



Investor Presentation
February 2023



Our Technology

Sample Preparation Technology

Mining and Manufacturing



Minerals:
Iron ore
Gold
Nickel
Copper
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

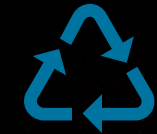
Lab Products

Sample Preparation Products

X-Ray Flux

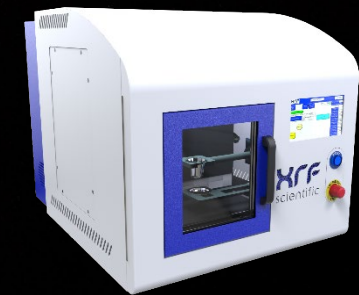


Platinum Labware



Recycling service of
turning used platinum
products into new items

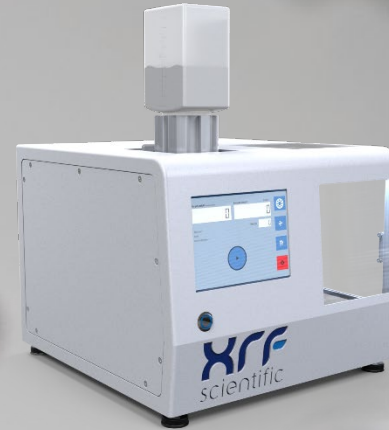
Fusion Machines



Lab Products

Analytical Tools and Accessories

Weighing Instruments



Platinum Electrodes

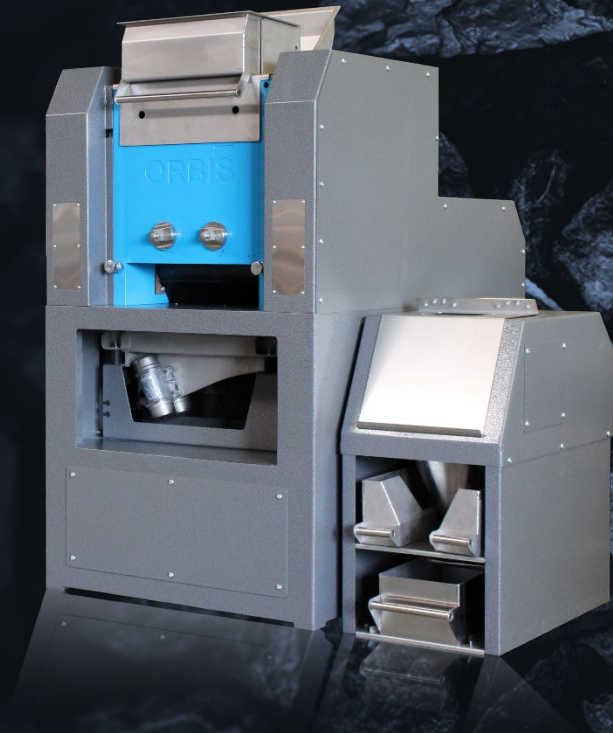


Drift Monitors



Lab Products

Orbis Mining Pty Ltd



Laboratory Jaw
Crushers



Smart Splitting
Crushing Systems

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

FY23 H1 Highlights

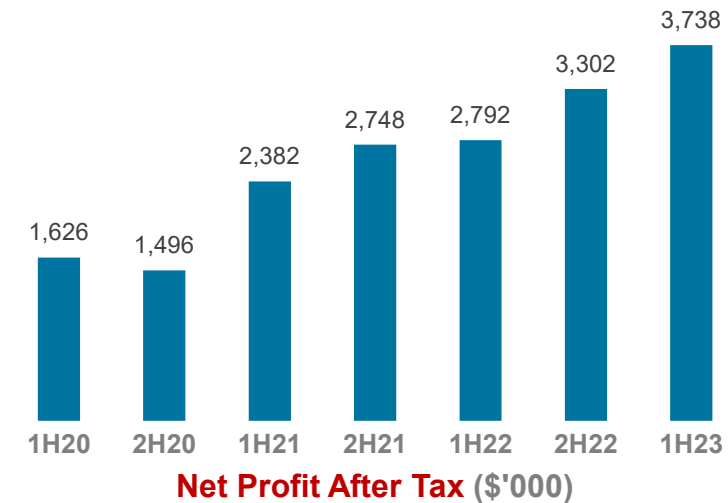
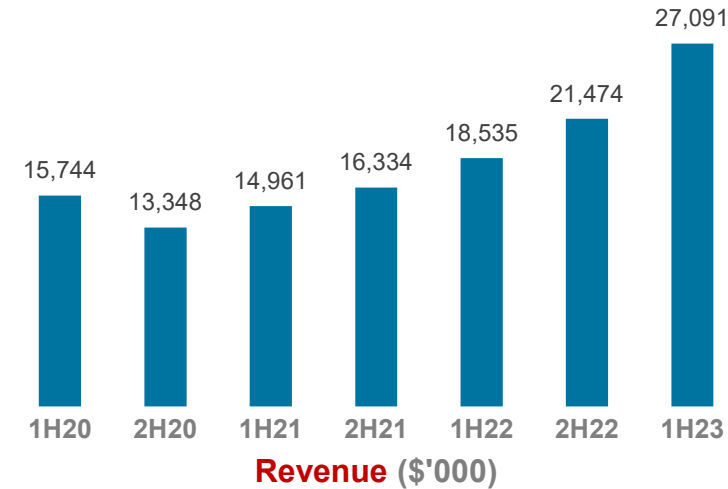


