The aggregated fee pool as set by the Constitution is currently set at A$500,000.

The Company's Non-Executive Director currently does not receive any cash Director fees for the role of chairing or being a Board/Committee member. Non-Executive Directors are entitled to be reimbursed for expenses reasonably incurred in performing their duties. Mr Bowhill did not receive any performance based remuneration, nor is he entitled to retirement or termination benefits other than statutory superannuation contributions (if applicable).

On 31 May 2022 the Company held an Annual General Meeting, at which shareholders approved the issue of 3,000,000 options to Mr Bowhill as part of his remuneration package and in lieu of Directors fees. Please see note 34 for further details.

Executive Director remuneration
The Company's Executive Directors currently do not receive any cash Director fees for the role of chairing or being a Board/Committee member. The Executive Directors are entitled to be reimbursed for expenses reasonably incurred in performing their duties. During the year Richard Jenkins and Christopher Fong did not receive performance based remuneration, and nor were they entitled to retirement or termination benefits, other than statutory superannuation contributions (if applicable).

On 31 May 2022 the Company held an Annual General Meeting, at which shareholders approved the issue of 9,000,000 options to Mr Jenkins and 5,000,000 options to Mr Fong as part of their remuneration package and in lieu of Directors fees. Please see note 34 for further details.

Loans and other transactions with KMPs or entities over which they have influence
The Company outsources the CFO and Company Secretarial role to Automic Group. Automic Group 2022 remuneration comprised of $223,592 exclusive of GST. Remuneration is paid on a retainer basis, with an additional out of scope hourly rate basis.

In respect of the underwritten non-renounceable entitlement offer undertaken in 2021, during the year and following receipt of shareholder approval at the Annual General Meeting held 31 May 2022, the Company issued 8,109,716 options to Shell Cove Investment Corporation, an entity attached to the Executive Chairman, Richard Jenkins, as fees payable for services in connection with the offer. Underwriting fees of $29,779 were paid to Kizoz Pty Ltd, an entity attached to Richard Jenkins.

During the year ended 31 December 2021, to assist with the acceleration of the Company's Australian manufacturing operations in Queensland, the Company's Executive Chairman, Richard Jenkins, provided a convertible loan facility on commercial terms for A$400,000 with interest at 10%. The loan was converted in the current year following receipt of shareholder approval at the 2022 Annual General Meeting, which resulted in the issue of 36,547,432 shares at a price of A$0.0118 per share on 24 June 2022 to Kizoz Pty Ltd, an entity attached to Richard Jenkins.

There were no other loans or transactions transacted with KMPs during FY22.

Details of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits				Post-employment benefits	Share-based payments	
2022	Cash salary and fees*** $	Cash bonus $	Annual leave $	Other benefits**** $	Super-annuation $	Equity-settled***** $	Total $
Non-Executive Director:							
Stephen Bowhill^	-	-	-	-	-	18,761	18,761
Executive Directors:							
Richard Jenkins**	-	-	-	-	-	26,343	26,343
Christopher Fong**	-	-	-	-	-	21,288	21,288
	-	-	-	-	-	66,392	66,392

	Short-term benefits				Post-employment benefits	Share-based payments	
2021	Cash salary and fees*** $	Cash bonus $	Annual leave $	Other benefits**** $	Super-annuation $	Equity-settled***** $	Total $
Executive Directors:							
Richard Jenkins**	-	-	-	-	-	27,287	27,287
Christopher Fong**	-	-	-	-	-	27,287	27,287
Stephen Bowhill^	211,448	9,541	-	17,257	14,522	27,287	280,055
	211,448	9,541	-	17,257	14,522	81,861	334,629

** On the 31 May 2022 the Company held an Annual General meeting, at which shareholders approved the issue of 9,000,000 options to Mr Jenkins and 5,000,000 options to Mr Fong as part of their remuneration package and in lieu of Director fees. Mr Jenkins and Mr Fong did not receive any remuneration in cash during 2021 and 2022. Please see Equity awards below for further details.

*** Includes the value of individual income taxes accrued on behalf of the KMPs by the Company.

**** Other benefits comprise car allowance, medical and other allowances.

***** Equity-settled share-based payments includes options only.

^ On the 31 May 2022 the Company held an Annual General Meeting, at which shareholders approved the issue of 3,000,000 options to Mr Bowhill as part of his remuneration package and in lieu of Director fees. Mr Bowhill did not receive any remuneration in cash for his role as Non-Executive Director in 2021 and 2022. Please see Equity awards below for further details.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		Variable – STI		Variable – LTI	
Name	2022	2021	2022	2021	2022	2021
Non-Executive Director:						
Stephen Bowhill	-	87%	-	3%	100%	10%
Executive Directors:						
Richard Jenkins	-	-	-	-	100%	100%
Christopher Fong	-	-	-	-	100%	100%

Share-based compensation

Issue of shares
There were no new shares issuances to directors and other key management personnel as part of compensation during the year ended 31 December 2022.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Options issued to Directors as part of their remuneration package and in lieu of Director fees on 31 May 2022 are on the following terms:

- the options are exercisable at A$0.02 (2.0 cents per share);
- the options were issued on 24 June 2022; and
- the options expire two years from the date of shareholder approval.

There were no other options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 31 December 2022.

Additional information
The earnings of the consolidated entity for the five years (from inception) to 31 December 2022 are summarised below:

	2022 $'000	2021 $'000	2020 $'000	2019 $'000	2018 $'000
Gross Revenue	2,054	1,830	1,422	1,655	1,655
Net loss after tax	(1,952)	(3,100)	(2,987)	(9,207)	(7,746)
Share price at year end *	A$0.006	A$0.018	A$0.016	A$0.018	A$0.022
Equity returns	nil	nil	nil	nil	nil

* Range voluntarily suspended its ASX stock listing on 28 December 2022.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ Other	Balance at the end of the year
Ordinary shares					
Richard Jenkins*	61,791,375	-	38,490,656	-	100,282,031
Christopher Fong	29,374,518	-	-	-	29,374,518
Stephen Bowhill**	22,600,000	-	-	-	22,600,000
	113,765,893	-	38,490,656	-	152,256,549

* Richard Jenkins holds his interests indirectly through Kizoz Pty Ltd, Shell Cove Investment Corporation and Shell Cove Capital Management.
** Stephen Bowhill holds interest directly and indirectly through Bowhill Family SF A/C.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ Forfeited/ Other	Balance at the end of the year
Options over ordinary shares					
Richard Jenkins*	21,000,000	17,109,716	-	-	38,109,716
Christopher Fong	21,000,000	5,000,000	-	-	26,000,000
Stephen Bowhill**	21,000,000	3,000,000	-	-	24,000,000
	63,000,000	25,109,716	-	-	88,109,716

* Richard Jenkins holds his interests indirectly through Kizoz Pty Ltd, Shell Cove Investment Corporation and Shell Cove Capital Management.
** Stephen Bowhill holds his interests indirectly through Ravishing Pty Ltd and Bowhill Family SF A/C.

This concludes the remuneration report, which has been audited.

Indemnity and insurance of officers
The Company has entered into a deed of access, indemnity and insurance with each Director, which confirms each Director's right of access to certain books and records of the Company while they are a Director and after they cease to be a Director. The deed also requires the Company to provide an indemnity for liability incurred as an officer of the Company and its subsidiaries, to the maximum extent permitted by law.

Pursuant to the Company's Constitution, to the fullest extent permitted by law, the Company must indemnify each officer of the Company and its wholly owned subsidiaries and may indemnify its auditor against any liability incurred as such an officer or auditor to a person (other than the Company or a related body corporate). The deed of access, indemnity and insurance restates this indemnity and also provides that the Company must advance to the Director, costs reasonably incurred by the Director in connection with certain proceedings.

The Company's Constitution also allows the Company to enter into and pay premiums on contracts of insurance, insuring any liability incurred by a current or former Director and officer of the Company. The deed of access, indemnity and insurance requires the Company to use its best endeavours to maintain an insurance policy, which insures the Director against liability as a Director and officer of the Company from the date of the deed until the date which is seven years after the Director ceases to hold office as a Director.

