



Investor Presentation
February 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

X-Ray Flux



Platinum Labware

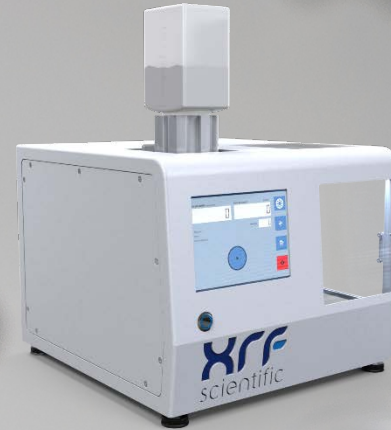


Fusion Machines



Lab Products

Weighing Instruments



Platinum Electrodes



Drift Monitors



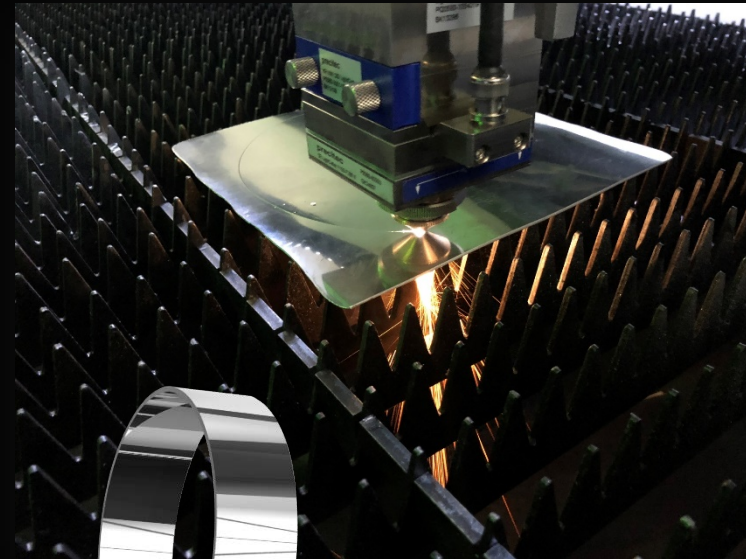
Industrial Platinum Products

Semi-finished



Types:
Sheets
Foil
Rods
Tubes
Wires

Custom Designs



Industry types:
Glass manufacturing
Measurement instruments
Aerospace
Niche manufacturing

Half Year Results - Overview



	Half Year Results			Full Year Results		
(\$m)	1H21	1H20	Change	2020	2019	2018
Sales revenue	15.0	15.7	(5%)	29.1	29.0	24.2
Profit before tax	3.1	2.3	36%	4.5	3.2	1.5
Adjusted profit before tax*	2.4	2.3	4%	4.2	3.2	1.5
Net profit after tax	2.4	1.6	47%	3.1	2.1	1.0
Earnings per share (cents)	1.8	1.2		2.3	1.6	0.8
Weighted average no. of shares	134,133,506	133,825,803		133,825,803	133,825,803	133,825,803
Dividends (cents per share)	0.0	0.0		1.4	1.0	0.30
Dividend payout ratio	-	-		60%	63%	39%
<u>*Adjustments (\$)</u>						
COVID-19 wages subsidies	(700,281)	-		(212,729)	-	-
COVID-19 other grants/subsidies	(20,000)	-		(74,776)	-	-
COVID-19 payroll tax refunds	-	-		(82,837)	-	-
Interest on early loan repayment	-	-		22,496	-	-
Redundancy / other employee payments	-	-		97,328	-	-
Total adjustments	(720,281)	-		(250,518)	-	-

