



**Eneco Refresh Limited** (ACN 079 681 244)  
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Wednesday, 13 November 2024

**ASX Announcement**  
(ASX: ERG)

## **2024 Annual General Meeting Address by the Chair and COO**

Eneco Refresh Limited is pleased to attach copies of the addresses given by the Chair and the COO at Eneco Refresh Limited's Annual General Meeting held on 13 November 2024.

This announcement has been authorised for release by the Board of Directors.

For more information, please contact:

Colin Moran  
Non – Executive Chairman  
[info@eneco-refresh.com.au](mailto:info@eneco-refresh.com.au)



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<b>CHAIRMAN SCRIPT</b>	
AGM	Wednesday 13 November 2024 at 10:00am
Chairman	<p>Good morning, ladies and gentlemen.</p> <p>I'd like to begin by acknowledging the traditional owners of the land on which we meet today, the Whadjuk people of the Noongar nation and pay my respects to elders past and present.</p> <p>On behalf of the Board of Directors, I welcome all of you to the Annual General Meeting of Eneco Refresh Limited</p> <p>I am Colin Moran, Chairman of the Board of Directors. I will be the chairman for this Meeting. Please allow me to introduce to you the members of the Board who are here today.</p> <p><b>(Introduce the rest at the panel table based on the sequence of the actual sitting arrangement)</b></p> <p>On my left are the Non-Executive Directors. They are:</p> <ol style="list-style-type: none"><li>1. Mr Michael Pixley</li><li>2. Mr Koji Yoshihara</li><li>3. Mr Reiichi Natori</li><li>4. Mr Peter Chai</li></ol> <p>On my right, we have:</p> <ol style="list-style-type: none"><li>5. Mr Chris Connors (COO)</li><li>6. Mr Richard Mei (CFO); and</li><li>7. Ms Julie Moore, company secretary</li><li>8. Eliya Mwale (Auditor)</li></ol> <p>The time is now 10:00am and the Company Secretary has confirmed that there is a quorum. I now call the Meeting to order.</p> <p>Ladies and gentlemen, the Notice of the Annual General Meeting dated 11 October 2024 which has been in your hands for the requisite statutory period, shall be taken as</p>



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read.

The purpose of the annual general meeting is to receive and consider the annual financial report of the Company for the financial year ending 30 June 2024 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

This AGM is also to consider and if thought fit, pass resolutions regarding the appointment and reappointment of Mr Colin Moran and Mr Reiichi Natori to the Board.

I will present the resolutions to be considered and there will be time for questions and discussion.

Questions will be limited to the resolutions to be considered at this meeting. Following questions, I will put the resolutions to a vote. The results of today's AGM will be announced to the ASX later today.

For your information, certain shareholders have appointed the Chairman of this Meeting as their proxy to vote on their behalf, and I will be exercising my right as the Chairman of this Meeting to vote on their behalf as their proxy in accordance with their instructions.

Before I proceed with the agenda, I would like to invite our COO, Mr Chris Conyers to give us a short presentation on the company.

[Presentation by Chris]

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## AGENDA 1

<b>Resolution 1 – Adoption of Remuneration Report</b>	
Chairman	: <p>Ladies and gentlemen, Agenda 1 is to receive and adopt the Audited Financial Statements for the financial year ended 30 June 2024 together with the Directors' Report and the Auditors' Report.</p> <p>A copy of the Annual Report of the Company for the financial year ended 30 June 2024 together with the Auditor's report thereon, was released on the ASX and posted on the Company's corporate website on 30 September 2024. I shall take the Annual Report as read.</p> <p>The members of the Board or our Auditor will be pleased to answer questions that shareholders may have relating to the reports and the statements.</p> <p>We have received the following proxies in relation to this resolution.</p> <p>For: 138,945,257</p> <p>Against: 518,286</p> <p>We shall now open the floor to the Shareholders for questions.</p> <p><b>(Pause)</b></p> <p><b>[To answer question, if any. Chairman may answer the questions or request any Director/ Management to answer.]</b></p> <p>If there is no / no further question.</p> <p>I propose:</p> <p>“That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum.”</p>



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All in favor please raise your hands;

All oppose.

I declare the motion carried.

We now move on to the next agenda item.