During the reporting period, the Company entered into and paid premiums on:
(i) a contract of insurance in respect of the Directors and other officers of the Company insuring them in accordance with the requirements of the Company's Constitution and the deeds of access, indemnity and insurance. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.
(ii) a contract of insurance in respect of the Directors insuring them for costs incurred in defending proceedings relating to alleged conduct involving a wilful breach of duty or a contravention of Sections 182 or 183 of the Corporations Act 2001 provided that to the extent it is finally established in a final and non-appealable judgement or adjudication adverse to the insured that such conduct occurred, any previously advanced amounts must be repaid to the insurer (as permitted by Section 199B of the Corporations Act).

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of LNP Audit & Assurance.
There are no officers of the company who are former partners of LNP Audit & Assurance Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

During the year under audit LNP Audit and Assurance Pty Ltd were appointed as auditor of the Company. The change follows the resignation of BDO Audit Pty Ltd (BDO Audit), and ASIC's consent to the resignation on 30 August 2022 in accordance with s329(5) of the Corporations Act 2001 (Act). The change of auditor has occurred due to the Company tendering the external audit service.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Richard Jenkins
Executive Chairman

3 May 2023

LNP Audit + Assurance

ABN 65 155 188 837

L8 309 Kent Street Sydney NSW 2000

L24 570 Bourke Street Melbourne VIC 3000

L14 167 Eagle Street Brisbane QLD 4000

1300 551 266

www.lnpaudit.com

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF RANGE INTERNATIONAL LIMITED

As lead auditor of Range International Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd

Archana Kumar
Director
Sydney, 3 May 2023

General information

The financial statements cover Range International Limited as a consolidated entity consisting of Range International Limited (the Company) and its subsidiaries (the Group) it controlled at the end of, or during, the year. The financial statements are presented in US dollars, which is the Group's presentation currency. The Group's functional currency is Australian dollars.

Range International Limited is a listed public company limited by shares on the Australian Securities Exchange (ASX: RAN), incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5, 126 Phillip Street
Sydney NSW 2000 Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 3 May 2023. The directors have the power to amend and reissue the financial statements.

Range International Limited
Consolidated statement of profit or loss
For the year ended 31 December 2022

	Note	Consolidated 2022 $	2021 $
Revenue	4	2,054,033	1,829,628
Cost of sales		(2,600,747)	(3,155,009)
Gross Margin		(546,714)	(1,325,381)
Other income	5	99,914	105,136
Expenses			
Employee benefits expense	6	(605,426)	(748,906)
Depreciation and amortisation expense	6	(182,651)	(110,379)
Impairment of assets		(1,465,224)	-
Loss on disposal of assets		(15,798)	-
Other expenses		(301,494)	(282,687)
Finance costs	6	(26,452)	(14,855)
Sales and marketing expense		(126,263)	(218,568)
Professional fees		(426,925)	(429,539)
Foreign exchange gain/(loss)		16,161	(75,488)
Loss before income tax benefit		(3,580,872)	(3,100,667)
Income tax benefit	7	1,628,506	-
Loss after income tax benefit for the year attributable to the owners of Range International Limited		(1,952,366)	(3,100,667)
		Cents	**Cents**
Basic loss per share	32	(0.21)	(0.55)
Diluted loss per share	32	(0.21)	(0.55)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of other comprehensive income
For the year ended 31 December 2022

	Consolidated	
	2022	**2021**
	$	**$**
Loss after income tax benefit for the year attributable to the owners of Range International Limited	(1,952,366)	(3,100,667)
Other comprehensive loss		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign controlled entities	(671,067)	(97,659)
Other comprehensive loss for the year, net of tax	(671,067)	(97,659)
Total comprehensive loss for the year attributable to the owners of Range International Limited	(2,623,433)	(3,198,326)

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of financial position
As at 31 December 2022

	Note	Consolidated 2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	8	195,235	1,244,961
Trade and other receivables	9	127,027	566,528
Inventories	10	251,634	133,866
Finance lease receivable	11	26,996	25,781
Other current assets		95,892	39,648
Total current assets		696,784	2,010,784
Non-current assets			
Property, plant and equipment	13	3,985,744	6,740,943
Right-of-use assets	12	564,182	816,183
Finance lease receivable	11	67,442	93,972
Other non-current assets		13,610	116,082
Total non-current assets		4,630,978	7,767,180
Total assets		5,327,762	9,777,964
Liabilities			
Current liabilities			
Trade and other payables	14	435,895	358,190
Borrowings	15	-	308,847
Lease liabilities	16	44,547	35,807
Provisions	17	-	2,273,303
Total current liabilities		480,442	2,976,147
Non-current liabilities			
Lease liabilities	16	36,566	223,957
Provisions	17	572,548	94,263
Total non-current liabilities		609,114	318,220
Total liabilities		1,089,556	3,294,367
Net assets		4,238,206	6,483,597
Equity			
Issued capital	19	115,132,120	114,969,078
Reserves	20	(28,503,277)	(28,047,210)
Accumulated losses		(82,390,637)	(80,438,271)
Total equity		4,238,206	6,483,597

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of changes in equity
For the year ended 31 December 2022

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 January 2021	111,239,000	(28,054,000)	(77,338,000)	5,847,000
Loss after income tax expense for the year	-	-	(3,100,667)	(3,100,667)
Other comprehensive loss for the year, net of tax	-	(97,659)	-	(97,659)
Total comprehensive loss for the year	-	(97,659)	(3,100,667)	(3,198,326)
Foreign Currency translation	-	(7,604)	-	(7,604)
Other movement	-	1,263	396	1,659
Transactions with owners in their capacity as owners:				
Share-based payments (note 33)	-	110,790	-	110,790
Issue of shares, net of transaction costs	3,730,078	-	-	3,730,078
Balance at 31 December 2021	114,969,078	(28,047,210)	(80,438,271)	6,483,597

Consolidated	**Issued capital $**	**Reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 January 2022	114,969,078	(28,047,210)	(80,438,271)	6,483,597
Loss after income tax benefit for the year	-	-	(1,952,366)	(1,952,366)
Other comprehensive income for the year, net of tax	-	(671,067)	-	(671,067)
Total comprehensive loss for the year	-	(671,067)	(1,952,366)	(2,623,433)
Transactions with owners in their capacity as owners:				
Share-based payments (note 33)		215,000	-	215,000
Issue of shares, net of transaction costs	297,900			297,900
Capital raising costs	(134,858)	-	-	(134,858)
Balance at 31 December 2022	115,132,120	(28,503,277)	(82,390,637)	4,238,206

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Range International Limited
Consolidated statement of cash flows
For the year ended 31 December 2022

	Note	Consolidated 2022 $	Consolidated 2021 $
Cash flows from operating activities			
Receipts from customers		2,432,081	1,823,413
Payments to suppliers and employees		(3,204,262)	(4,205,469)
		(772,181)	(2,382,056)
Interest received		2,862	5,718
Interest and other finance costs paid		(11,750)	(7,854)
Government grants received		97,052	-
Tax paid		(130,195)	(345,594)
Net cash used in operating activities	30	(814,212)	(2,729,786)
Cash flows from investing activities			
Payments for property, plant and equipment	13	(188,790)	(231,406)
Net cash used in investing activities		(188,790)	(231,406)
Cash flows from financing activities			
Proceeds from issue of shares		-	3,988,948
Transaction costs related to share issue		-	(260,398)
Proceeds from borrowings		73,000	45,000
Repayment of borrowings		(111,841)	(45,000)
Repayment of lease liabilities		-	(8,965)
Net cash (used in)/from financing activities		(38,841)	3,719,585
Net increase/(decrease) in cash and cash equivalents		(1,041,843)	758,393
Cash and cash equivalents at the beginning of the financial year		1,244,961	489,561
Effects of exchange rate changes on cash and cash equivalents		(7,883)	(2,993)
Cash and cash equivalents at the end of the financial year	8	195,235	1,244,961

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

The directors have prepared financial statements on a going concern basis which contemplates the continuity of normal business activity and realisation of assets and settlement of liabilities in the normal course of business.

