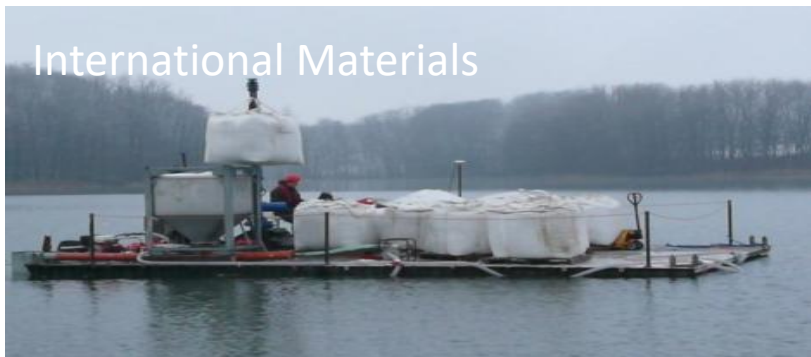




# Annual General Meeting

22 November 2018

# PET Four Business Units



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# Financial Summary

- FY 17/18 Revenue **\$16.2m**
- NPBT **\$2.8m\***
  - \* excludes non cash accounting effect of May 2017 option issue

## Strong operating margins

- FY18/19 Forecast Revenue **\$27m-\$30m\*\***
  - \*\* due to seasonal factors – 1/3<sup>rd</sup> H1; 2/3<sup>rd</sup> H2
- NPBT **\$7m-10m\***

## Strong Balance Sheet:

- **A\$8m** in cash
- Receivables/Inventory of **\$17m**;
- Debt Free;
- Net Assets approx **\$25m**

**\$3.7m** receivable from Performance Options

# Key drivers for Growing the PET Business



## PET has a 15 year track record in water environmental issues:

- **Current Pipeline\* > 30,000 tons (A\$100m) of Phoslock with projects in 12 countries (this excludes China)**
- Pipeline projects include small, medium and large lake and reservoir projects
- Focus on R&D of new products, processes and devices
- Factory in Changxing – expansion capacity

## Strategic Alliance with BHZQ Environmental, 70% owned by BEWG to develop PET business in China:

- Chinese Central Government 5 year plan have committed US\$1 Trillion to fix water issues – 1.5%pa GDP
- Engineering and Contracting Businesses produced over \$30m new business in the first two years
- **Current Pipeline\* > rmb 500 million (A\$100m) from 36 projects around China**
- Pipeline projects include phosphorus reduction; “black odorous” water; engineering and wetlands

## Growing financial strength:

- Debt free; Strong Balance Sheet
- Now in S&P/ASX Emerging Companies Index

\* Conversion and timing of Pipeline Projects into Sales subject to a number of business risk factors.

# Work on Chinese Canals & Rivers



Beijing Canal – March 2018



Same Beijing Canal – Sept 2018



Other Beijing Canals



Changxing Canal

# PET Materials used in treating "Black Odorous Water"



Over 80% of the China's water required to meet industrial (Level III) standard by 2020

Focused on the treatment of "**black odorous water**" using demountable mini plants where needed



# Massive logistics required to construct Wetland Projects



**130,000 Tons of Materials  
delivered to  
Beijing Wetland site**



# Changxing Factory and R&D Centre

**Multi purpose factory in central China, produces a range of products**

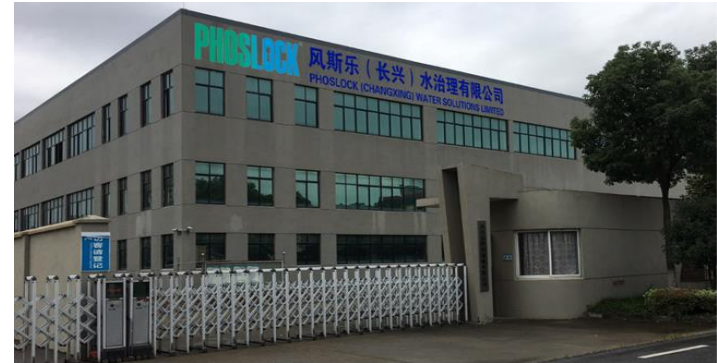
**Phoslock Production Line – readily scalable:**

- **Current capacity 15,000tpa - can double production**

**Video of Changxing Factory:**

**[www.phoslock.com.au/site/what-we-do/production-facility](http://www.phoslock.com.au/site/what-we-do/production-facility)**

- **Adding production lines for new products**
- **Ten R&D projects underway – various stages of development or trial**



