

## Appendix 4E

### Preliminary Final Report period ending 30 June 2013

#### Results for announcement to the market

<b>Financial Results</b>			<b>June 2013</b>	<b>June 2012</b>
Revenue from ordinary activities	Up	14%	6,884,597	6,042,772
Comprehensive (Loss) from ordinary activities after tax attributable to members	Up	0%	(75,291)	(75,286)

<b>Dividends</b>	<b>2013 Interim Dividend</b>	<b>2012 Interim Dividend</b>
Amount per Ordinary Security	Nil	Nil
Franked amount per Security	Nil	Nil
Record date for determining entitlements to interim dividends	N/A	

<b>Net Tangible Asset Backing</b>	<b>June 2013</b>	<b>June 2012</b>
Net tangible asset backing per ordinary security	\$0.03	\$0.03

#### Commentary

The company is growing well with revenue increase of 14% compared with the previous year. The placement of new shares for \$300k to Australian Glamour Pty Ltd on 11 July 2012 helped provide the working capital for this growth.

The good performance was mainly attributed to:

1. Revenue growth and improved profitability has been consistent across all 4 operating segments. This resulted from improved marketing efforts. All segments showed improved revenue. The best performance was Victoria with revenue growing by 37%. Detailed results are found in Note 1 Operating Segment.
2. Australia underwent one of its hottest summers which has helped immensely in this growth.

This resulted in every operation of the Company being profitable, achieving an Earning before Interest Tax and Amortisation (EBITDA) of \$814k for the operating companies, before corporate expenses. Reduced overall profitability came about mainly because of increase in accruals and provisions. Net loss of \$75k resulted from interest expenses. With a substantial amount of borrowings paid off, the reduced interest will help the Company achieve a net profit sooner.

**PRELIMINARY FINAL REPORT**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2013**

	Note	CONSOLIDATED	
		2013	2012
		\$	\$
Revenue	2a	6,884,597	6,042,772
Cost of Sales		(2,869,919)	(2,273,017)
<b>Gross Profit</b>		4,014,678	3,769,755
Other income	2b	19,272	(23,443)
Marketing Expenses		(555,778)	(510,515)
Distribution Expenses		(1,301,992)	(1,222,854)
Administrative Expenses		(1,565,055)	(1,423,087)
Occupancy Expenses		(606,371)	(572,998)
Other Expenses		(5,500)	-
<b>Results from operating activities</b>		(746)	16,858
Finance income	2d	5,577	186
Finance costs	2e	(80,122)	(92,330)
<b>Loss before income tax</b>		(75,291)	(75,286)
Income tax expense		-	-
<b>Net Loss Attributable to Members of Refresh Group Limited</b>		(75,291)	(75,286)
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income/(loss) attributable to members of Refresh Group Limited</b>		(75,291)	(75,286)
Basic earnings/(loss) per share (cents per share)		(0.077)	(0.087)

The accompanying notes form part of the Statement of Comprehensive Income

**PRELIMINARY FINAL REPORT**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT 30 JUNE 2013

	Notes	CONSOLIDATED	
		2013	2012
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		224,194	152,542
Trade and other receivables	3	788,914	633,221
Inventories	4	965,208	868,013
<b>Total Current Assets</b>		<u>1,978,316</u>	<u>1,653,776</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		1,919,847	1,933,733
Intangible assets		781,815	756,415
<b>Total Non-current assets</b>		<u>2,701,662</u>	<u>2,690,188</u>
<b>TOTAL ASSETS</b>		<u>4,679,978</u>	<u>4,343,964</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	5	680,354	538,528
Financial liabilities		291,098	409,030
Short-term provisions and accruals		174,690	120,277
<b>Total Current Liabilities</b>		<u>1,146,142</u>	<u>1,067,835</u>
<b>Non-current Liabilities</b>			
Financial liabilities		25,452	46,550
Long-term provisions		27,075	49,468
<b>Total Non-current Liabilities</b>		<u>52,527</u>	<u>96,018</u>
<b>TOTAL LIABILITIES</b>		<u>1,198,669</u>	<u>1,163,853</u>
<b>NET ASSETS</b>		<u>3,481,309</u>	<u>3,180,111</u>
<b>EQUITY</b>			
Issued capital		8,783,084	8,406,595
Reserves		191,712	191,712
Accumulated losses		(5,493,487)	(5,418,196)
<b>TOTAL EQUITY</b>		<u>3,481,309</u>	<u>3,180,111</u>