During the year, the Group incurred an operating loss after tax of $1,952,366 (FY2021: $3,100,667), net operating cash outflows of $814,212 (FY2021: $2,729,786), net investing cash outflows of $188,790 (FY2021: $231,406) and financing cash outflows of $38,841 (FY2021: $3,719,585).
As at 31 December 2022 the Group has cash and cash equivalents of $195,235 (Dec 2021: $1,244,961) and net current assets of $216,342 (Dec 2021: net current liabilities $965,363).

The above factors give rise to a material uncertainty in relation to the Group’s ability to realise its assets and settle its liabilities at the amounts stated in the financial statements.

Based on Directors assessment and judgement the Group’s ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to:

- deliver its sales targets and meet its cash flow forecasts;
- improve its gross margins on the sale of pallets;
- manage its broader cost base;
- raise additional capital or obtain external financing if forecasts are not achieved.; and,
- sell assets in subsidiary companies

Accordingly, these financial statements have been prepared on a going concern basis. No adjustments have been made to the financial information relating to the recoverability or classification of the recorded asset amounts and classification of liabilities that may be necessary should the Group not continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (‘IASB’). The financial statements have been prepared on a going concern basis using historical cost conventions except for certain classes of Property, plant and equipment which have been measured at fair value or revalued amount.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Range International Limited ('Company' or 'parent entity') as at 31 December 2022 and the results of all subsidiaries for the year then ended. Range International Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Note 1. Significant accounting policies (continued)

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Functional and presentation currency
Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Company is Australian Dollars while the presentation currency of the financial statements is US Dollars. The Board resolved that the Company adopt US Dollars as its presentation currency of the financial statements as it believes US Dollars best reflects the global environment in which Range operates and is widely understood by Australian and international investors and analysts. All amounts shown are in US Dollars (unless otherwise stated).

Foreign currency translation
Foreign currency transactions
Foreign currency transactions are translated into US dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into US dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into US dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Leases
The consolidated entity has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee
The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones).

For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:
− Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
− Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
− The amount expected to be payable by the lessee under residual value guarantees;
− The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
− Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.
The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of - use asset) whenever:
− The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
− The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
− A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. During the year there was a lease modification in the Re-Pal Australia Pty Ltdwhich related to the office in Cairns.

Note 1. Significant accounting policies (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are included in non-current assets in the consolidated statement of financial position.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST or VAT, unless the GST or VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Going concern – refer note 1

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Provision for impairment of inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. Management considers the fair value of property plant and equipment on a regular basis via the use of valuation reports which are assessed by Management. On a conservative basis, Management has recorded the asset values as the lower of carrying value and fair value per these valuation reports. In the Indonesian entity, land and buildings have been recorded at disposal value per the valuation received by the property specialist.

Impairment of non-financial assets
The consolidated entity assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Taxes
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made. In December 2022 the Group received a tax assessment from The Indonesian Directorate General of Taxes which stated that the Group owed IDR 47,253,968,434 ($3,041,970) in taxes. The Group have engaged legal representation to contest this and believe that the claim will be successful. However, a provision has been provided for the amount of IDR 7,517,756,000 ($483,955) at year-end based on management's assessment.

In addition, in the current period management took the decision to reverse a provision held at a Group level for taxes in Singapore. This reversal amounted to $2,261,000. Management determined that the provision was no longer probable and reversed the provision on this basis.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Operating segments

Identification of reportable operating segments
The Group has determined operating segments based on the information provided to the Board. Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The Group operates predominately in two business segments, being the manufacture and sale of plastic pallets and the manufacture and sale of plastic fencing. The sales of plastic fencing in the new Australian segment are $26k and account for less than 10% of total sales.

Sales revenue by geographic location
Revenue obtained from external customers is attributed to individual countries based on the location of the customer. Most sales to external customers are made within Indonesia.

Note 3. Operating segments (continued)

Operating segment information

Consolidated - 2022	Indonesia $	Australia & New Zealand $	Thailand $	Philippines $	Other segments $	Total $
Revenue						
Sales to external customers	1,765,662	152,790	49,392	67,301	18,888	2,054,033
Total revenue	1,765,662	152,790	49,392	67,301	18,888	2,054,033
Cost of sale	(2,580,841)	(19,906)				(2,600,747)
Depreciation and amortisation	(123,449)	(58,802)	-	-	-	(182,251)
Impairment of assets	(1,465,224)	-	-	-	-	(1,465,224)
Other segment income and expenses	(553,906)	(832,777)	-	-	-	(1,386,683)
Loss before income tax benefit	(2,957,758)	(758,695)	49,392	67,301	18,888	(3,580,872)
Income tax benefit						1,628,506
Loss after income tax benefit						(1,952,366)
Assets						
Segment assets	5,039,382	288,380	-	-	-	5,327,762
Total assets						5,327,762
Liabilities						
Segment liabilities	184,218	905,338	-	-	-	1,089,556
Total liabilities						1,089,556

Consolidated - 2021	Indonesia $	Australia & New Zealand $	Thailand $	Philippines $	Other segments $	Total $
Revenue						
Sales to external customers	1,314,103	44,012	40,723	430,790	-	1,829,628
Total revenue	1,314,103	44,012	40,723	430,790	-	1,829,628
Cost of sale	(3,132,851)	(22,158)				(3,155,009)
Depreciation and amortisation	(95,931)	(14,448)	-	-	-	(110,379)
Other segment income and expenses	(1,514,336)	(150,571)	-	-	-	(1,664,907)
Loss before income tax expense	(3,429,015)	(143,165)	40,723	430,790	-	(3,100,667)
Income tax expense						-
Loss after income tax expense						(3,100,667)
Assets						
Segment assets	8,230,190	1,543,774	-	-	4,000	9,777,964
Total assets						9,777,964
Liabilities						
Segment liabilities	266,165	3,028,202	-	-	-	3,294,367
Total liabilities						3,294,367

Within the Indonesian segment there were two customers who accounted for over 10% of revenue within the Indonesian segment. These customers transacted sales of $320,368 (17%) and $292,119 (15%) respectively (2021: $473,332, 36%).

Note 4. Revenue

	Consolidated	
	2022	2021
	$	$
Pallet sales - point of sales	2,054,033	1,829,628

Accounting policy for revenue recognition
Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Sales are presented, net of value-added tax, GST, rebates and discounts.

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
The Group manufactures and sells a range of plastic pallets to different customers in Indonesia and other markets, as well as more recently the manufacture and sale of plastic fencing in Australia. Sales are recognised when the customer obtains control, which is generally at the time of delivery. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract / purchase order, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue invoiced and earned with every delivery at point of time. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Finance lease income
Finance lease income is recognised by applying the interest rate within the lease arrangement to the future lease payments and the estimated value of any unguaranteed end of term earnings or secondary income. Initial direct costs incurred in the origination of leases are included as part of the receivables in the Consolidated Statement of Financial Position.

Operating lease income
Operating lease income is recognized on a straight-line basis across the lease term. Costs, including depreciation, incurred in earning the lease income are expensed to the profit and loss. Any initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as an expense over the lease term on the same basis as the lease income. The depreciation for the underlying assets is in line with the company’s depreciation policy.

Note 5. Other income

	Consolidated 2022 $	Consolidated 2021 $
Other income	97,052	99,420
Interest income	2,862	5,716
Other income	99,914	105,136

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income
Other income is recognised when it is received or when the right to receive payment is established. Other income primarily relates to a USD $91,751 equivalent refund from the Australian taxation office.

Note 6. Expenses

	Consolidated 2022 $	Consolidated 2021 $
Loss before income tax includes the following specific expenses:		
Depreciation and amortisation		
Leasehold improvements right-of-use assets	59,652	34,249
Property, plant and equipment	122,999	76,130
	182,651	110,379
Finance costs		
Interest and finance charges paid/payable on borrowings	13,143	11,000
Interest and finance charges paid/payable on lease liabilities	13,309	3,855
Finance costs expensed	26,452	14,855
Employee benefits expense		
Remuneration, bonuses and on-costs	1,406,043	1,182,954
Superannuation expenses	13,408	37,456
Net share-based payments expense	66,383	109,800
Less amounts included in Cost of sales	(880,408)	(581,304)
Employee benefits expense	605,426	748,906

Employee benefits expense

Recognition and measurement
Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined benefit plans
Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. The plan is in place in Indonesia for 55 employees.