# PET International Business

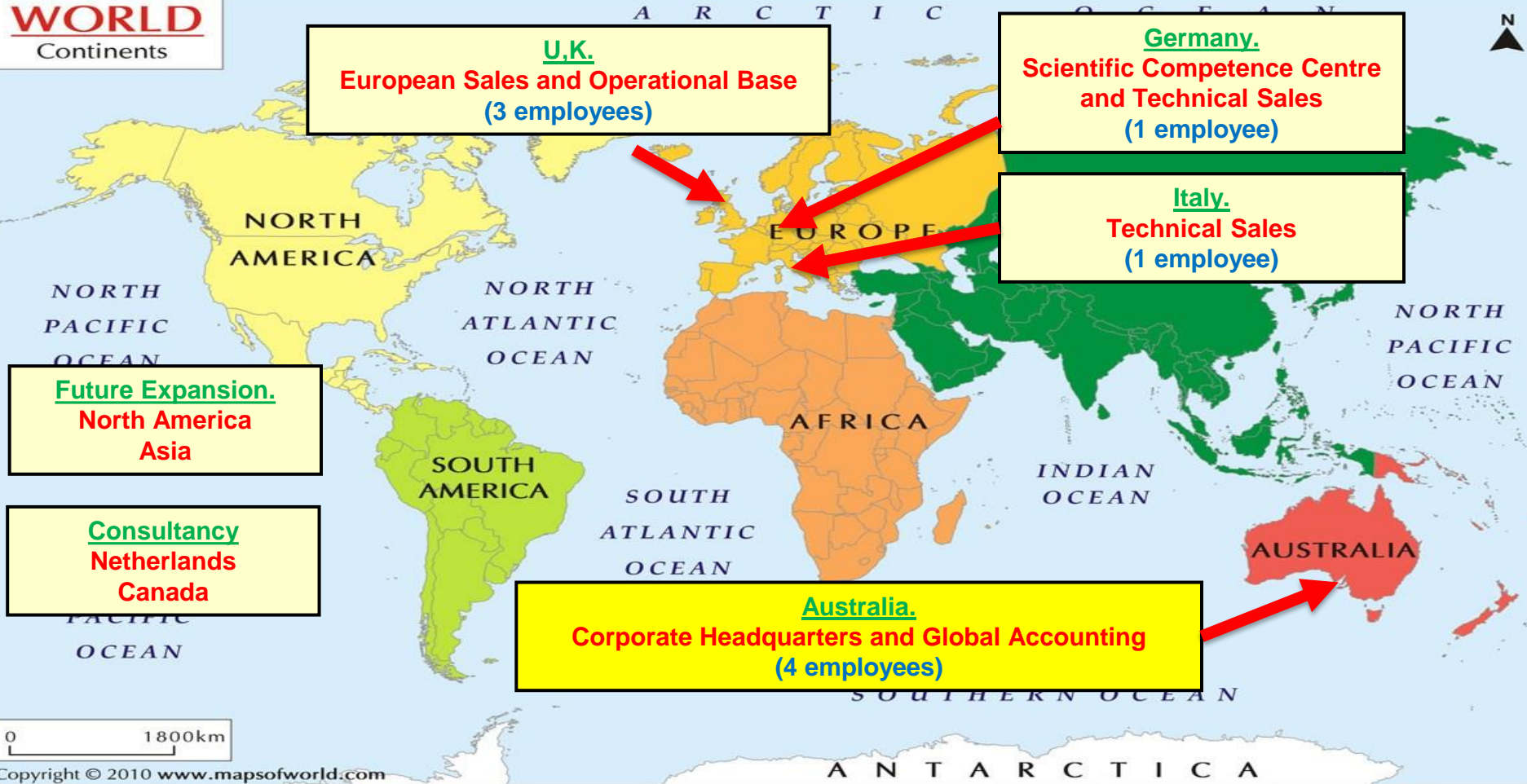
- More than 300 successful projects in 20 countries
- **Current Pipeline\* > 30,000 tons with projects in 12 countries (this excludes China)**
- “Phoslock” product is proven technology (over 70 peer-reviewed technical papers); patented/patent pending
- Expanding sales staff
- Major change to our US Business
- FY18-19 Revenue (Forecast) \$7.0m (\$4.7m FY17-18)

\* Conversion and timing of Pipeline Projects into Sales subject to a number of business risk factors.