## AGENDA 2

<b>Resolution 2 – Re-election of Mr Colin Peter Moran</b>	
Chairman	<p>: Agenda 2, Resolution 2 is to re-elect Mr Colin Peter Moran as a Director of the Company.</p> <p>In accordance with Listing Rule 14.4 and Articles 7.3 of the Company’s Constitution, Mr Colin Peter Moran will retire from office at the close of this Meeting and being eligible, has offered himself for re-election.</p> <p>We have received the following proxies in relation to this resolution.</p> <p>For: 138,945,257</p> <p>Against:490,000</p> <p>Are there any questions relating to the proposed resolution?</p> <p><b>(Pause)</b></p> <p><b>[To answer question, if any. Chairman may answer the questions or request any Director/ Management to answer.]</b></p>
Chairman	<p>: If there is no / no further question.</p> <p><b>I propose:</b></p> <p><b>“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3 of the Constitution and for all other purposes, Mr Colin Moran, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum”</b></p> <p>All in favor please raise your hands;</p> <p>All oppose.</p> <p>I declare the motion carried.</p>



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We shall now move on to Resolution 3.

### AGENDA 3

#### Resolution 3 – Re-election of Mr Reiichi Natori

Chairman : Resolution 3 is to re-elect Mr Reiichi Natori as a Director of the Company.

In accordance with Listing Rule 14.4 and Articles 7.3 of the Company's Constitution, Mr Natori will retire from office at the close of this Meeting and being eligible, has offered himself for re-election.

We have received the following proxies in relation to this resolution.

For: 138,945,257

Against: 490,000

Are there any questions relating to the proposed resolution?

**(Pause)**

**[To answer question, if any. Chairman may answer the questions or request any Director/ Management to answer.]**

Chairman : If there is no / no further question.

**I propose:**

**“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3 of the Constitution and for all other purposes, Mr Reiichi Natori, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.”**

All in favor please raise your hands;

All oppose.

I declare the motion carried.



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<b>Chairman's Closing Address</b>	
Chairman	<p>Ladies and Gentlemen, as there is no further business, we have concluded the business of this Meeting. I now declare the Annual General Meeting closed.</p> <p>We cordially invite you to join us for some light refreshments.</p> <p>Thank you for your attendance here this morning.</p>



## Commentary Notes – AGM Presentation

Wednesday 13<sup>th</sup> November 2024

### Branch Overview & Capabilities

Eneco Refresh currently have a portfolio of 7 branches across Australia. 6 of these branches are processing plants manufacturing purified water for drinking and for industrial purposes. The exception is Darwin, which is a 7.7 hectare plot of land owned by Eneco Refresh and houses a natural springwater pumping station which we use to supply the local bottling plant. Revenue is relatively small but steadily increasing and the land is expected to gain value in line with the property market. There is an ongoing licence to draw up to 23 million litres per annum from the pumping station.

Our head office in Perth is also our most diverse branch in regard to capability, and every pack format can be made from this site. Perth is the only site to blow mould single serve bottles, and holds the largest share of home and office delivery with a combined Refresh and OxyFresh 15L revenue of around \$1.5m. Perth surpassed \$4m in sales for the first time in FY24 and sales have increased by 16% in the first quarter of FY25 compared to the previous year. Perth also supports the Kalgoorlie branch with single serve bottles which are supplied to the numerous mine sites in the area, plus the general population. Around 2/3rds of the Kalgoorlie revenue comes from 15L sales, which they fill and then deliver from the factory. The site is enjoying tremendous growth and posted a record sales revenue month in October 2024 along with the highest percentage growth of 31%.

Sydney is the base for our NSW branch and also the HYDR8 business which specialises in custom labelled water for businesses, trade shows, corporate functions, sporting events and promotions. A large proportion of the Sydney production is dedicated to 5L Pure Water which is supplied mainly to Woolworths, and this is supported by bulk deliveries in large formats. This ratio of supply is proven to work well and can be demonstrated through year on year profitable results from the branch.

The Victoria branch recently relocated premises at the end of the previous lease, which incurred additional costs for the removal and set up of equipment and increased monthly lease costs due to the buoyant property market. Following the major fire incident in February 2023, the Plastics branch transitioned from a manufacturing plant to becoming fully outsourced. Whilst it understandably took a significant amount of time to re-establish the business, Plastics is now performing consistently, delivering profit, with opportunities for product development emerging this year.