The accompanying notes form part of the Statement of Financial Position

**PRELIMINARY FINAL REPORT**  
**STATEMENT OF CHANGES IN EQUITY**  
AS AT 30 JUNE 2013

	<b>Issued Capital</b>	<b>Fund Raising Cost</b>	<b>Other Reserves</b>	<b>Accumulated Losses</b>	<b>Total</b>
<b>Balance at 1 July 2011</b>	8,946,150	(539,555)	191,712	(5,354,697)	3,243,610
Prior year adjustment	-	-	-	11,787	11,787
Transactions with owners	8,946,150	(539,555)	191,712	(5,342,910)	3,255,397
Loss for the period	-	-	-	(75,286)	(75,286)
<b>Balance at 30 June 2012</b>	<b>8,946,150</b>	<b>(539,555)</b>	<b>191,712</b>	<b>(5,418,196)</b>	<b>3,180,111</b>
<b>Balance at 1 July 2012</b>	8,946,150	(539,555)	191,712	(5,418,196)	3,180,111
Equity fund raising costs	-	(3,411)	-	-	(3,411)
Issue of share capital	379,900	-	-	-	379,900
Transactions with owners	9,326,050	(542,966)	191,712	(5,418,196)	3,556,600
Loss for the period	-	-	-	(75,291)	(75,291)
Other comprehensive income	-	-	-	-	-
<b>Balance at 30 June 2013</b>	<b>9,326,050</b>	<b>(542,966)</b>	<b>191,712</b>	<b>(5,493,487)</b>	<b>3,481,309</b>

The accompanying notes form part of the Statements of Changes in Equity

**PRELIMINARY FINAL REPORT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>CONSOLIDATED</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	6,911,001	6,061,000
Payments to suppliers and employees	(6,710,516)	(5,853,772)
Borrowing costs	(80,122)	(74,059)
Interest received	5,577	186
<b>Net cash flows provided by/(used in) operating activities</b>	<b>125,940</b>	<b>133,355</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of property, plant and equipment, and investment	(30,900)	10,877
Purchase of property, plant and equipment	(260,847)	(132,206)
<b>Net cash flows provided by /(used in) investing activities</b>	<b>(291,747)</b>	<b>(121,329)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	379,900	-
Proceeds from borrowings	(120,000)	62,000
Loans from related parties		
Share Issue expenses	(3,411)	-
Repayments of borrowings	(19,030)	(51,771)
<b>Net cash flows provided by financing activities</b>	<b>237,459</b>	<b>10,229</b>
Net increase in cash and cash equivalents	71,652	22,255
Cash and cash equivalents at beginning of period	152,542	130,287
<b>Cash and cash equivalents at end of period</b>	<b>224,194</b>	<b>152,542</b>

The accompanying notes form part of the Statement of Cash Flows

**PRELIMINARY FINAL REPORT**  
**NOTES TO AND FORMING PART OF PRELIMINARY FINAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**1. SEGMENT INFORMATION**

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

In identifying its operating segment, management follows the geographical location of the Group's operations. Corporate costs are included under "Other". Segment information can be analysed as follows for the reporting period under review.

	<b>WA</b>	<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>OTHER (Corporate)</b>	<b>TOTAL</b>
<b>30 June 2013</b>						
Revenue from external customers	3,325,745	1,375,542	743,718	1,439,592	-	6,884,597
Other Income	(2,133)	-	21,405	-	-	19,272
Interest Expense	37,253	-	-	-	19,778	57,031
Depreciation Expense	165,452	52,547	30,810	44,494	-	293,303
Segment operating profit/(loss)	243,499	46,359	104,854	89,652	(559,655)	(75,291)
Total assets	1,832,344	881,637	500,269	1,302,042	163,686	4,679,978
Total liabilities	826,481	4,194	907	70,834	296,253	1,198,669
<b>30 June 2012</b>						
Revenue from external customers	2,959,337	1,180,124	542,624	1,360,687	-	6,042,772
Other Income	(24,470)	1,027	-	-	-	(23,443)
Interest Expense	46,033	-	-	-	28,025	74,058
Depreciation Expense	185,612	49,275	31,519	50,418	-	316,824
Segment operating profit/(loss)	268,720	23,912	15,845	82,850	(466,613)	(75,286)
Total assets	1,717,825	929,829	385,431	1,284,496	26,383	4,343,964
Total liabilities	700,460	4,849	1,319	77,687	379,538	1,163,853

