

20 February 2024

XRF announces record half-year result

XRF Scientific Ltd (“XRF” or “The Company”) today announced its results for the December 2023 half-year:

Key Highlights

- Sales Revenue up **6%** to **\$28.6m** from \$27.1m
- Net Profit After Tax up **20%** to **\$4.5m** from \$3.7m
- Record quarterly Profit Before Tax of **\$3.4m** in December Q2

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

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

“During the half we saw strong levels of activity across the divisions, with the mining industry being the main driver of activity. International sales growth continued in key markets across Europe, Asia and the Americas. The December quarter was highly positive, with a record profit before tax of \$3.4m being generated from revenue of \$14.9m.

The Consumables division had a strong half, generating a profit before tax of \$2.9m from revenue of \$9.6m. 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 began reducing in price during the half. As a result, selling prices and production costs are affected, with profit per unit sold remaining steady.

The Precious Metals division delivered revenue of \$10.4m and a profit before tax of \$1.8m. We experienced high levels of reoccurring orders from mining customers, as increased sample testing requires regular recycling of spent platinum labware products. Economic conditions were challenging for our Germany office, however their results are expected to improve in the second half.

The Capital Equipment division delivered a profit before tax of \$1.7m from revenue of \$9.7m. \$1.1m of Orbis Mining revenue was delayed into the second half, which is expected to be a strong period for the division. Included in the result, Orbis Mining generated revenue of \$1.8m (1H23: \$3.3m) and total profit before tax of \$0.4m (1H23: \$0.7m) (50% of PBT allocated to non-controlling interest). International sales are gaining momentum, particularly in the Americas where significant sales have been achieved.

Following the launch in June 2023, the first xrTGA sales were achieved during the half. The market reaction to the product has been positive, and our aim over the next half is to continue developing important reference customers.

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:

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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/>