Note 6. Expenses (continued)

Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The Group’s accounting policy for share-based payments is set out in note 33.

Note 7. Income tax benefit

	Consolidated	
	2022	**2021**
	$	**$**
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(3,580,872)	(3,100,667)
Tax at the statutory tax rate of 25% (2021: 26%)	(895,218)	(806,173)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Difference in overseas tax rates	(294,167)	(9,406)
Non-deductible expenses	505,750	71,109
Tax losses not recognised	832,433	744,470
Indonesia tax provision	483,696	-
Singapore reversal of prior year tax provision	(2,261,000)	
Income tax benefit	(1,628,506)	-

Current taxes
Current income tax charge for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxes
Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilise them.

Deferred income tax is measured:
- at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Note 8. Cash and cash equivalents

	Consolidated	
	2022	**2021**
	$	**$**
Current assets		
Cash at bank	195,235	1,244,961

Accounting policy for cash and cash equivalents
Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less and are classified as financial assets held at fair value.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term rates.

Note 9. Trade and other receivables

	Consolidated	
	2022	**2021**
	$	**$**
Current assets		
Trade receivables	127,027	312,528
Other receivables	-	254,000
	127,027	566,528

Accounting policy for trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. The Group uses judgement in assessing expected credit losses based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but is not yet been identified. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment. The Group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial reorganisation;
- and default or delinquency in payments.

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses.

Note 10. Inventories

	Consolidated 2022 $	Consolidated 2021 $
Current assets		
Raw materials - at cost	10,569	728
Work in progress - at net realisable value	38,362	12,105
Finished goods - at net realisable value	202,703	121,033
	251,634	133,866

Accounting policy for inventories
Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The impairment of inventories assessment requires a degree of estimation and judgment. The level of provision is assessed by taking into account the recent sales experience, the aging of inventories and other factors that affect inventory obsolescence.

Note 11. Finance lease receivable

	Consolidated 2022 $	Consolidated 2021 $
Current assets		
Finance lease receivable	26,996	25,781
Non-current assets		
Finance lease receivable	67,442	93,972
	94,438	119,753

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2022 $	2021 $
Opening balance	119,753	-
Additions	-	135,753
Interest income	4,000	4,000
Minimum lease payment	(29,315)	(20,000)
Closing balance	94,438	119,753

	Consolidated 2022 $	Consolidated 2021 $
Gross receivable	101,438	131,000
Less: unearned finance income	(7,000)	(11,247)
	94,438	119,753
Of which:		
Current portion	26,996	25,781
Non-current portion	67,442	93,972
	94,438	119,753

Note 11. Finance lease receivable (continued)

Accounting policy for lease receivable
The Group's contractual arrangement under the lease-to-own agreement with a customer is classified as a finance lease for accounting purposes. Under a finance lease, substantially all the risks and rewards incidental to the ownership of the leased asset are transferred by the Group to the lessee. The Group recognises at the beginning of the lease term as an asset an amount equal to the present value of the contractual lease payments plus any expected secondary income; these amounts are discounted at the interest rate under the terms of the lease agreement. Any over or under in recovery of this secondary income is recognised directly in the profit and loss.

Note 12. Right-of-use assets

	Consolidated	
	2022	**2021**
Leasehold improvements - right-of-use	640,440	640,440
Translation differences	(55,181)	-
Less: Accumulated depreciation	(100,669)	(88,338)
	484,590	552,102
Office Lease - right-of-use	275,563	275,563
Less: Accumulated depreciation	(58,802)	(11,482)
Translation differences	(16,918)	-
Lease Modification - No renewal after first term	(120,251)	-
	79,592	264,081
Total right-of-use assets	564,182	816,183

The consolidated entity leases land for its factory facilities in Indonesia under an agreement of a remaining three years with, an option to extend for 20 years. The option must be exercised one month before the end of the current lease in 2025. The expected cost to renew is not material and management have confirmed that they will renew.

Re-Pal Australia Pty Ltd, occupies a factory facility in Cairns, Queensland, with a lease term of three years and with an option to extend the lease for a further three years. The lease commenced on 1 October 2021 and expires 30 September 2024. At the end of the initial term, the lease agreement includes extension option under which the terms of the lease may be renegotiated, and a rent review conducted. The company has assessed the likelihood of exercising available extension options and, where it has determined that it is reasonably certain that an option will be exercised, the extension period has been included in assessing the lease term and therefore in calculating the lease liability and associated right of use assets. As at December 31, 2022, it is not reasonably certain that the extension options will be exercised and therefore the lease liability and associated right of asset have been adjusted to that the effect.

Note 12. Right-of-use assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements $	Office lease $	Total $
Balance at 1 January 2021	584,000	-	584,000
Additions	-	275,563	275,563
Exchange differences	(10,898)	-	(10,898)
Depreciation expense	(21,000)	(11,482)	(32,482)
Balance at 31 December 2021	552,102	264,081	816,183
Modifications to lease terms	-	(120,251)	(120,251)
Exchange differences	(55,180)	(16,918)	(72,098)
Depreciation expense	(12,332)	(47,320)	(59,652)
Balance at 31 December 2022	484,590	79,592	564,182

Accounting policy for right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 13. Property, plant and equipment

	Consolidated 2022 $	Consolidated 2021 $
Non-current assets		
Plant and equipment - at cost	7,827,955	6,951,012
Less: Accumulated depreciation and impairment	(5,126,525)	(3,167,456)
	2,701,430	3,783,556
Building - at cost	2,222,919	2,438,716
Less: Accumulated depreciation and impairment	(1,059,497)	(402,587)
	1,163,422	2,036,129
Capital work-in-progress - at cost	-	757,839
Leased pallets - at cost	168,146	177,840
Less: Accumulated depreciation	(47,254)	(14,421)
	120,892	163,419
	3,985,744	6,740,943

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant & equipment $	Land & Buildings $	Capital work-in-progress $	Leased pallets $	Total $
Balance at 1 January 2021	4,463,162	2,139,480	640,291	-	7,242,933
Additions	233,838	-	205,232	177,840	616,910
Exchange differences	(72,644)	(34,453)	(10,484)	-	(117,581)
Transfers in/(out)	77,200	-	(77,200)	-	-
Depreciation expense	(918,000)	(68,898)	-	(14,421)	(1,001,319)
Balance at 31 December 2021	3,783,556	2,036,129	757,839	163,419	6,740,943
Additions	184,064	-	-	4,726	188,790
Exchange differences	(144,324)	(267,587)	(105,731,)	(14,379)	(532,021)
Impairment of assets	(932,326)	(532,898)	-	-	(1,465,224)
Transfers in/(out)	652,108	-	(652,108)	-	-
Depreciation expense	(841,648)	(72,222)	-	(32,874)	(946,744)
Balance at 31 December 2022	2,701,430	1,163,422	-	120,892	3,985,744

All assets as at 31 December 2022 and 2021 are owned by the Group.

The group undertook an independent valuation of property plant and equipment for Indonesia and Re-Pal Australia in February 2023.

Accounting policy for property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. The cost of the asset also includes the cost of replacing parts that are eligible for capitalisation, and the cost of major inspections.

Note 13. Property, plant and equipment (continued)

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	20 years
Office furniture and fixtures	4-8 years
Plant and equipment	4-10 years
Plant machinery	4-10 years

Depreciation of plant and equipment utilised directly in the production processes is include as part of the cost of sales.

