



**Investor Presentation**  
**February 2024**



# Our Technology

## Sample Preparation Technology

### Mining and Manufacturing



**Minerals:**  
Iron ore  
Gold  
Nickel  
Copper  
Rare earths  
Aluminium  
Bauxite  
Manganese  
Uranium  
Lithium  
Mineral sands  
Commercial labs

**Materials:**  
Cement  
Steel  
Glass  
Ceramics  
Research  
Education

Raw Samples



Prepared Samples

### Chemical Analysis



**Analysis Techniques:**  
XRF  
ICP  
Fire Assay  
Photon Assay

# Lab Products

Sample Preparation Products

## X-Ray Flux

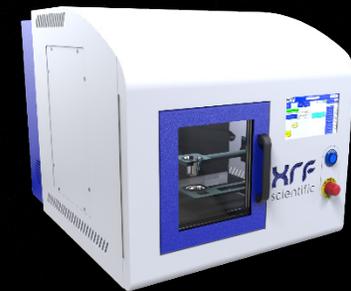


## Platinum Labware



Recycling service of turning used platinum products into new items

## Fusion Machines



# Lab Products

Orbis Mining Pty Ltd 50% Shareholding



Laboratory Jaw  
Crushers



Smart Splitting  
Crushing Systems



**Sample Weighing Station**

Samples are weighed and the final sample weight is entered into the PLC



**Laboratory Crusher**

Samples crushed from size of up to 110mm down to <2mm



**Sample Splitter**

Splitter automatically creates representative sample at required weight for analysis process

# xrTGA

NEW PRODUCT



## Thermogravimetric Analyser



New product line launched June 2023, available for delivery in December 2023 quarter



Used for thermal analysis of moisture, volatiles, ash, fixed carbon or loss on ignition

