



MULTISTACK INTERNATIONAL LIMITED
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27 April 2022

Multistack International Limited (the Company): Quarter Activity Report - March 2022 Quarter

Activities during the Quarter

During the quarter, the Company's activities were primarily its principal business activities being the sale, marketing and distribution of Multistack water-cooled and air-cooled water chillers. With the easing of COVID restrictions in Australia, we are seeing more economy activities. Nevertheless, the war in Ukraine and the new pandemic-related shutdowns in China have adversely affected our supply chain.

On 12 April 2022, the Company announced that it received a letter from ASX on 4 April 2022 in relation to compliance with ASX Listing Rule 10.1 stemming from the Company's inventory supply arrangements with the Superlink companies. The Company has since immediately ceased purchasing goods from the Superlink companies until the date on which it receives shareholder approval of the Supply Arrangements. The Company expects material financial detriment to the Company.

The Company has raised working capital of A\$1.2 million in November 2021, which funds will primarily be used to further commercialise its ORC technology, particularly in the development of the proposed geothermal power projects in northern Australia.

The Company is working on implementing its strategy in connection with the marketing and selling its ORC products in Australia and overseas. The Company is in negotiations with various interested parties for local and overseas distribution rights in a number of territories. As a result of the current global environment, these negotiations are expected to take a longer time to finalise.

Summary of cash position and expenditure during the quarter

The Company held cash and cash equivalents at the end of the quarter of \$1,132,368. Quarterly operating expenditure during the quarter was \$363,641, including \$163,002 relating to trading and operating expenses, and \$177,979 to staff, administration and corporate related costs.

In addition to the loan of US\$1,800,000 (A\$2,666,759 including interest payable) from Super Link Company Ltd (a related party of S. Yan and S. Leung) to enable the Company to complete the acquisition of the Verdicorp assets as announced previously to the market, the Company has borrowed a total of \$696,000 from ACR Equipment (HK) Ltd (a related party of S. Yan and S. Leung) in the prior periods, which is a non-interest bearing unsecured facility.

Announcement authorised by the Board of Directors

Yan Wong
Company Secretary
Multistack International Limited (MSI)