Leased assets are depreciated over the shorter period of unexpired lease or the useful life.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-current assets
Property, plant and equipment, and intangibles tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit (“CGU”) to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Subsequent expenditure
Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Disposal
On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other expenses". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

Note 14. Trade and other payables

	Consolidated	
	2022	**2021**
	$	**$**
Current liabilities		
Trade payables	216,139	148,396
Other payables	219,756	209,794
	435,895	358,190

Note 14. Trade and other payables (continued)

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature

Accounting policy for trade and other payables
Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Note 15. Borrowings

	Consolidated	
	2022	**2021**
	$	**$**
Current liabilities		
Convertible loan facility	-	308,847

Movement in convertible loan facility

	Consolidated	
	2022	**2021**
	$	**$**
Balance at 1 January 2021	308,847	-
Increase in drawdown facility	45,548	341,368
Interest	11,750	10,568
Repayment made during the year	(68,245)	(43,089)
Conversion to Ordinary Shares	(297,900)	-
Balance at 31 December 2022	-	308,847

During the period, convertible loan finance amounting to $298,000 was converted to ordinary shares. This was in accordance with the terms of the convertible loan agreement (detailed below).

Key term	**Description**
Interest rate	10% per annum, which is payable in arrears or at conversion.
Conversion	At the Company's election on receipt of shareholder approval, which was sought and approved at the Company's 2022 Annual General Meeting held on the 31 May 2022.
Conversion price	Calculated on a 5 day VWAP immediately before the Annual general Meeting.
Loan term	The 31 May 2022, which was the date of the 2022 Annual General Meeting of Shareholders. As shareholder approval was received, the loan was converted to equity on this date.

Assets pledged as security
No assets are pledged as security.

Accounting policy for borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 16. Lease liabilities

	Consolidated 2022 $	2021 $
Current liabilities		
Lease liability	44,547	35,807
Non-current liabilities		
Lease liability	36,566	223,957
	81,113	259,764

Refer to note 22 for further information on financial instruments.

This balance relates to the application of accounting standard AASB 16. Refer to note 12 for details.

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 17. Provisions

	Consolidated 2022 $	2021 $
Current liabilities		
Tax provisioning	-	2,273,303
Non-current liabilities		
Employee benefits	88,593	94,263
Tax provisioning	483,955	-
	572,548	94,263
	572,548	2,367,566

Tax Provisions
The Company's FY2018 tax assessment appeal process is expected to extend longer than 12 months, and as such they have been classified as non-current liabilities.

Note 17. Provisions (continued)

Accounting policy for provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Accounting policy for employee benefits

Short-term employee benefits
Short-term employee benefit obligations are measure on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment obligations
The Group operates a defined benefit pension plan in Indonesia and defined contribution pension plans. The Defined benefit plan provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Note 18. Capital commitments and contingencies

In January 2023 a formal assessment from the Indonesian Directorate General of Taxes ("ITO") was received. The impact of the substantial tax assessment in particular relating to VAT from the disposal of these assets in 2018 has clearly impacted the Company. In aggregate the tax assessment was for an amount of IDR 47,253,968,434 ($3,041,970) for withholding tax ("WHT") on loans from Range to RePal Indonesia and value added tax ("VAT"). The Group has engaged legal counsel in Indonesia and has lodged appeals relating to the assessment of value-added tax and withholding tax as mentioned above. The appeal is still ongoing at the date of signing this report and the outcome including potential financial impact are subject to uncertainty and are not practically able to be estimated. Management believes that the appeal will be successful.

In the opinion of the Directors, apart from the above the Company did not have any other contingencies and commitments at 31 December 2022 (31 December 2021: None).

Note 19. Issued capital

	Consolidated			
	2022 Shares	2021 Shares	2022 $	2021 $
Ordinary shares - fully paid	939,290,320	902,742,888	115,132,120	114,969,078

Note 19. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares '000	Issue price	$
Balance	1 January 2021	361,371		111,239,078
Issue of ordinary shares	8 February 2021	90,000	$0.015	1,386,246
Issue of ordinary shares	20 September 2021	231,041	$0.006	1,331,986
Issue of ordinary shares	23 September 2021	220,331	$0.006	1,270,932
Costs of capital raising		-		(259,164)
Balance	31 December 2021	902,743		114,969,078
Conversion of loan to Equity	24 June 2022	36,547		297,900
Transaction Costs		-		(134,858)
Balance	31 December 2022	939,290		115,132,120

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. There are no shares authorised for issue that have not been issued at reporting date.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2021 Annual Report.

Note 20. Reserves

	Consolidated 2022 $	Consolidated 2021 $
Restructure reserve	(27,890,972)	(27,890,972)
Foreign currency reserve	(1,347,601)	(676,534)
Share-based payments reserve	735,296	520,296
	(28,503,277)	(28,047,210)

Note 20. Reserves (continued)

Foreign currency reserve
The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to US dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the grant date fair value of options issued to employees and directors but not exercised. Reserve for options forfeited during the year reclassified to profit and loss.

Restructure reserve
The restructure reserve is the difference between the amount of RIHL's share capital (Singapore entity) and the fair value of shares exchanged as part of the corporate restructure took place in 2017. This has been recognised in an equity account called restructure reserve.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Restructure Reserve $	Share based payment Reserve $	Foreign Currency Reserve $	Total $
Balance at 1 January 2021	(27,890,972)	417,506	(581,495)	(28,054,961)
Foreign currency translation	-	(8,000)	(95,039)	(103,039)
Share based payment transactions, net	-	110,790	-	110,790
Balance at 31 December 2021	(27,890,972)	520,296	(676,534)	(28,047,210)
Foreign currency translation	-	-	(671,067)	(671,067)
Share based payment transactions, net	-	215,000	-	215,000
Balance at 31 December 2022	(27,890,972)	735,296	(1,347,601)	(28,503,277)

Note 21. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 22. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk.

Risk management is carried out by the Audit Committee.

Note 22. Financial instruments (continued)

Market risk

Foreign currency risk
Foreign exchange risk arises from commercial transactions and recognised assets and liabilities that are denominated in currencies other than the functional currency of each entity in the Group. Translation exposures arise from financial and non-financial items held by each entity within the Group with a functional currency that is different from the Group's presentation currency which is United States Dollars (USD).

The following table represent the financial assets and liabilities denominated in foreign currencies:

	Foreign currency amount 2022	**Foreign currency amount 2021**	**Amount in USD 2022**	**Amount in USD 2021**	**Rate of Exchange as at year end 2022**	**Rate of Exchange as at year end 2021**
Financial Assets						
Trade, and other receivables						
- Indonesian Rupiah '000	1,997,616	7,905,131	127,847	554,940	IDR/US 15,625	IDR/US 14,245
- AU Dollar	-	15,676	-	11,365	AUD/US 1.4760	AUD/US1.3793
Lease receivables	-	-	-	-		
- Indonesian Rupiah '000	1,467,168,440	1,705,905	93,899	119,754	IDR/US 15,625	IDR/US 14,245
Cash and cash equivalents	-	-	-	-		
- Indonesian Rupiah '000	774,559	3,266,885	54,374	229,336	IDR/US 15,625	IDR/US 14,245
- AU Dollar	200,988	1,401,196	136,774	1,017,637	AUD/US 1.4760	AUD/US 1.3793
Financial Liabilities	-	-	-	-		
Trade and other payables	-	-	-	-		
- Indonesian Rupiah '000	(3,188,713)	(2,927,998)	(204,077)	(205,546)	IDR/US 15,625	IDR/US 14,245
- AU Dollar	(18,907)	(215,965)	(12,810)	(156,576)	AUD/US 1.4760	AUD/US 1.3793
Lease liabilities	-	-	-	-		
- AU Dollar	118,355	364,242	(85,808)	(264,077)	AUD/US 1.4760	AUD/US 1.3793

The following table demonstrates the estimated sensitivity to a 10% increase and decrease in the different exchange rates the Group is exposed to, with all other variables held constant, on a pre-tax basis.

	Pre-Tax Loss Higher/(lower)	
	2022	**2021**
	$	**$**
US/IDR exchange rate – increase (10%)	277,199	70,334
US/IDR exchange rate – decrease (10%)	(277,199)	(70,334)
US/A$ exchange rate – increase (10%)	75,104	60,678
US/A$ exchange rate – decrease (10%)	(75,104)	(60,678)
	-	-

Price risk
The consolidated entity is not exposed to any significant price risk.