Brisbane have delivered an impressive \$100,000 increase in sales revenue compared to the first quarter of FY24. The site has very similar product range and capability to the NSW branch, and is further testament to the optimum sales mix of retailer volume coupled with bulk supply.

Toowoomba product mix is very much focussed on 15L home and office delivery, which makes up over 90% of the total revenue generated at the branch. Toowoomba have enjoyed a fantastic percentage growth of 24% so far this financial year, assisted by a driver dispute associated with our main competitor, which allowed us to gain market share.

## **FY24 Non-Recurring Costs**

The loss on asset disposal for the Darwin branch is due to the balance sheet price exceeding the sale price and an adjustment was required.

These amounts cover the costs associated with closing Darwin branch, including lease-back rent, labour costs and other expenses.

Amount represents relocation costs for moving the factory from Keysborough to Dandenong in Victoria following the expiration of the rental lease. This included movement of equipment, recommissioning, and rental of a generator.

Following the Plastics fire, \$1,790,000 was paid to CSA Specialised Services for the environmental clean-up, and claim preparation cost of \$60,874 related to the insurance settlements were recorded as one-off expenses. The claim is under legal scrutiny to ascertain

The investee company Jas Refresh has sustained ongoing losses with no immediate recovery plans. Consequently, the investment was written down to \$1 in FY24 to reflect the underperformance.

To align with the net realisable value of inventory, a total write-off of \$293,166 was recorded in FY24 for slow moving and obsolete items, including a carrying provision of \$39,884. By comparison, the FY23 write-off amount was \$24,934.

Amount represents recruitment costs for COO commencing in April 24, a 3 month handover period, legal costs for letters and contracts, plus 6 months of special exertion fees. These fees did continue for 3 months in FY25 however this has ceased after the 1<sup>st</sup> quarter.

## **Growth Trajectory**

Sales growth is demonstrably very strong and continues into FY25 with a 10% increase in the first quarter, which is historically our quietest sales period. Darwin sales in FY22 were \$1.4m followed by \$1.67m in FY23. After the sale of the branch and the loss of the revenue, it could be expected that overall revenue would decline however, a 7% increase was delivered. If we were to remove the Darwin revenue from FY24, then FY24 delivered an overall revenue increase of over 20%.

## **FY25 Strategies**

The intention of the Board of Directors was to recognise that Eneco Refresh needed to deal with the issues encountered over the past 2 years and provide a robust platform to move forward with a new era of management. The strategies for the next year are chosen to reflect the underlying issues we currently have in the business and provide clear direction for the management team to work towards. Once the strategies are delivered, Eneco Refresh will be in the best possible position to grow a sustainable business, seek out opportunities for growth, identify geographic potential and, perhaps most importantly, repay the confidence shown by our investors by adding shareholder value.



**Eneco Refresh  
AGM FY24  
13<sup>th</sup> November 2024**

**refresh**

# Branch Overview

**DARWIN**  
0 Employees  
Land and Bore only  
0.4% of revenue

**KALGOORLIE**  
3 Employees  
15L Water Bottles  
3.8% of revenue

**TOOWOOMBA**  
6 Employees  
15L Water Bottles  
3% of revenue

**BRISBANE**  
7 Employees  
All pack sizes of water  
15.3% of revenue

**PERTH**  
32 Employees  
Head Office  
All pack sizes of water  
27.8% of revenue

**VICTORIA**  
14 Employees  
All pack sizes of water  
Plastics HQ  
13.5% of revenue - Water  
15.8% of revenue - Plastics

**NEW SOUTH WALES**  
10 Employees  
HYDR8 HQ  
All pack sizes of water  
20.3% of revenue

# Branch Capabilities

DARWIN  
Springwater Supply

KALGOORLIE  
Reverse Osmosis to <2TDS  
Fill & Supply

TOOWOOMBA  
Distillation  
Fill & Supply

BRISBANE  
Distillation  
Fill & Supply

PERTH  
Distillation  
Oxyfresh  
Bag In Box  
Blow moulding all bottles  
Fill & Supply

