



**Investor Presentation**  
**August 2021**



# Our Technology

## Sample Preparation Technology

### Mining and Manufacturing



**Minerals:**  
Iron ore  
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



# Lab Products

Sample Preparation Products

## X-Ray Flux

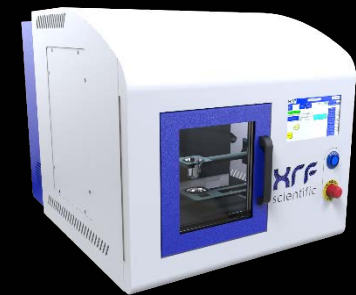


## Platinum Labware



Recycling service of turning used platinum products into new items

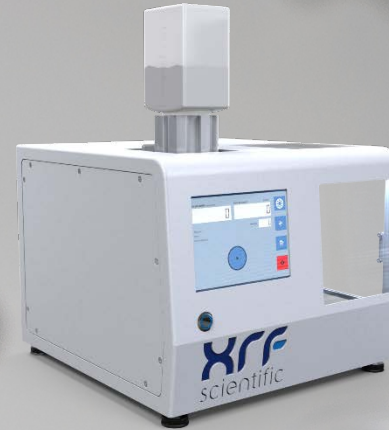
## Fusion Machines



# Lab Products

Analytical Tools and Accessories

Weighing Instruments



Platinum Electrodes



Drift Monitors





# 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

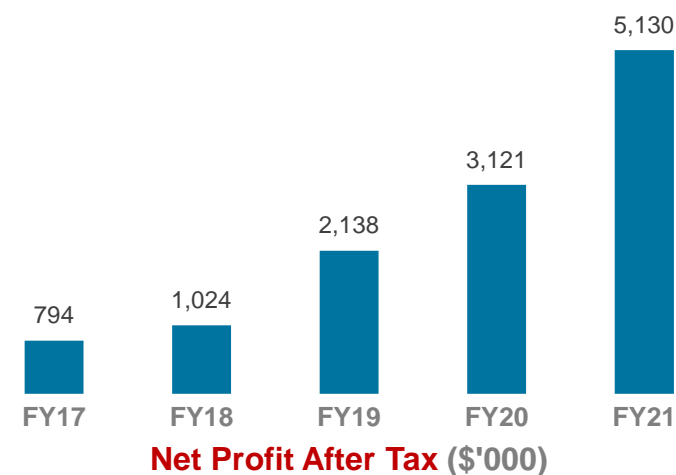
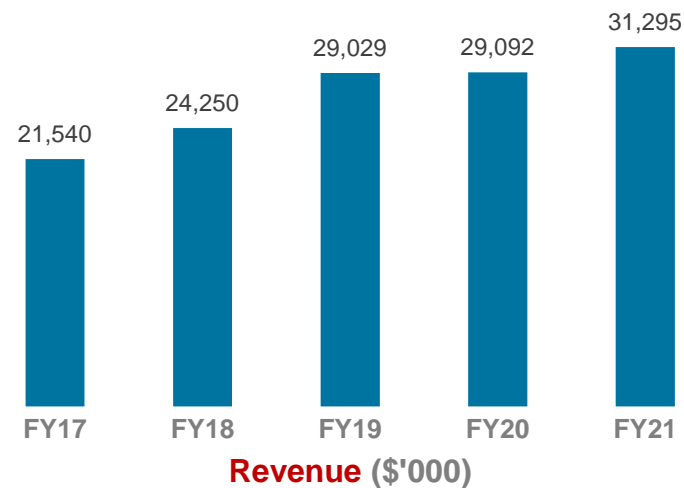
# FY21 Highlights



- Record revenue and profit
- All divisions profitable and growing
- Very strong demand from mining and industrial customers – driven by commodity prices, construction activity and demand for manufactured goods
- Strong demand for capital equipment products
- Consistent profit from Germany office with a growing customer base in large industrial precious metal product markets
- Continued R&D investment in new capital equipment and precious metal products

# FY21 Financial Highlights

- Revenue up 8% to \$31.3m vs FY20
- Statutory NPAT up 64% to \$5.1m vs FY20
- Adjusted PBT up 41% to \$5.9m vs FY20
- \$4.5m positive operating cashflow
- Fully franked dividend of 2 cents per share
- First full-year profit from Germany office of \$0.2m – driving forward our growth in the industrial platinum sector