Note 22. Financial instruments (continued)

Interest rate risk
Interest rate risk includes cash flow and fair value interest rate risk arising from borrowings.

Credit risk
Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit worthiness procedures and is arranged with each individual customer. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to impairment of trade and other receivables is not significant.

Exposure to credit risk
At the balance sheet date, the Group's maximum exposure to credit risk is the carrying amount of the related financial assets presented on the balance sheet.

Financial assets that are neither past due nor impaired
Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with or entered into with reputable financial institutions which are regulated.

Credit risk concentration profile
The Group determines concentrations of credit risk by monitoring the country of its trade and other receivables on an ongoing basis. The credit risk concentration profile of the Group's trade and other receivables (excluding prepayment) and lease receivables as at the date of the balance sheet is as follows:

	Consolidated	
	2022	**2021**
	$	**$**
By Country		
Australia	-	11,365
Singapore and others	-	-
Indonesia	127,027	675,381
	127,027	686,746

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group utilises a detailed cash flow model to manage its liquidity risk.

The operating and financial performance of Range and its ability to grow, is partly reliant on its ability to manage all of its activities which generate cashflow and if needed, secure sufficient capital. There is a risk that Range may not be able to access capital from debt or equity markets for future expansion or may only be able to do so on restricted terms. The inability to access required capital could have a material adverse impact on Range’s business and financial condition.

The table below summarizes the maturity profile of the Group’s contractual cash flow financial liabilities at 31 December 2022 based on contractual undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately.

Note 22. Financial instruments (continued)

	Consolidated 2022 $	Consolidated 2021 $
Trade payables		
Not yet due	143,292	613,433
Under three months	72,794	4,993
	216,086	618,426

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Fair value measurement

Accounting policy for fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 24. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2022 $	Consolidated 2021 $
Short-term employee benefits	-	238,246
Post-employment benefits	-	14,522
Share-based payments	66,392	81,861
	66,392	334,629

Note 25. Remuneration of auditors

During the financial year the auditor of the Group changed from BDO Audit Services to LNP Audit & Assurance. Accordingly, the 2021 figures relate to BDO Audit Services and the 2022 figures relate to LNP Audit & Assurance (for Australian entities) and Moore Rowland (for Asia-Pacific entities). During the financial year the following fees were paid or payable for services provided by the auditor firms mentioned above, its network firms and unrelated firms.

	Consolidated	
	2022	**2021**
	$	**$**
Audit services		
Audit or review of the financial statements	64,365	111,273
Other services		
Preparation of the tax return	-	10,875
Audit or review of financial statements - Indonesia	32,686	6,743
Audit or review of financial statements - Singapore	-	12,180
	32,686	29,798
	97,051	141,071

Note 26. Related party transactions

Parent entity
Range International Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 28.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2022	**2021**
	$	**$**
Sale of goods and services:		
Underwriting fees paid to Kizoz Pty Ltd, an entity attached to Richard Jenkins.	-	29,779

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2022	**2021**
	$	**$**
Current borrowings:		
Loan from Richard Jenkins	-	308,847

Note 26. Related party transactions (continued)

Terms and conditions
During the year to assist with the acceleration of the Company's Australian manufacturing operations in Queensland, the Company's Executive Chairman, Richard Jenkins, agreed to provide a convertible loan facility on commercial terms. The loan facility was for a total of A$400,000 with an interest rate of 10%, payable in arrears or at conversion. The terms of the loan stipulated that it could be converted to ordinary shares on receipt of shareholder approval at the 2022 Annual General Meeting. This shareholder approval was received on 15 May 2022 and the facility converted to ordinary shares on that date.

There were no other transactions with related parties during the current and previous reporting period.

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2022 $	Parent 2021 $
Loss after income tax	(1,174,131)	(2,996,606)
Total comprehensive loss	(1,174,131)	(2,996,606)

Statement of financial position

	Parent 2022 $	Parent 2021 $
Total current assets	261,594	1,159,278
Total assets	261,594	1,159,278
Total current liabilities	82,039	151,747
Total liabilities	82,039	151,747
Equity		
Issued capital	115,132,120	114,969,078
Restructure reserve	(15,671)	(15,671)
Foreign currency reserve	(1,037,382)	(1,005,449)
Share-based payments reserve	735,296	520,249
Accumulated losses	(114,634,808)	(113,460,676)
Total equity	179,555	1,007,531

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2022 or 31 December 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2022 or 31 December 2021.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2022 or 31 December 2021.

Note 27. Parent entity information (continued)

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %	2021 %
Trading		-	-
Range International Holdings Limited	Singapore	100.00%	100.00%
PT RePal Internasional Indonesia	Indonesia	100.00%	100.00%
Re-Pal Australia Pty Limited	Australia	100.00%	100.00%
Non Trading*		-	-
RePal Malaysia SDN BHD	Malaysia	100.00%	100.00%
Re-Pal Sustainability Philippines Inc	Philippines	100.00%	100.00%

* Both the Philippines and Malaysian entities remained dormant during the year and Management is in the process of deregistering both entities.

Accounting for Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has the liability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Accounting for Investments in a subsidiary
Investments in a subsidiary are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Business combinations
Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement. Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the income statement.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Note 29. Events after the reporting period

The Group has engaged legal counsel in Indonesia and has lodged appeals relating to the assessment of value-added tax and withholding tax as mentioned above. The appeal is still ongoing at the date of signing this report and the outcome including potential financial impact are subject to uncertainty and are not practically able to be estimated. Management believes that the appeal will be successful.

On 14 January 2023, 12,000,000 options each issued to both Christopher Fong and Richard Jenkins lapsed. Neither Directors chose to exercise the options and they lapsed on their expiration date.

Apart from the above, no other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2022 $	2021 $
Loss after income tax benefit for the year	(1,952,366)	(3,100,667)
Adjustments for:		
Depreciation and amortisation	1,006,396	1,014,667
Impairment of property, plant and equipment	1,465,224	-
Share-based payments	215,000	110,790
Foreign exchange differences	(20,294)	36,000
Non-cash items	297,900	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	439,501	(245,365)
Decrease/(increase) in other non-current assets	57,922	(175,612)
Increase in trade and other payables	67,475	23,204
Decrease in other provisions	(2,273,203)	(59,112)
Increase in inventories	(117,767)	(16,845)
Decrease in tax payable	-	(316,846)
Net cash used in operating activities	(814,212)	(2,729,786)

Recognition and measurement
Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less and are classified as financial assets held at fair value.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Note 31. Non-cash investing and financing activities

	$
Investing activities	
Additions of property, plant and equipment during the year (note 13)	188,790
Financing activities	
Loan received during the year	73,000
Repayment of borrowings	**(111,841)**

Note 32. Earnings per share

	Consolidated 2022 $	Consolidated 2021 $
Loss after income tax attributable to the owners of Range International Limited	(1,952,366)	(3,100,667)
	Number '000	**Number '000**
Weighted average number of ordinary shares used in calculating basic earnings per share	921,767	567,563
Weighted average number of ordinary shares used in calculating diluted earnings per share	921,767	567,563
	Cents	**Cents**
Basic loss per share	(0.21)	(0.55)
Diluted loss per share	(0.21)	(0.55)

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Range International Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 33. Share-based payment reserve

(a) Employee Option Plan

The Company has an Employee Share Option Plan (ESOP) to assist in the motivation, retention and reward of certain employees (including Executive Directors) and Non-executive Directors. The ESOP was designed to align the interests of participants with the interests of shareholders by providing an opportunity for participants to receive an equity interest in the Company through the granting of options. Under the ESOP, eligible participants may be offered options which may be subject to vesting conditions set by the Board.

On 27 May 2021, 9,000,000 options were issued to an employee of the Company under the Company's Employee Option Plan. The Employee Options are exercisable at A$0.02 (2.0 cents) per share with an expiry date of 12 May 2023. A further 14,000,000 options were issued under the same Employee Option Plan on the 31 May 2022. These options are exercisable at A$0.02 (2.0 cents) per share with an expiry date of 31 May 2024.

The expense for the year incurred on the amortisation of the Employee Options was $10,247.