**PRELIMINARY FINAL REPORT**  
**NOTES TO AND FORMING PART OF PRELIMINARY FINAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

**2. REVENUE AND EXPENSES**

	<b>CONSOLIDATED</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>a. Revenue</b>		
Sale of bottled water and accessories	6,884,597	6,042,772
	<u>6,884,597</u>	<u>6,042,772</u>
<b>b. Other Income</b>		
Gain/(loss) on disposal of property, plant and equipment	19,272	(23,443)
	<u>19,272</u>	<u>(23,443)</u>
<b>c. Employee Benefits Expense</b>		
Wages and salaries	2,248,762	1,989,464
Workers compensation costs	42,699	45,528
Superannuation costs	223,923	198,559
Provisions for annual and long service leave	32,088	12,081
Other employee benefits expense	43,802	57,764
	<u>2,591,274</u>	<u>2,303,396</u>
<b>d. Finance Income</b>		
Interest received	5,577	186
	<u>5,577</u>	<u>186</u>
<b>e. Finance Costs</b>		
Bank loans and other borrowings	74,214	84,414
Finance charges payable under finance leases and hire purchase contracts	5,908	7,916
	<u>80,122</u>	<u>92,330</u>

**3. TRADE AND OTHER RECEIVABLES**

	<b>CONSOLIDATED</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade receivables	615,720	533,528
Provision for impairment of receivables	(15,000)	(18,000)
	<u>600,720</u>	<u>515,528</u>
Other receivables	99,495	58,329
Prepayments	88,699	59,364
	<u>788,914</u>	<u>633,221</u>

**RELIMINARY FINAL REPORT**  
**NOTES TO AND FORMING PART OF PRELIMINARY FINAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2013**

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)			Within initial trade terms
			31-60	61-90	>90	
<b>Consolidated 2013</b>						
Trade receivables	615,720	15,000	215,266	23,401	-	362,053
Other receivables	99,495	-	4,249	-	83,365	11,881
	<u>715,215</u>	<u>15,000</u>	<u>219,515</u>	<u>23,401</u>	<u>83,365</u>	<u>373,934</u>
<b>2012</b>						
Trade receivables	533,528	18,000	195,025	35,181	5,068	280,254
Other receivables	58,329	-	1,066	-	44,027	13,236
	<u>591,857</u>	<u>18,000</u>	<u>196,091</u>	<u>35,181</u>	<u>49,095</u>	<u>293,490</u>

**4. INVENTORIES**

	CONSOLIDATED	
	2013	2012
	\$	\$
Raw materials (at cost)	479,453	425,819
Finished goods (at cost)	555,790	512,228
Total inventories at lower of cost or net realisable value	1,035,243	938,047
Provision for slow moving inventories	(70,035)	(70,034)
	<u>965,208</u>	<u>868,013</u>

**5. TRADE AND OTHER PAYABLES**

	CONSOLIDATED	
	2013	2012
	\$	\$
Current		
Trade payables	324,564	232,133
Other payables	355,790	306,395
	<u>680,354</u>	<u>538,528</u>

Trade payables are non-interest bearing and are normally settled on 60-day terms.

**PRELIMINARY FINAL REPORT  
NOTES TO AND FORMING PART OF PRELIMINARY FINAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2013**

**6. SIGNIFICANT EVENTS**

On 11 July 2012, the Company made a placement of 10 million shares at 3 cents to raise \$300,000. On 12 July 2012, the Company issued 2,282,859 shares to its directors in lieu of directors fees, conserving cash of \$79,900.

**7. ACQUISITION**

On 3 August 2012, the Company acquired the assets relating to the distilled water business of Saradin Pty Ltd. Saradin supplied distilled water for commercial and industrial use under the trading name "Distilled Water Supplier". The acquisition allows Refresh to expand further into this market segment. The acquisition was settled in cash for a total consideration of \$33,502.

**8. EVENTS AFTER THE BALANCE SHEET DATE**

Nil

**9. CONTINGENT ASSETS & LIABILITIES**

There are no contingent liabilities or contingent assets as at 30 June 2013 and in the interval between 30 June 2013 and the date of this report.

**10. BASIS FOR PREPARATION**

This preliminary final report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E. The accounting policies adopted in the preparation of the preliminary final report are consistent with those adopted in the preparation of the annual financial report.

**11. UNAUDITED APPENDIX 4E**

This report has not been audited. The results of the Group are subject to change post the review and audit of the current year.