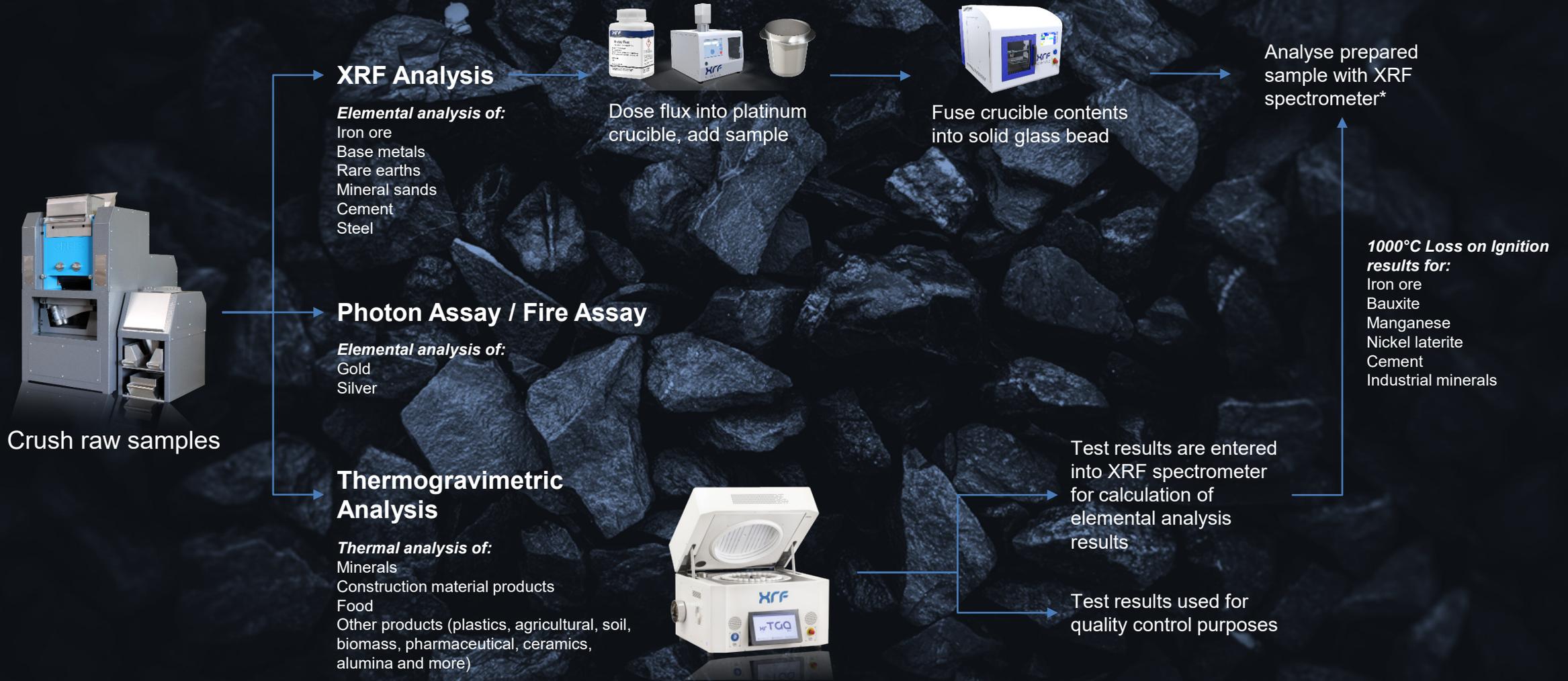


Used in existing mining / construction material industries and new markets such as production quality control of food, plastics and agricultural products



Provides complementary data for the XRF analysis process in materials such as iron ore and cement

# Laboratory Products Flowchart



\*Processing step performed with products from other companies

# Platinum Products

## Precision Products for Industry



Aerospace  
Components



Glass Production  
Bushings



Crystal Growing  
Vessels



Measurement  
Instrument  
Components



Chemical  
Production  
Vessels



Laboratory  
Components



Research and  
Development



Niche Applications /  
Custom Designs

# FY24 H1 Highlights

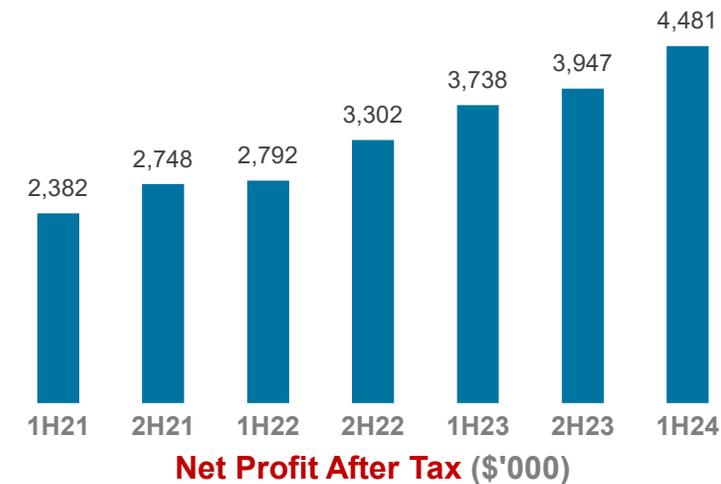
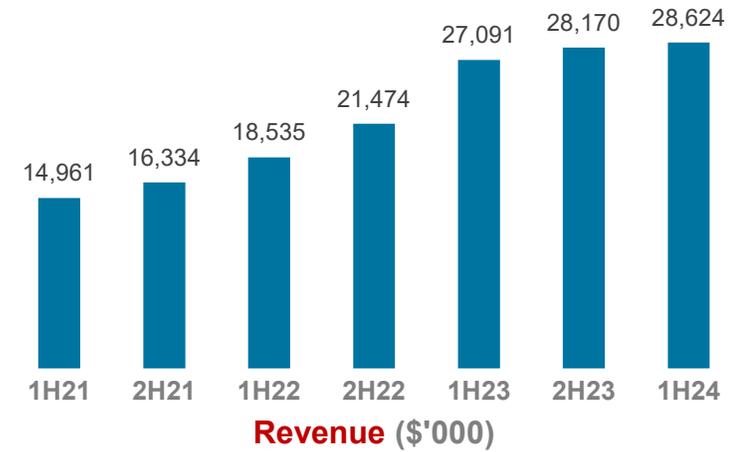


- Record half-year revenue and profit
- Very strong demand from mining and industrial customers
- Strong demand for capital equipment products, continuing at record order levels
- First xrTGA sales in December quarter

# FY24 H1 Financial Highlights



- Revenue up 6% to \$28.6m vs 1H23
- NPAT up 20% to \$4.5m vs 1H23
- Record quarterly profit before tax of \$3.4m during December Q2