Note 33. Share-based payment reserve (continued)

(b) Director Options

Richard Jenkins and Christopher Fong were appointed as Directors on 5 December 2019. On 6 January 2020, the Company held an Extraordinary General Meeting to seek approval to issue 12,000,000 options each to Mr Jenkins and Fong as part of their remuneration package and in lieu of Directors fees on the following terms:

(i) The Director Options will vest of the date the Director Options are issued (Issue Date). Unless Mr Jenkins and Mr Fong assign the Director Options to a trustee of their choice, the Director Options are otherwise not transferable.
(ii) The Director Options are exercisable at $0.03 (3 cents) per share and are exercisable until the date that is 3 years after the Issue Date. Each Director Option upon exercise will convert into 1 share upon exercise. The minimum number of director options exercisable is 12,000,000.
(iii) Any shares issued on exercise of the Director Options will rank equally with all existing shares.
(iv) If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all rights of a holder of Director Options are to be changed to the extent necessary in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
(v) The Director Options will not be quoted on the ASX.
(vi) There are no participation rights or entitlements inherent in the Director Options and holders of Director Options will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Director Options without first exercising their Director Options.
(vii) The exercise price and the one-for-one exercise ratio are fixed for the life of the Director Options subject to reconstruction (as per (iv)) above), the Listing Rules and the Corporations Act.

On 12 May 2021, at the Company's Annual General Meeting, shareholder's approved the issue of 9,000,000 options to each Stephen Bowhill, Richard Jenkins and Christopher Fong as part of their remuneration package and in lieu of Directors fees on the following terms:

(i) The Director Options were issued on 27 May 2021 and will vest one year from date of shareholder approval.
(ii) The Director Options are exercisable at AUD $0.02 (2.0 cents) per share and are exercisable until two years from the date of shareholder approval. Each Director Option upon exercise will convert into 1 share upon exercise.

On 31 May 2022, at the Company's Annual General Meeting, shareholder's approved the issue of a further 9,000,000 options to Richard Jenkins, 5,000,000 options to Christopher Fong, and 3,000,000 options to Stephen Bowhill as part of their remuneration package and in lieu of Directors fees on the following terms:

(i) The Director Options were issued on 31 May 2022 and will vest one year from date of shareholder approval.
(ii) The Director Options are exercisable at AUD $0.02 (2.0 cents) per share and are exercisable until two years from the date of shareholder approval. Each Director Option upon exercise will convert into 1 share upon exercise.

The expense for the year incurred on the amortisation of the Director Options was $66,392.

(c) Underwriter Options

On 31 May 2022, at the Company's Annual General Meeting, shareholder's approved the issue of 36,109,716 options to the underwriters of the capital placement. These Options were issued to the underwriters as part of the agreement to underwrite the company's rights issue announced 25 August 2021. The underwriter options were issued on the following terms:

(i) The Underwriter Options will expire 18 months from the date of issue.
(ii) The Director Options are exercisable at AUD $0.02 (2.0 cents) per share. Each Option upon exercise will convert into 1 share upon exercise.

The amount recorded as capital raising cost from Underwriter Options was $134,858.

The fair value of the awards as at the grant date is set out in the following table.

Note 33. Share-based payment reserve (continued)

Fair values of awards

Grant date	Award type	Vesting date	Vesting conditions	Expiry date	Fair value A$
Shareholder approved 14 February 2019	Executive performance options	10 September 2019	Service condition (non-market condition)	10 September 2024	0.005
Director Options 6 January 2020	Director Options	14 January 2020	Vest on issue	14 January 2023	0.008
Director Options 27 May 2021	Director Options	12 May 2022	Vest one year from shareholder approval	12 May 2023	0.006
Employee Options 27 May 2021	Employee performance options			12 May 2023	0.006
Director Options 31 May 2022	Director Options	31 May 2022	Vest on issue	31 May 2024	0.007
Employee Options 31 May 2022	Employee performance options	31 May 2022	Vest on issue	31 May 2024	0.004

The estimation of the fair value of the awards requires judgement with respect to the appropriate valuation methodology. The choice of valuation methodology is determined by the structure of the awards, particularly the vesting conditions. The valuation methodology used for each award is shown in table below.

Valuation methodology for each award

Grant date	Award type	Vesting conditions	Valuation methodology
Shareholder approved 14 January 2019	Performance options	Service condition (non-market condition)	Black Scholes
Director Options 6 January 2020	Director Options	Vest on issue	Black Scholes
Director Options 27 May 2021	Director Options	Vest one year from date of shareholder approval	Black Scholes
Employee Option Plan 27 May 2021	Performance options		Black Scholes
Director Options 31 May 2022	Director Options	Vest on issue	Black Scholes
Employee Options 31 May 2022	Performance options	Vest on issue	Black Scholes

The estimation of any market based performance conditions are incorporated into the valuation model used to determine the fair value of the awards whereas non-market based performance conditions are not included in the determination of fair value.

Valuation assumptions

The key assumptions adopted for valuation of the awards are summarized in the following table.

Note 33. Share-based payment reserve (continued)

Key assumptions

Grant date	14 January 2019	6 January 2020	27 May 2021	31 May 2022	31 May 2022
Award type	Employee performance options	Director options	Director Options & Employee Options	Director options	Employee options
Vesting date	10 September 2019	14 January 2020	12 May 2022	31 May 2022	31 May 2022
Expiry date	10 September 2024	14 January 2023	12 May 2023	31 May 2024	31 May 2024
Share price at the grant date	A$0.025	A$0.019	AUD $0.01	AUD $0.012	AUD $0.008
Exercise price	AUD $0.03	AUD $0.03	AUD $0.02	AUD $0.02	AUD $0.02
Expected life	5.6 years	3 years	2 years	2 years	2 years
Volatility	50%	80%	80%	137%	137%
Risk free interest rate	1.74%	0.783%	10%	2.85%	2.85%
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%

The volatility of Executive performance options issued during the period was based on comparable companies over a five year period.

Set out below are summaries of options granted under the plan and shareholder approved:

	Consolidated 2022 Average exercise price per share option AUD $	Consolidated 2022 Number of options	Consolidated 2021 Average exercise price per share option AUD $	Consolidated 2021 Number of options
As at 1 January	0.03	117,792,944	0.09	38,206,375
Granted during the year	0.02	67,109,716	0.03	81,000,017
Forfeited during the year	-	(792,957)	1.00	(1,413,448)
	0.05	184,109,703	1.12	117,792,944

17,000,000 Director options, 14,000,000 Employee options and 36,109,716 shareholder options were issued during the period, 792,957 employee options expired and no options vested during the period (2021: 27,000,000 Director options, 9,000,000 Employee options and 45,000,017 shareholder options were issued during the period, 1,413,448 shareholder options expired during the period, and no options vested during the period).

51,000,000 Director options, 12,000,000 shareholder approved and 54,000,017 options were exercisable at 31 December 2022 (2021: 24,000,000 Director options, 12,000,000 shareholder approved and 45,792,944 options were exercisable at 31 December 2021).

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Note 33. Share-based payment reserve (continued)

Grant Date	Expiry Date	Exercise Price	Share options 2022	Share options 2021
20/07/2016	22/07/2022	1.000	-	792,927
14/01/2019	10/09/2024	0.030	12,000,000	12,000,000
06/01/2020	14/01/2023	0.030	12,000,000	12,000,000
06/01/2020	14/01/2023	0.030	12,000,000	12,000,000
27/05/2021	12/05/2023	0.020	36,000,000	36,000,000
27/05/2021	27/05/2023	0.035	45,000,017	45,000,017
31/05/2022	31/05/2024	0.020	17,000,000	-
31/05/2022	31/05/2024	0.020	14,000,000	-
31/05/2022	24/12/2023	0.020	36,109,716	-
		1.205	184,109,733	117,792,944

The Group recognised a share-based payment expense during the year of $66,392 (2021: $110,526). There was a further $134,858 recognised as a cost of capital raising relating to the underwriter options granted in 2022.

The cost of the options are measured at fair value on grant date. The cost is then recognised as an expense with a corresponding increase in equity over the vesting period. The amount recognised in the P&L for the period is the cumulative amount calculated each reporting period less amounts already recognised in previous periods.