# Full Year Results - Overview

(\$m)	2021	2020	Change	2019	2018
Sales revenue	31.3	29.1	8%	29.0	24.2
Profit before tax	6.8	4.5	52%	3.2	1.5
Adjusted profit before tax*	5.9	4.2	41%	3.2	1.5
<b>Net profit after tax</b>	<b>5.1</b>	<b>3.1</b>	<b>64%</b>	<b>2.1</b>	<b>1.0</b>
Earnings per share (cents)	3.8	2.3	64%	1.6	0.8
Weighted average no. of shares	134,345,542	133,825,803		133,825,803	133,825,803
Dividends (cents per share)	2.0	1.4	43%	1.0	0.30
Dividend payout ratio	*60%	60%		63%	39%
<i>*As a percentage of adjusted NPAT</i>					
<u>*Adjustments (\$)</u>					
COVID-19 wages subsidies	(826,629)	(212,729)		-	-
COVID-19 other grants/subsidies	(29,522)	(74,776)		-	-
COVID-19 payroll tax refunds	-	(82,837)		-	-
Interest on early loan repayment	-	22,496		-	-
Redundancy / other employee payments	-	97,328		-	-
<b>Total adjustments</b>	<b>(856,151)</b>	<b>(250,518)</b>		-	-



# Balance Sheet

(\$m)	2021	2020	Change
Cash and cash equivalents	5.3	3.6	45%
Trade and other receivables	4.5	3.8	19%
Inventories	12.5	11.2	11%
Other assets	0.4	0.4	(2%)
Property, plant and equipment	8.1	8.3	(2%)
PPE lease asset	0.6	1.0	(39%)
Intangible assets	15.9	15.9	0%
Deferred tax asset	1.1	0.9	18%
<b>Total assets</b>	<b>48.4</b>	<b>45.1</b>	<b>7%</b>
Trade and payables			
- platinum loan provisions	3.8	4.2	(11%)
- other items	3.0	2.6	13%
Debt (short-term)	0.8	0.1	642%
Debt (long-term)	0.0	0.8	(100%)
Current lease liabilities	0.4	0.4	(12%)
Non-current lease liabilities	0.2	0.6	(59%)
Income tax liability	0.6	0.5	23%
Deferred tax liability	0.5	0.3	80%
<b>Total liabilities</b>	<b>9.3</b>	<b>9.5</b>	<b>(3%)</b>
<b>Total equity</b>	<b>39.1</b>	<b>35.6</b>	<b>10%</b>

- Net cash position of \$4.4m up from \$2.7m
- \$0.8m debt for Melbourne platinum factory is now in short-term due to initial three-year period expiring in November 2021. We expect this loan to be rolled over

# Cash Flow Statements

(\$m)	2021	2020
Net cash inflow from operating activities*	4.5	4.2
Net cash (outflow) from investing activities	(0.6)	(0.8)
Net cash inflow/(outflow) from financing activities	(2.2)	(3.0)
Cash at start of period	3.6	3.2
Net increase/(decrease) in cash	1.7	0.4
Cash at end of period	5.3	3.6

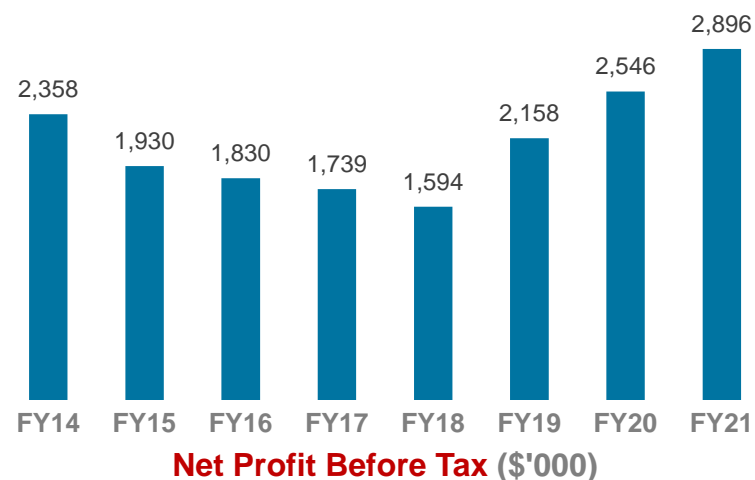
## Highlights:

- \$1.65m cash paid out for FY20 dividend (2020: \$1.34m). \$221k dividends paid by new DRP
- \*Includes the \$0.5m platinum purchase previously disclosed from July 2020
- 2020 includes \$1.32m debt reduction

# Consumables

(\$m)	FY21	FY20	FY19
<b>Sales revenue</b>	<b>9.3</b>	<b>8.9</b>	<b>8.0</b>
Change in % *	5%	11%	6%
<b>NPBT</b>	<b>2.9</b>	<b>2.5</b>	<b>2.2</b>
Change in % *	14%	18%	35%
<b>Margin %</b>	<b>31%</b>	<b>29%</b>	<b>27%</b>