- Record half-year revenue and profit
- Very strong demand from mining and industrial customers
- Large increase in revenue and profits for Capital Equipment division
- Strong demand for capital equipment products, currently at new record order levels
- Continued R&D investment in new products across all divisions

FY23 H1 Financial Highlights

- Revenue up 46% to \$27.1m vs 1H22
- NPAT* up 34% to \$3.7m vs 1H22
- Record quarterly profit before tax of \$2.9m during December Q2
- \$2.3m positive operating cashflow

**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.*



Half Year Results - Overview



(\$m)	Half Year Results			Full Year Results		
	1H23	1H22	Change	2022	2021	2020
Sales revenue	27.1	18.5	46%	40.0	31.3	29.1
Profit before tax	5.3	3.7	43%	8.2	6.8	4.5
Net profit after tax*	3.7	2.8	34%	6.1	5.1	3.1
Earnings per share (cents)	2.8	2.1	33%	4.5	3.8	2.3
Weighted average no. of shares	135,587,521	134,699,698		135,469,700	134,345,542	133,825,803
Dividends (cents per share)	0.0	0.0		2.5	2.0	1.4
Dividend payout ratio	-	-		56%	**60%	60%

*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.

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

Balance Sheet

(\$m)	1H23	2022	Change
Cash and cash equivalents	6.1	6.6	(9%)
Trade and other receivables	8.3	6.2	33%
Inventories	16.8	15.6	8%
Other assets	0.6	0.5	18%
Property, plant and equipment	8.0	7.9	1%
PPE lease asset	0.8	0.7	13%
Intangible assets	16.8	17.0	(1%)
Deferred tax asset	1.2	1.0	21%
Total assets	58.6	55.5	5%
Trade and payables			
- platinum loan provisions	2.4	2.6	(11%)
- other items	5.6	4.7	19%
Debt (short-term)	1.7	1.3	34%
Debt (long-term)	1.4	1.5	(6%)
Current lease liabilities	0.3	0.4	(16%)
Non-current lease liabilities	0.5	0.4	41%
Income tax liability	1.0	0.7	37%
Deferred tax liability	0.8	0.6	27%
Total liabilities	13.7	12.2	12%
Total equity	44.9	43.3	4%

- Net cash position of \$2.9m
- Consumables division inventories increased by \$1m due to lithium price increases
- Debt increase relates to lithium inventory funding
- Change in Australian tax rate from 25% to 30% resulted in increases to deferred tax asset, deferred tax liability and income tax liability

Cash Flow Statements

(\$m)	1H23	2H22	1H22
Net cash inflow from operating activities	2.3	1.4	1.8
Net cash (outflow) from investing activities	(0.3)	(0.2)	(0.9)
Net cash inflow/(outflow) from financing activities	(2.5)	0.8	(1.5)
Cash at start of period	6.6	4.6	5.3
Net increase/(decrease) in cash	(0.5)	2.0	(0.7)
Cash at end of period	6.1	6.6	4.6

Highlights:

- \$2.7m cash paid out for FY22 dividend (1H22: \$2.1m)
- Operating cash flow impacted by increase in Consumables division stock position of \$1.0m due to lithium production chemical price increases

Consumables

(\$m)	1H23	2H22	1H22
Sales revenue	7.7	6.9	5.2
Change in % *	12%	32%	2%
NPBT	2.5	2.4	1.7
Change in % *	6%	37%	8%
Margin %	33%	35%	33%

* Compared to immediately prior half-year period

Overview for 1H23:

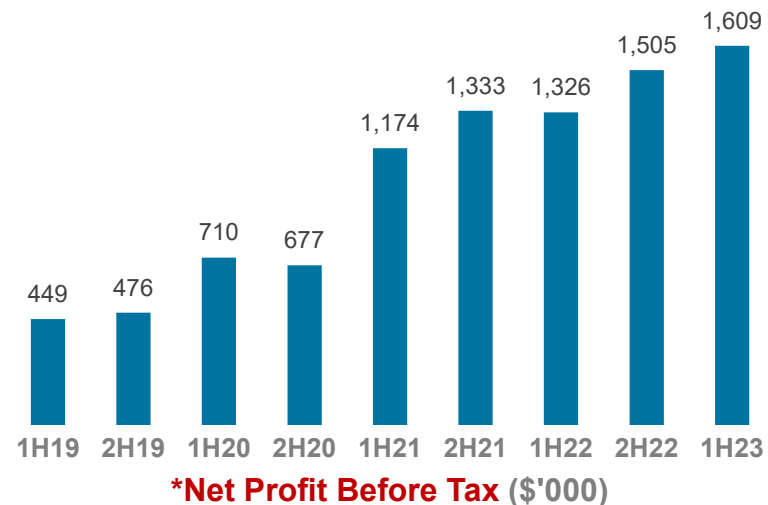
- Revenue up 12% on 2H22
- NPBT up 6% on 2H22
- Continued robust demand from the mining sector driven by production and exploration
- Key production input lithium compounds increased in price due to demand from EV sector. Inventory levels increased by \$1m during 1H23 which is lower than forecast range of \$2.3-2.8m