# Sales and Operational Structure (Offices)

**WORLD**  
Continents



U.K.  
European Sales and Operational Base  
(3 employees)

Germany.  
Scientific Competence Centre and Technical Sales  
(1 employee)

Italy.  
Technical Sales  
(1 employee)

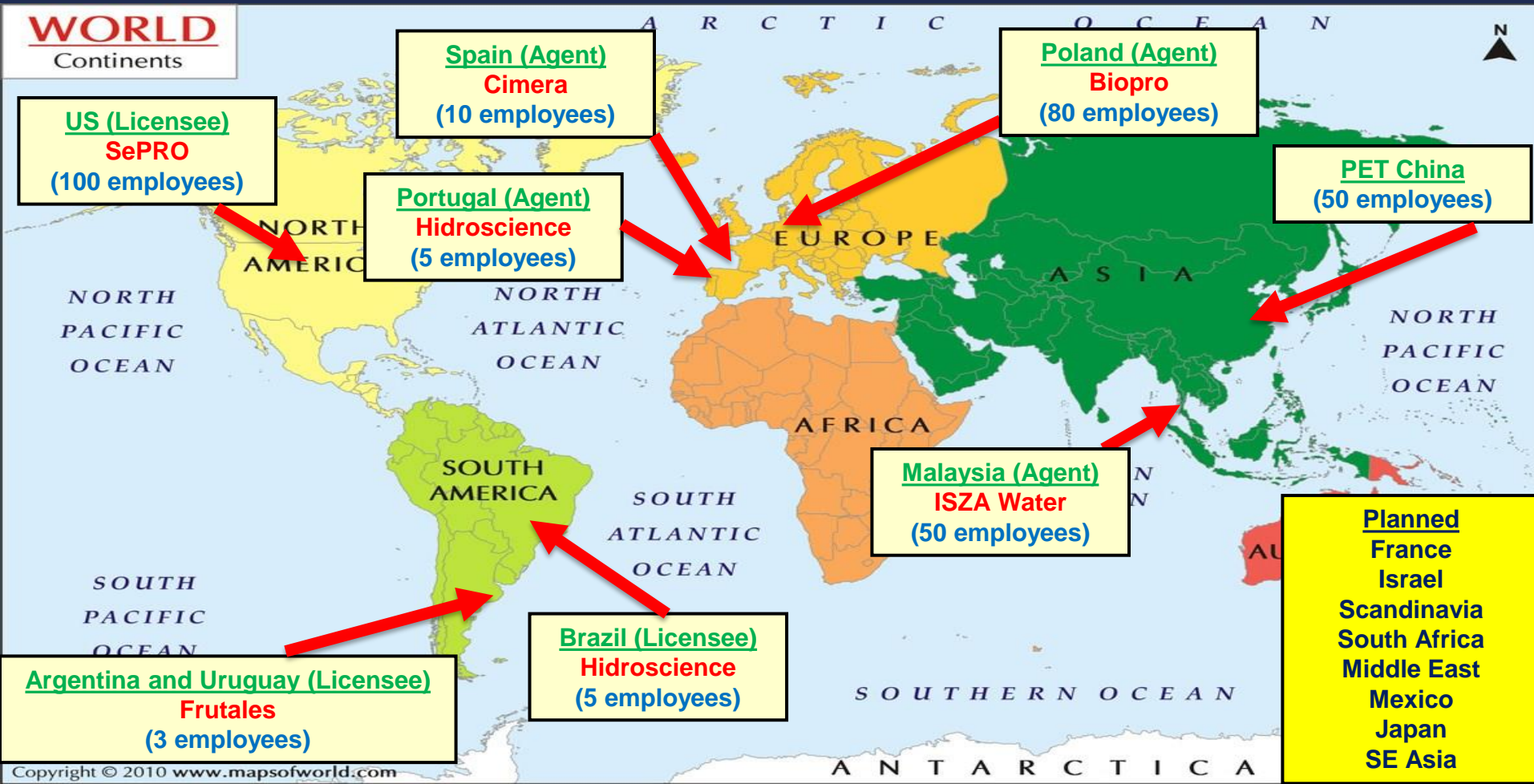
Future Expansion.  
North America  
Asia

Consultancy  
Netherlands  
Canada

Australia.  
Corporate Headquarters and Global Accounting  
(4 employees)

0 1800km

# Sales and Operational Structure (Licensees and Agents)



# Recent International Projects



# Investor Relations

High Sales Growth Rate; Diversified Business; Debt Free; Cash & Liquid Assets of \$25m

Market Cap > \$200m; liquidity has improved significantly

PET is now an attractive investment for Institutional Investors

Board/ Senior Management > 160m shares (30%)

1,700 shareholders - 2017 AGM

3,020 shareholders - 2018 AGM

Phoslock ENV Tec Limited (PET)

20mins delayec

**\$0.41**

10:06am 19/11

**0.00 (0.00)**

Movement

\$0.185

\$0.48

52 Week Range

**110.26%**

1 Year Return

Phoslock ENV Tec Limited Chart

Intraday 1m 3m 6m 1yr 5yr 10y



# Results of a Remediated Waterbody



**The fishermen have returned !**