

21 February 2023

XRF announces record half-year result

XRF Scientific Ltd (“XRF” or “The Company”) today announced its results for the December 2022 half-year:

Key Highlights

- Sales Revenue up **46%** to **\$27.1m** from \$18.5m
- Profit Before Tax up **43%** to **\$5.3m** from \$3.7m
- Net Profit After Tax* up **34%** to **\$3.7m** from \$2.8
- Record quarterly Profit Before Tax of **\$2.9m** in December Q2

**In FY23 our Australian income tax rate has increased to 30% (FY22: 25%) due to the expectation that our group revenue will exceed \$50m for FY23.*

References to profit above are net of profit attributable to non-controlling interests.

XRF’s Managing Director, Vance Stazzonelli, commented on the half-year result:

“During the half we saw strong levels of activity across the business, driven by the mining and industrial sectors. There was positive growth in key international markets in Europe, Asia and the Americas. The December quarter was very positive, with a record profit before tax of \$2.9m being generated from revenue of \$14.5m.

The Consumables division had a positive half, generating a profit before tax of \$2.5m. The mining sector remained the key driver of activity, in which our products are consumed for sample testing processes across production and exploration. Lithium chemicals are a key production input and continued to increase in price during the half due to demand from the EV sector. As a result, revenue and costs increased with no negative impact to gross margins.

The Capital Equipment division delivered a significantly increased profit of \$1.5m compared to \$632k in the PCP. Our order book has reached a new record level, with production for some products booked out past 2H23. Included in the result, Orbis Mining generated total profit before tax of \$684k (50% of PBT allocated to non-controlling interest). The laboratory crusher product line continues to develop increased sales momentum as a result of its growing reputation in the market.

The Precious Metals division delivered a profit before tax of \$1.6m, which was driven by a mixture of customers in the mining and industrial sectors. Our office in Germany continued to grow and delivered revenue of \$4.5m compared to \$2.7m in 2H22. The division acquired new customers in specialised fields, including aerospace.

The Board has maintained its policy to pay one dividend per year on profits which will be determined based on the full-year result.”

Please direct any inquiries to:

Vance Stazzonelli
Managing Director

vance.stazzonelli@xrfscientific.com
+61 8 9244 0600

About XRF Scientific:

XRF Scientific Limited is an Australian listed company (ASX: XRF) based in Perth, Western Australia. XRF manufactures equipment and chemicals, which are distributed to production mines, construction material companies and commercial analytical laboratories, in Australia and overseas, and used in the preparation of samples for analysis.

XRF has manufacturing, sales and support facilities located in Australia, Europe and Canada, plus a global network of distributors. The Company has representation in the United States, South America, Africa, the Middle East and Asia and has a customer base that includes multinational blue-chip customers such as:- BHP Billiton, Rio Tinto, Vale, South 32, Glencore, Alcoa, Lafarge, Holcim, ArcelorMittal, CSIRO, Intertek, Bureau Veritas, SGS and ALS.

XRF’s technology is used to measure the composition and purity of materials and is mainly applied in industrial quality control and in process control for manufacturing processes in industries such as metals and mining, construction materials, chemicals and petrochemicals.

XRF’s products help customers to improve product quality and performance, increase productivity and yield and reduce downtime and waste. Its businesses have established positions in their specialised markets.

Read more about XRF Scientific at: <https://www.xrfscientific.com/general-overview/>