



**Sprintex Limited**  
ABN: 38 106 337 599

**ASX Code: SIX**

**ASX RELEASE**

**30 April 2021**

## **Quarterly Activities Report and Appendix 4C For the Quarter Ended 31 March 2021**

### **Highlights:**

- **ASX re-admission and \$6.5m recapitalisation completed**
- **50% interest in production facility in Malaysia purchased making the facility 100% owned by Sprintex**
- **New board of directors and CFO/company secretary appointed**

Sprintex Limited (the **Company** or **Sprintex**) has released its quarterly cash flow report for the March 2021 quarter.

### **Re-admission to the Official List of the ASX and Recapitalisation:**

Activities during the quarter were focused on completing recapitalisation of the Company and re-admission to the Official List of the Australian Securities Exchange Limited, both of which were completed subsequent to period end.

Sprintex issued 75,581,395 ordinary shares at \$0.086 per share to raise \$6,500,000 before costs.

### **Acquisition of Remaining 50% interest in the Malaysian Production Facility:**

Subsequent to period end, Sprintex acquired the remaining 50% interest in its joint ventured production facility in Malaysia for the issue of 3,805,940 ordinary shares. This facility is now 100% owned by Sprintex.

### **Change of Board and Management:**

As part of the recapitalisation and re-admission to the Official List of the ASX, subsequent to period end the Board of the Company was changed and now comprises of:

- Mr Wayne Knight – Non-executive Chairman
- Mr Jude (Jay) Upton – Managing Director
- Mr Li Chen – Non-executive Director
- Mr Steven Apedaile – Non-executive Director

As part of his remuneration package, Mr Knight was issued with 5,000,000 options with an exercise price of \$0.086 on or before 12 April 2024.



Further, during the quarter Mr Robert Molkenhain resigned as CFO and Company Secretary and was replaced by Mr Henry Thong who resigned subsequent to period end and was replaced by Mr Michael van Uffelen.

**Commencement of Development of a Toyota Tacoma Supercharger System:**

With the recapitalisation and re-admission to the Official List of the ASX complete, the new board and management will now focus on growing the Sprintex business.

Following the continued success of the Company's industry leading composite supercharger systems to suit the very popular Jeep Wrangler range of lifestyle oriented on and off-road vehicles, the Company has commenced development of a new supercharger system to suit the Toyota Tacoma 3.5 V6 pickup truck range to meet rising demand in the USA, Middle East and Asian markets.

The Tacoma 3.5 V6 model was introduced in the USA and is produced in similar volume to the Jeep Wrangler in USA, at approximately 250,000 units p.a. It is a popular choice for off-road and overland recreational lifestyle applications.

With a similar engine configuration to the Jeep 3.6 V6, the Toyota Tacoma 3.5 V6 supercharger system will share many common parts with the Company's latest Jeep supercharger system to suit Jeep Wrangler vehicles from 2019 on, leveraging off the Company's expertise and success with technically superior nylon composite manifolding and its highly efficient S5-335 front entry supercharger, which when combined, offer industry leading low speed torque that is essential to vehicles equipped with larger wheel and tyre packages and raised suspension for off-roading and rock climbing.

The Company is targeting sales of the Toyota Tacoma system to commence in November 2021.

- Ends -

*This ASX announcement was authorised for release by the Board of Sprintex Limited.*

For further information, please contact:

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**About Sprintex:** Sprintex is an automotive engineering, research, product development and manufacturing company, incorporated in Australia in 2003 and admitted to the Official List in 2008. Sprintex designs and manufactures superchargers for use in a wide variety of combustion engines and is currently focused on the development and commercialisation of the Sprintex® twin screw supercharger, and supercharger systems incorporating the Sprintex® twin screw supercharger, in the automotive aftermarket and original equipment manufacturer (OEM) market in Australia, Asia, Africa, the Middle East and the United States of America.

**Forward Looking Statements:** Statements regarding plans with respect to Sprintex's projects and products are forward looking statements. There can be no assurance that Sprintex's plans for its projects or products will proceed as expected and there can be no assurance of future sales.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Name of entity</b>		
Sprintex Limited		
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>	
38 106 337 599	31 March 2021	
<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	135	537
1.2 Payments for		
(a) research and development	-	(215)
(b) product manufacturing and operating costs	(2)	(45)
(c) advertising and marketing	-	(8)
(d) leased assets	(2)	(12)
(e) staff costs	(125)	(434)
(f) administration and corporate costs	(130)	(403)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	22	125
1.8 Other (provide details if material)	-	50
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(102)</b>	<b>(405)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(4)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	(234)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(238)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	39	589
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>39</b>	<b>589</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	148	146
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(102)	(405)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(238)

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	39	589
4.5	Effect of movement in exchange rates on cash held	-	(7)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>85</b>	<b>85</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	85	148
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>85</b>	<b>148</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(102)
8.2 Cash and cash equivalents at quarter end (item 4.6)	85
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	85
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	0.8
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes. Subsequent to period end the Company completed a placement to raise \$6.5m to recapitalise the company.	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes. Subsequent to period end the Company completed a placement to raise \$6.5m to recapitalise the company.	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 April 2021

Date: .....

By the board

Authorised by: .....  
 (Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.