



MULTISTACK INTERNATIONAL LIMITED  
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28 April 2025

**Multistack International Limited: MSI (the Company)  
Quarter Activity Report – January to March 2025 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. Sale revenue during the first quarter of 2025 included some spare parts sales, there has been no chiller sales.

As previously reported, the Company has referred its claims to arbitration in the US against Danfoss. On 21 February 2025, the Company announced that the parties in the matter have finalised and executed a Settlement Agreement, thereby ending the arbitration. The company has received net cash amount of AUD 2,232,547 from the Danfoss settlement in March 2025.

Following the Danfoss settlement, on 16 April 2025, the Company announced that Super Link Company Limited (a related party of S. Yan and S. Leung), has exercised the option under the Asset Sale Deed to acquire the Verdicorp's assets including the ORC technology in return for a complete discharge of the Company' obligations to repay the Loan (and accrued interest). As at 31 March 2025, the loan and accrued interest amounted to A\$3,546,975. It is noted that the Asset Sale Deed (including exercise by SuperLink of the option under that Deed) were approved by the shareholders at the Company's AGM in May 2023.

Summary of cash position and expenditure during the quarter

The Company held cash and cash equivalents at the end of the quarter of \$2,922,551. Quarterly operating expenditure during the quarter was \$294,516, including \$131,546 relating to trading and operating expenses, and \$162,970 relating to staff, administration and corporate related costs.

On 18 March 2024, the Company announced that it had entered into a loan arrangement from A.C.R. Equipment (HK) Ltd (a related party of S. Yan and S. Leung) to the Company. The loan amount is USD 650,000.00 (AUD 1,092,568 including interest payable) at 6% interest, for one year term (expiring on 31 March 2025) and unsecured. The fund will primarily be used for on-going operations of the Company.

The Company has previously borrowed US\$1,800,000 (A\$3,546,975 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, this is interest bearing at 5.00% per annum and secured with the Verdicorp assets. As above mentioned, on 16 April 2025, Super Link Company Ltd has exercised the option under the Asset Sale Deed to acquire the Verdicorp's assets including the ORC technology in return for a complete discharge of the Company' obligations to repay the Loan and accrued interest.

The Company has also 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)**