Precious Metals

(\$m)	1H23	2H22	1H22
Sales revenue	11.3	9.6	8.7
Change in % *	18%	10%	15%
NPBT	1.6	1.5	1.3
Change in % *	7%	13%	(1%)
Margin %	14%	16%	15%

* Compared to immediately prior half-year period



Overview for 1H23:

- Revenue up 18% on 2H22
- NPBT up 7% on 2H22
- Continued strong demand from mining and industrial markets, for both new product and recycling sales
- Reoccurring orders from mining customers, as increased sample testing requires regular recycling of spent platinum labware products
- New customers in specialised fields, including aerospace
- Germany office continues growth with revenue of \$4.5m 1H23 vs \$2.7m 2H22

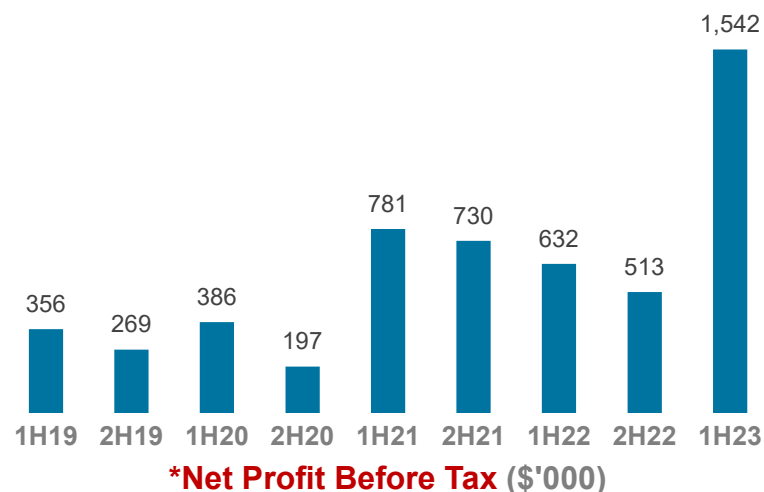
*COVID-19 wages subsidies included in NPBT:

- 2H21: \$41k
- 1H21: \$321k
- 2H20: \$114k

Capital Equipment

(\$m)	1H23	2H22	1H22
Sales revenue	9.2	5.7	5.1
Change in % *	60%	13%	10%
NPBT	1.5	0.5	0.6
Change in % *	201%	(19%)	(13%)
Margin %	17%	9%	13%

* Compared to immediately prior half-year period



Overview for 1H23:

- Revenue up 60% on 2H22
- NPBT up 201% on 2H22
- High levels of machines demand from the mining and industrial sectors. Sales growing in numerous markets worldwide
- Ongoing revenue (spare parts/service) increasing as installed machine base grows – 27% of revenue for 1H23
- Order book continues to grow to new record levels, with some product lines booked out for production past 2H23
- Orbis Mining contribution of revenue \$3.3m and total NPBT \$0.7m (50% of NPBT allocated to non-controlling interest). Strong sales momentum continues into 2H23 due to growing product reputation

*COVID-19 wages subsidies included in NPBT:

- 2H21: \$86k
- 1H21: \$306k
- 2H20: \$93k

Growth Strategy for FY23



- Grow Orbis laboratory crusher sales, utilising XRF's sales network and resources
- Continuing our expansion in the Precious Metals Division
- 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	Cents	\$
2016/17	982,440	0.6	0.24	17.0	22,750,387
2017/18	1,598,268	0.8	0.3	16.0	22,081,257
2018/19	3,249,762	1.6	1.0	20.0	26,765,160
2019/20	4,602,319	2.3	1.4	24.0	32,118,193
2020/21	6,818,111	3.8	2.0	47.5	63,916,519
2021/22	8,259,768	4.5	2.5	57.0	77,458,468
17 February 2023				92.5	126,707,217

Directors

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

Shareholders

Board and Management – 15.0%
 Top 20 – 46.4%

Substantial Shareholders

Michael Karl Korber – 8.0%
 D & GD Brown Nominees Pty Ltd – 7.3%

Capital Structure

Ordinary shares on issue: 136,980,775
 Options: Nil
 Performance rights: 1,504,278

DRP

Please visit www.xrfscientific.com for a copy of the Dividend Reinvestment Plan

Locations

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

Contact Information

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