# Half Year Results - Overview



(\$m)	Half Year Results			Full Year Results		
	1H24	1H23	Change	2023	2022	2021
Sales revenue	28.6	27.1	6%	55.2	40.0	31.3
Profit before tax	6.1	5.3	15%	11.1	8.2	6.8
<b>Net profit after tax</b>	<b>4.5</b>	<b>3.7</b>	<b>20%</b>	<b>7.7</b>	<b>6.1</b>	<b>5.1</b>
Earnings per share (cents)	3.3	2.8	18%	5.6	4.5	3.8
Weighted average no. of shares	137,484,406	135,587,521		136,687,618	135,469,700	134,345,542
Dividends (cents per share)	0.0	0.0		3.3	2.5	2.0
Dividend payout ratio	-	-		59%	56%	*60%

*\*As a percentage of adjusted NPAT after excluding COVID-19 subsidies*

# Balance Sheet



(\$m)	1H24	2023	Change
Cash and cash equivalents	8.3	10.4	(20%)
Trade and other receivables	8.1	8.6	(6%)
Inventories	17.7	16.9	5%
Other assets	0.7	0.6	7%
Property, plant and equipment	9.0	8.2	10%
PPE lease asset	2.1	2.2	(5%)
Intangible assets	16.7	16.9	(1%)
Deferred tax asset	1.5	1.7	(10%)
<b>Total assets</b>	<b>64.1</b>	<b>65.5</b>	<b>(2%)</b>
Trade and payables			
- platinum loan provisions	1.4	1.5	(10%)
- other items	5.2	7.5	(31%)
Debt (short-term)	2.9	0.8	275%
Debt (long-term)	0.0	1.3	(100%)
Current lease liabilities	0.5	0.6	(11%)
Non-current lease liabilities	1.6	1.6	(2%)
Income tax liability	0.7	1.4	(46%)
Deferred tax liability	1.2	1.3	(9%)
<b>Total liabilities</b>	<b>13.5</b>	<b>16.0</b>	<b>(15%)</b>
<b>Total equity</b>	<b>50.6</b>	<b>49.5</b>	<b>2%</b>

- Net cash position of \$5.4m
- \$1.3m debt for Melbourne platinum factory is now in short-term due to three-year loan period expiring in October 2024. We expect this loan to be rolled over
- \$0.7m PPE invested to expand production capacity in the Capital Equipment division

# Cash Flow Statements



(\$m)	1H24	2H23	1H23
Net cash inflow from operating activities	2.2	6.1	2.3
Net cash (outflow) from investing activities	(1.1)	(0.5)	(0.3)
Net cash inflow/(outflow) from financing activities	(3.1)	(1.3)	(2.5)
Cash at start of period	10.4	6.1	6.6
Net increase/(decrease) in cash	(2.1)	4.3	(0.5)
Cash at end of period	8.3	10.4	6.1

## Highlights:

- Operating cash flow impacted by \$1.8m in 1H24 sales that were received as customer deposits during FY23. The value of deposits was atypically high and relates to new precious metals products
- \$0.7m PPE invested to expand production capacity in the Capital Equipment division
- \$3.6m cash paid out for FY23 dividend (1H23: \$2.7m)

# Consumables

(\$m)	1H24	2H23	1H23
<b>Sales revenue</b>	<b>9.6</b>	<b>9.2</b>	<b>7.7</b>
Change in % *	4%	19%	12%
<b>NPBT</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>
Change in % *	6%	7%	6%
<b>Margin %</b>	<b>30%</b>	<b>29%</b>	<b>33%</b>

\* Compared to immediately prior half-year period



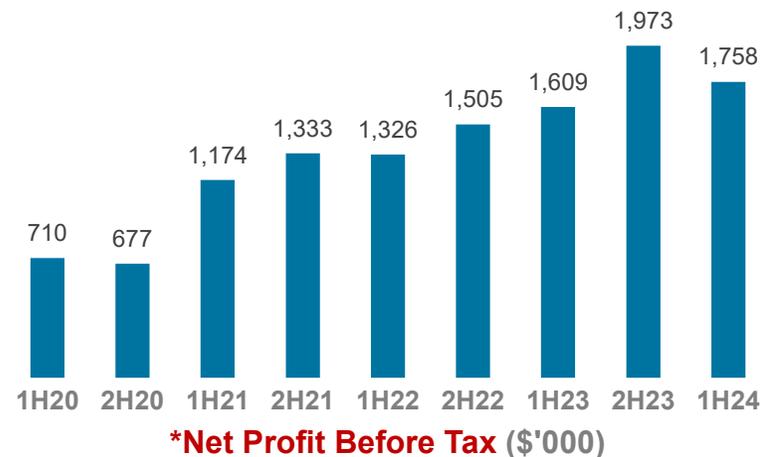
## Overview for 1H24:

- Revenue up 24% on 1H23
- NPBT up 14% on 1H23
- Continued robust demand from the mining sector driven by production and exploration
- Key production input lithium compounds reducing in price, affecting selling prices and production costs. Profit per unit sold remaining steady. Trend expected to continue into 2H, which should have a positive impact of reducing working capital requirements

# Precious Metals

(\$m)	1H24	2H23	1H23
<b>Sales revenue</b>	<b>10.4</b>	<b>10.3</b>	<b>11.3</b>
Change in % *	0%	(9%)	18%
<b>NPBT</b>	<b>1.8</b>	<b>2.0</b>	<b>1.6</b>
Change in % *	(11%)	23%	7%
<b>Margin %</b>	<b>17%</b>	<b>19%</b>	<b>14%</b>

\* Compared to immediately prior half-year period



## Overview for 1H24:

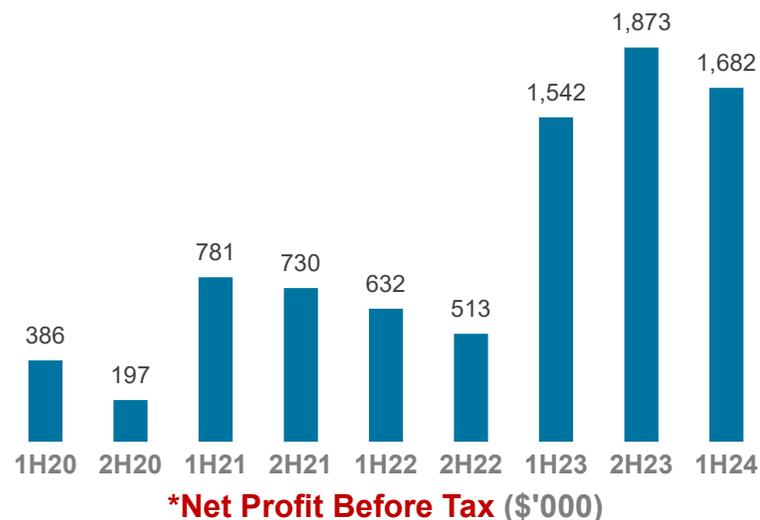
- Revenue\*\* down 9% on 1H23
- NPBT up 9% on 1H23
- Strong demand for both new product and recycling sales
- Reoccurring orders from mining customers, as increased sample testing requires regular recycling of spent platinum labware products
- Germany office revenue and NPBT was down on 2H23 by \$1.2m and \$0.3m due to economic conditions. Results expected to improve in 2H
- Customer base for industrial platinum products continues to grow with new accounts acquired

\*\* Revenue is impacted each period by precious metals prices and product sales mix (precious metals vs fabrication revenue)

# Capital Equipment

(\$m)	1H24	2H23	1H23
<b>Sales revenue</b>	<b>9.7</b>	<b>9.6</b>	<b>9.2</b>
Change in % *	1%	5%	60%
<b>NPBT</b>	<b>1.7</b>	<b>1.9</b>	<b>1.5</b>
Change in % *	(10%)	21%	201%
<b>Margin %</b>	<b>17%</b>	<b>19%</b>	<b>17%</b>

\* Compared to immediately prior half-year period



## Overview for 1H24:

- Revenue up 5% on 1H23
- NPBT up 9% on 1H23
- \$1.1m of Orbis Mining revenue delayed into 2H, which is expected to be a strong half for the division
- High levels of machines demand from the mining and industrial sectors. Sales growing in numerous markets worldwide
- Order book continues at record levels, with some product lines booked out for production past 2H24
- Orbis Mining contribution of revenue \$1.8m (1H23: \$3.3m) and total NPBT \$0.4m (1H23: \$0.7m) (50% of NPBT allocated to non-controlling interest)
- First xrTGA sales achieved and deliveries commenced from Melbourne factory