Balance Sheet

(\$m)	1H21	2H20	Change
Cash and cash equivalents	2.6	3.6	(28%)
Trade and other receivables	4.0	3.8	6%
Inventories	12.4	11.2	9%
Other assets	0.3	0.4	(25%)
Property, plant and equipment	8.3	8.3	0%
PPE lease asset*	0.8	1.0	(20%)
Intangible assets	15.8	15.9	(1%)
Deferred tax asset	1.0	0.9	18%
Total assets	45.2	45.1	0%
Trade and payables			
- platinum loan provisions	3.8	4.2	(9%)
- other items	2.8	2.6	6%
Debt (short-term)	0.9	0.1	692%
Debt (long-term)	0.0	0.8	(100%)
Current lease liabilities*	0.4	0.4	(7%)
Non-current lease liabilities*	0.4	0.6	(29%)
Income tax liability	0.2	0.5	(54%)
Deferred tax liability	0.5	0.3	78%
Total liabilities	9.1	9.5	(5%)
Total equity	36.1	35.6	1%

- Cash at bank has increased since 31/12/2020 and is \$3.4m at 19/02/2021
- \$0.9m 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 within a few months of the expiry date

Cash Flow Statements

(\$m)	1H21	2H20	1H20
Net cash inflow from operating activities	1.3	3.8	0.4
Net cash (outflow) from investing activities	(0.4)	(0.3)	(0.5)
Net cash inflow/(outflow) from financing activities	(1.9)	(1.5)	(1.5)
Cash at start of period	3.6	1.6	3.2
Net increase/(decrease) in cash	(1.0)	2.0	(1.6)
Cash at end of period	2.6	3.6	1.6

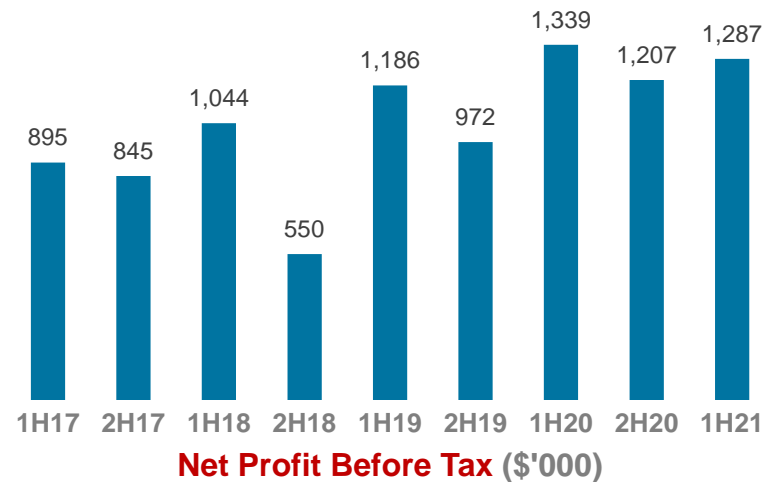
Highlights:

- \$1.65m cash paid out in the half for dividend. \$221k dividends paid by new DRP

Consumables

(\$m)	1H21	2H20	1H20
Sales revenue	4.2	4.0	4.8
Change in % *	5%	(16%)	34%
NPBT	1.3	1.2	1.3
Change in % *	7%	(10%)	38%
Margin %	30%	30%	28%

* Compared to immediately prior half-year period



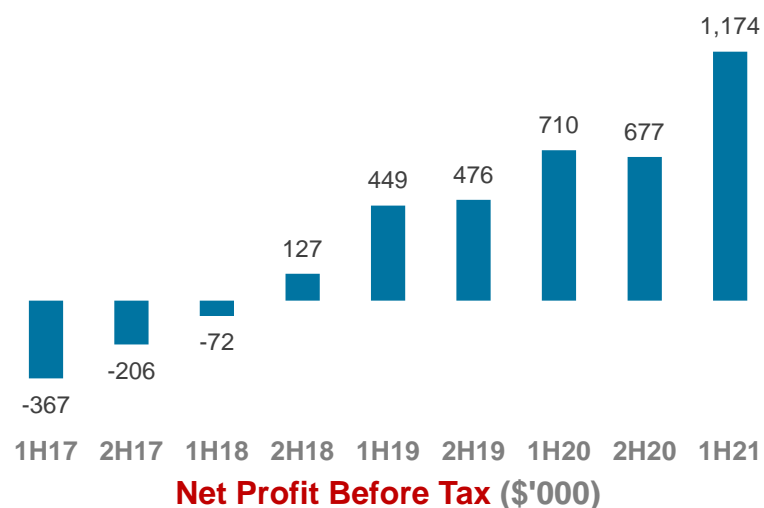
Overview for 1H21:

- Revenue up 5% on 2H20
- NPBT up 7% on 2H20
- 1H21 NPBT includes \$72k of COVID-19 wages subsidies (2H20: \$Nil)
- Strong demand from the mining sector both domestic and international
- New customer acquisition continues at a steady rate

Precious Metals

(\$m)	1H21	2H20	1H20
Sales revenue	6.8	5.9	7.3
Change in % *	15%	(19%)	9%
NPBT	1.2	0.7	0.7
Change in % *	73%	(5%)	49%
Margin %	17%	11%	10%

* Compared to immediately prior half-year period



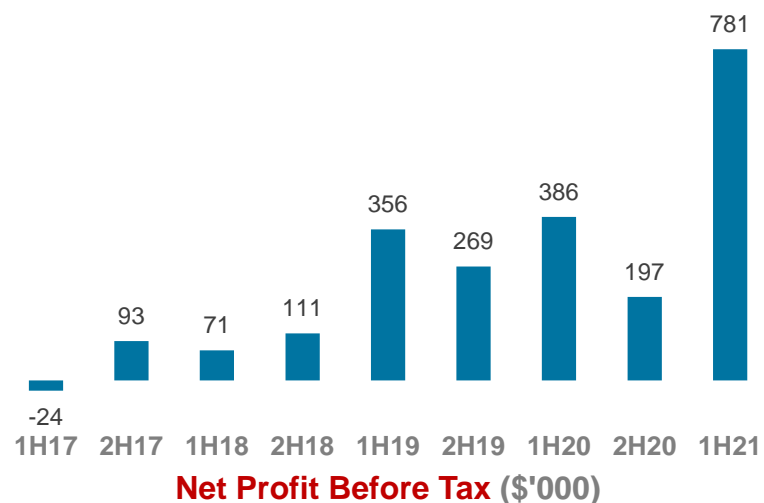
Overview for 1H21:

- Revenue up 15% on 2H20
- NPBT up 73% on 2H20
- 1H21 NPBT includes \$333k of COVID-19 wages subsidies (2H20: \$200k)
- Platinum labware products are being regularly bundled with fusion machines that are in high demand
- Germany office profitable for four months of 1H21 including all of December quarter. Customer base and margins are growing. \$142k improvement in performance over 2H20 resulting in profit of \$28k for 1H21

Capital Equipment

(\$m)	1H21	2H20	1H20
Sales revenue	5.0	3.8	4.3
Change in % *	33%	(12%)	(1%)
NPBT	0.8	0.2	0.4
Change in % *	297%	(49%)	44%
Margin %	16%	5%	9%

* Compared to immediately prior half-year period



Overview for 1H21:

- Revenue up 33% on 2H20
- NPBT up 297% on 2H20
- 1H21 NPBT includes \$316k of COVID-19 wages subsidies (2H20: \$112k)
- High level of machine sales, continuing into 2H21. Order book at over 2 months with a record number of machines on order
- Product development activities continue on two new machines

Our Plans for 2021



- Continuing our expansion in the Precious Metals Division, with growth in profits 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	24,088,645
2016/17	982,440	0.6	0.24	17	22,750,387
2017/18	1,598,268	0.8	0.3	16	22,081,257
2018/19	3,249,762	1.6	1.0	20	26,765,160
2019/20	4,602,319	2.3	1.4	24	32,118,193
19/02/2021 (Current)					43,732,355

Directors

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

Shareholders

Board and Management – 14.1%
 Top 20 – 49.5%

Substantial Shareholders

Private Portfolio Managers – 9.1%
 Michael Karl Korber – 8.4%
 D & GD Brown Nominees Pty Ltd – 6.7%

Capital Structure

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

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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