\* Compared to immediately prior period



## Overview for FY21:

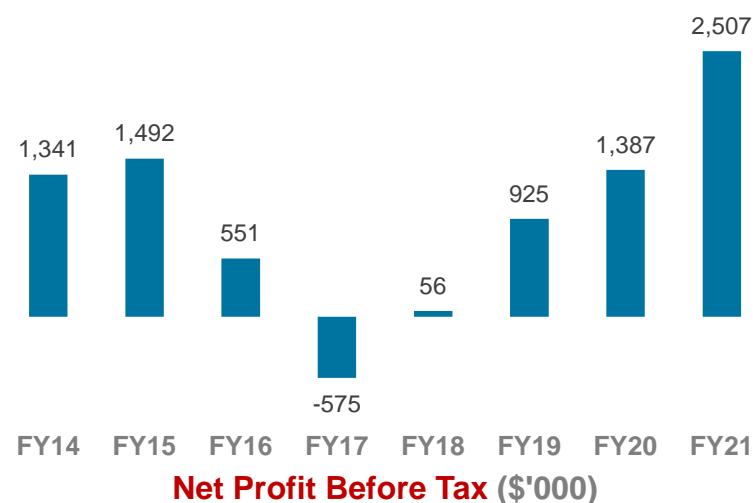
- Revenue up 5% on FY20
- NPBT up 14% on FY20
- Strong demand from the mining sector, both domestic and international
- New customer acquisitions continue at a steady rate



# Precious Metals

(\$m)	FY21	FY20	FY19
<b>Sales revenue</b>	<b>14.4</b>	<b>13.2</b>	<b>13.1</b>
Change in % *	9%	1%	19%
<b>NPBT</b>	<b>2.5</b>	<b>1.4</b>	<b>0.9</b>
Change in % *	81%	50%	1564%
<b>Margin %</b>	<b>17%</b>	<b>10%</b>	<b>7%</b>

\* Compared to immediately prior period



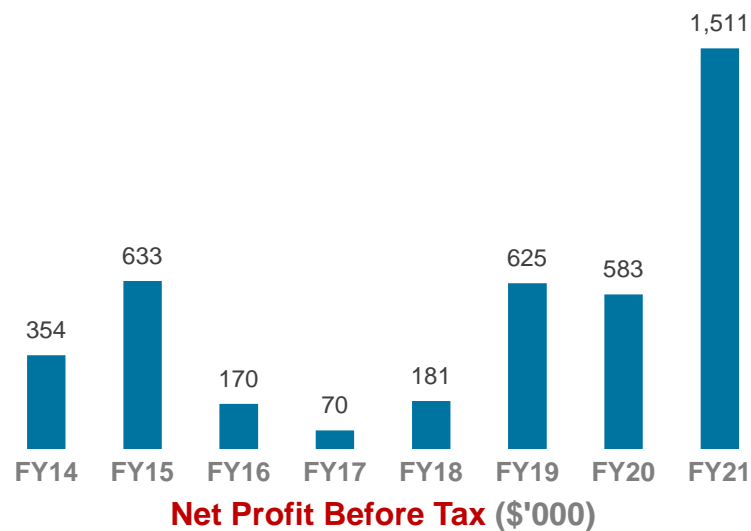
## Overview for FY21:

- Revenue up 9% on FY20
- NPBT up 81% on FY20
- FY21 NPBT includes \$363k of COVID-19 wages subsidies (FY20: \$114k)
- Platinum labware products are regularly bundled with fusion machines, driving new metal sales
- High PGM precious metals prices growing profits
- Result includes first profit from Germany office of \$0.2m

# Capital Equipment

(\$m)	FY21	FY20	FY19
<b>Sales revenue</b>	<b>9.6</b>	<b>8.0</b>	<b>9.2</b>
Change in % *	20%	(13%)	29%
<b>NPBT</b>	<b>1.5</b>	<b>0.6</b>	<b>0.6</b>
Change in % *	159%	(7%)	244%
<b>Margin %</b>	<b>16%</b>	<b>7%</b>	<b>7%</b>

\* Compared to immediately prior period



## Overview for FY21:

- Revenue up 20% on FY20
- NPBT up 159% on FY20
- FY21 NPBT includes \$392k of COVID-19 wages subsidies (FY20: \$93k)
- High level of machine sales from both mining and industrial customers
- Product development activities continue on two new machines

# Growth Strategy for FY22



- Continuing our expansion in the Precious Metals Division, with growth in profit expected to continue
- Continue with geographical expansion initiatives
- Release two new capital equipment products
- 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	\$
2015/16	2,318,737	1.2	0.5	18.0	24,088,645
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

## Directors

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

## Shareholders

Board and Management – 14.6%  
 Top 20 – 51.5%

### Substantial Shareholders

Private Portfolio Managers – 9.1%  
 Michael Karl Korber – 8.4%  
 D & GD Brown Nominees Pty Ltd – 7.1%

## Capital Structure

Ordinary shares on issue: 134,561,093  
 Options: Nil

## 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), Karstein (Germany) and Montreal (Canada)

# Contact Information

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