# Growth Strategy for FY24



- Ramp-up sales strategy on newly launched xrTGA
- Grow Orbis laboratory crusher sales
- Continue with geographical expansion initiatives
- New product releases from all divisions
- Continue to pursue M&A opportunities. Our targets are complementary manufacturing companies, in the laboratory supply or precious metals sectors
- Work to improve our scale/market cap and the share price

# Corporate Overview

## Shareholder Wealth

	EBIT	Earnings Per Share	Dividends Declared Per Share	Share Price	Market Capitalisation
Financial Year	\$	Cents	Cents	\$	\$
2017/18	1,598,268	0.8	0.3	0.16	22,081,257
2018/19	3,249,762	1.6	1.0	0.20	26,765,160
2019/20	4,602,319	2.3	1.4	0.24	32,118,193
2020/21	6,818,111	3.8	2.0	0.47	63,916,519
2021/22	8,259,768	4.5	2.5	0.57	77,458,468
2022/23	11,924,806	5.6	3.3	1.17	160,348,236

## Directors

Fred Grimwade – Chairman  
 Vance Stazonelli – Managing Director  
 David Brown – Non-Executive Director  
 David Kiggins – Non-Executive Director

## Shareholders

Board and Management – 15.2%  
 Top 20 – 44.4%

**Substantial Shareholders**  
 D & GD Brown Nominees Pty Ltd – 7.4%  
 Michael Karl Korber – 7.9%

## Capital Structure

Ordinary shares on issue: 138,041,277  
 Options: Nil  
 Performance rights: 2,191,663

## DRP

Please visit [www.xrfscientific.com](http://www.xrfscientific.com) for a copy of the Dividend Reinvestment Plan

## Locations

Head Office – Perth  
 Manufacturing – Perth and Melbourne  
 International Sales/Service – Brussels (Belgium), Karlstein (Germany) and Montreal (Canada)

# Contact Information

Tel: (08) 9244 0600  
86 Guthrie Street, Osborne Park WA

Vance Stazzonelli – CEO  
[vance@xrfscientific.com](mailto:vance@xrfscientific.com)

# Disclaimer

## No responsibility for contents of Investor Presentation

- To the maximum extent permitted by law, XRF Scientific Limited and representatives:
- make no representation, warranty or undertaking, express or implied, as to the adequacy, accuracy, completeness or reasonableness of this Investor Presentation or any other written or verbal communication transmitted or made available to any recipient;
- accept no responsibility or liability as to the adequacy, accuracy, completeness or reasonableness of this Investor Presentation or any other written or verbal communication transmitted or made available to any recipient; and
- accept no responsibility for any errors or omissions from this Investor Presentation whether arising out of negligence or otherwise.

## Accuracy of projections and forecasts

- This Investor Presentation includes certain statements, opinions, estimates, projections and forward-looking statements with respect to the expected future performance of XRF Scientific Limited. These statements are based on, and are made subject to, certain assumptions which may not prove to be correct or appropriate. Actual results may be materially affected by changes in economic and other circumstances which may be beyond the control of XRF Scientific Limited. Except to the extent implied by law, no representations or warranties are made by XRF Scientific Limited, its advisers or representatives as to the validity, certainty or completeness of any of the assumptions or the accuracy or completeness of the forward-looking statements or that any such statement should or will be achieved. The forward-looking statements should not be relied on as an indication of future value or for any other purpose.

## No offer to sell or invitation to buy

- This Investor Presentation does not, and should not be considered to, constitute or form part of any offer to sell, or solicitation of an offer to buy, any shares in XRF Scientific Limited, and no part of this Investor Presentation forms the basis of any contract or commitment whatsoever with any person.
- This Investor Presentation does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not permitted under applicable law. Distribution of this Investor Presentation in or from certain jurisdictions may be restricted or prohibited by law. Recipients must inform themselves of and comply with all restrictions or prohibitions in such jurisdictions. Neither XRF Scientific Limited, its advisers or representatives accept any liability to any person in relation to the distribution or possession of this Investor Presentation from or in any jurisdiction.