Weighted average remaining contractual life of options outstanding at the end of the period is 0.55 years (2021: 1.43 years).

Range International Limited
Directors' declaration
31 December 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Richard Jenkins
Executive Chairman

3 May 2023

LNP Audit + Assurance

ABN 65 155 188 837

L8 309 Kent Street Sydney NSW 2000

L24 570 Bourke Street Melbourne VIC 3000

L14 167 Eagle Street Brisbane QLD 4000

1300 551 266

www.lnpaudit.com

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RANGE INTERNATIONAL LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Disclaimer of Opinion

We were engaged to audit the financial report of Range International Limited (the Company), including its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

We do not express an opinion on the accompanying financial report of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this financial report.

Basis for Disclaimer of Opinion

Going concern

Note 1 of the consolidated financial statements discloses conditions that indicate the existence of a material uncertainty relating to matters surrounding the continuing use of the going concern assumption in the preparation of these financial statements. We have been unable to obtain sufficient appropriate audit evidence in relation to this matter and the consequent preparation of these financial statements under the going concern assumption.

Property, plant and equipment – opening balance

Property, plant and equipment are carried at $3,985,744 (31 December 2021: $6,740,943) on the consolidated statement of financial position as at 31 December 2022. This balance includes an amount of $2,759,248 (2021: $3,580,977) and $Nil (31 December 2021: $757,839) relating to plant and equipment and capital work in progress located in Indonesia, respectively. A qualified opinion was issued by the previous auditor in relation to this amount as sufficient appropriate audit evidence could not be obtained to substantiate this balance. The comparative numbers have not been restated in the current year financial statements, thus we were also unable to determine whether prior year balance of plant and equipment was fairly stated.

Provision for tax

In December 2022 PT. Repal Internasional Indonesia has received an underpaid tax assessment letter from the Indonesian tax authority relating to VAT and WHT in 2018. The total of the tax assessment is 47,208,985,146 Indonesian Rupiah (USD 3,039,075 equivalent). Management has provided 7,517,756,000 Indonesian Rupiah (USD 483,955 equivalent) relating to the WHT assessment. However no provision for the VAT assessment has been made as Management believes the company has a solid case to successfully dispute the assessment. The company has lodged an appeal with the local authority on 31 March 2023 in relation to this matter. Disclosure of this matter has been included in the financial report as a contingent liability.

We were not able to obtain sufficient appropriate audit evidence to support management's estimate and judgement in respect of not recognising a provision relating to the VAT portion of the assessment letter in the financial report as at 31 December 2022 as we consider that there is still a significant probability that the subsidiary company will be required to meet this liability.

We consider the impact of the above matters to be material and pervasive to the consolidated financial statements of the Group.

Directors' Responsibilities

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 11 of the Directors' Report for the year ended 31 December 2022. In our opinion, the Remuneration Report of Range International Limited for the year ended 31 December 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

LNP Audit and Assurance Pty Ltd

Archana Kumar
Director
Sydney, 3 May 2023

Range International Limited
Shareholder information
31 December 2022

The shareholder information set out below was applicable as at 24 April 2023, unless otherwise stated.

There is one class of quoted securities, fully paid ordinary shares. There were 1,640 holders of fully paid ordinary shares in the Company and 139 holders of unquoted options. These were the only classes of equity securities on issue.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary Shares Number of holders	Ordinary Shares Number of shares	% of total shares issued
1 to 1,000	97	39,586	-
1,001 to 5,000	199	616,136	0.07
5,001 to 10,000	136	1,113,637	0.12
10,001 to 100,000	615	29,098,094	3.10
100,001 and over	593	908,422,867	96.71
	1,640	**939,290,320**	**100.00**

Marketable Parcel

There are 949 shareholders with less than a marketable parcel (basis price of $0.006) as at 24 April 2023.

On-Market Buy-Back

There is no on-market buy-back scheme in operation for the Company’s quoted shares.

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
BNP Paribas Nominees Pty Ltd IB AU NOMS RETAILCLIENT DRP>	61,362,304	6.53
Altor Capital Management Pty Ltd	38,713,607	4.12
Shell Cove Investment Corporation Pty Ltd	36,547,432	3.89
Kizoz Pty Ltd	33,734,599	3.59
Pejay Pty Ltd	30,000,000	3.19
Shell Cove Capital Management Limited	30,000,000	3.19
Mr Christopher Fong	29,374,518	3.13
Citicorp Nominees Pty Ltd	23,489,176	2.50
Bowhill Family Superannuation Pty Ltd	22,000,000	2.34
Mr Matthew Grahame Brown	15,635,609	1.66
T C Wollaston & Co	15,000,000	1.60
Mr Lindsay Bartley Rundle	14,000,000	1.49
T & J Shaw Pty Ltd	12,796,416	1.36
Sri Widati Ernawan Putri	11,526,575	1.23
Dubada Pty Ltd	10,000,000	1.06
Mr. Bruce Maton	8,911,018	0.95
Mr. Cameron Knox	8,643,172	0.92
BNP Paribas Nominees Pty Ltd	8,640,053	0.92
Colnerbrook Pty Ltd	8,510,000	0.91
Ron Oosterling	8,336,068	0.89
	427,220,547	**45.48**

Distribution of Unquoted Equity Securities
Analysis of number of unquoted equity security holders by size of holding is as follows:

Unlisted Options	**Number on issue**	**Number of holders**	**% Issued Share Capital**
Unlisted Options at $0.035, exp 27/05/23			
10,001 to 100,000	3,197,330	57	7.11%
100,001 and over	41,802,687	71	92.89%
Unlisted Options at $0.02, exp 12/05/23			
100,001 and over	36,000,000	4	100.00%
Unlisted Options at $0.03, exp 10/09/24			
100,001 and over	12,000,000	1	100.00%
Unlisted Options at $0.02, exp 24/12/23			
100,001 and over	36,109,716	6	100.00%
Unlisted Options at $0.02, exp 31/05/24			
100,001 and over	17,000,000	3	100.00%
Unlisted Options at $0.02, exp 31/05/24			
100,001 and over	14,000,000	2	100.00%

The following persons hold 20% or more of unquoted equity securities:

Name	Unlisted Options Number of Units	Unlisted Options % Issued
Unlisted Options at $0.02, exp 12/05/23		
Mr. Christopher Fong	9,000,000	33.33%
Kizoz Pty Ltd	9,000,000	33.33%
Bowhill Family Superannuation	9,000,000	33.33%
Unlisted Options at $0.02, exp 24/12/23		
Mr. Ali Mohammed Parvez Ukani	9,000,000	24.92%
Kizoz Pty Ltd	8,109,716	22.46%
Unlisted Options at $0.02, exp 31/05/24		
Mr. Christopher Fong	5,000,000	29.41%
Kizoz Pty Ltd	9,000,000	53.94%

Substantial holders
As at 24 April 2023, the following shareholders have disclosed a substantial shareholder notice in the company to the ASX:

	Ordinary shares		
	Number held	% of total shares issued	Date of ASX Notice
Richard Jenkins combined holdings Kizoz Pty Ltd, Shell Cove Investment Corporation Pty Ltd and Shell Cove Capital Management Limited	100,282,031	10.68%	28/06/22
Matthew Joseph Darby	19,098,899	5.29%	15/01/20
Sri Widati Ernawan Putri	11,526,575	7.68%	26/07/16

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Unlisted Options
There are no voting rights attached to Unlisted Options.

There are no other classes of equity securities which have voting rights.

Restricted securities

There are no restricted securities on issue.

Corporate Governance

Range International Limited
Shareholder information
31 December 2022

The Company's Corporate Governance Statement as at 31 December 2022 as approved by the Board can be viewed at www.rangeinternational.automic.com.au/documents/corporategovernancestatement

Stock Exchange on which the Company's Securities are Quoted

The Company's listed equity securities are quotes on the Australian Securities Exchange.

Review of Operations

A review of operations is contained in the Directors Report.

Annual General Meeting

The Company advises that the Annual General Meeting ('AGM') of the company is scheduled for 30 May 2023.