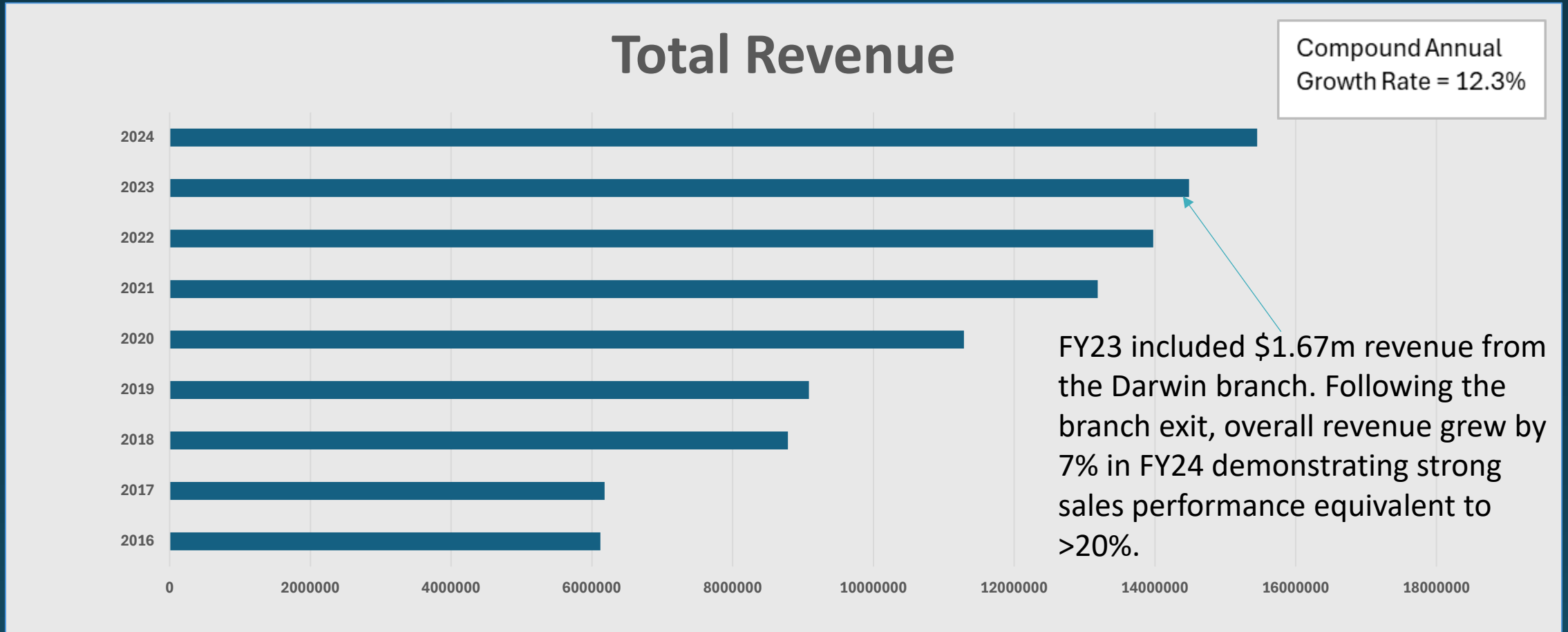
VICTORIA  
Distillation  
Oxyfresh  
Blow moulding 12L bottles  
Fill & Supply

NEW SOUTH WALES  
Distillation  
Fill & Supply

# FY24 Non-Recurring Costs

ITEM DESCRIPTION	INCURRED COST
Loss on asset disposal for Darwin branch	\$103,766
Exit costs for Darwin branch	\$225,499
Relocation of Melbourne branch	\$93,782
Insurance claim excess fees	\$60,874
Investment write down of Jas Refresh	\$49,999
Obsolete inventory write off	\$293,166
Associated costs for replacement and handover of CEO	\$104,000
<b>TOTAL COST</b>	<b>\$931,086</b>

# Growth Trajectory – FY16 to FY24



# FY25 Strategies

- **Transparency** – full visibility and understanding of the costs within our business.
- **Consistency** – business wide treatment of employees, suppliers and customers.
- **Best Practice** – identify the highest performing activities and adopt across the business.
- **Continuous Improvement** – proactively seek out and implement areas of opportunity.
- **Brand Recognition** – phase out local brands to underpin our national brands.
- **Sustainable Profitability** – ensure all products are contributing to the bottom line.