



23 MAY 2023

# Annual General Meeting 2023

World leaders in water remediation



Driving sustainable growth

# Disclaimer

Statements contained in this presentation, particularly those regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry growth or other trend projections are or may be forward looking statements. Such statements relate to future events and expectations and therefore involve unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward looking statements.





# Mr David Krasnostein AM

Chairman



# Items of Business

1. Consideration of the 2022 Annual Report of the Company
2. Resolution 1: Adoption of the Company's Remuneration Report
3. Resolution 2: Re-election of Mr Barry Sechos as a Director of the Company
4. Other business, should there be any



# How to vote

When the poll is open, select the **vote icon** at the top of the screen

To vote, select either **For, Against or Abstain**

You will see a **vote confirmation**

To change or cancel your vote “**click here to change your vote**” at any time until the poll is closed

The screenshot displays a voting interface with a top navigation bar containing four icons: Broadcast, Vote (highlighted with a blue bar and a notification badge), Q & A, and Documents. Below the navigation bar is a section titled "Items of Business". The first item is "1 Adoption of Remuneration Report - advisory resolution only", which has a green checkmark icon and a confirmation message: "We have received your vote For" followed by a blue link "Click here to change your vote.". The second item is "2 Re-election of Mr Barry Sechos as a Director of the Company". Below the items are three buttons labeled "FOR", "AGAINST", and "ABSTAIN". At the bottom of the interface is a blue link "Review your votes".



# Proxies before meeting

Securities On Issue	624,390,509
Valid Securities Voted (For, Against, Open Usable, Open Conditional)	51,193,907
Valid Securities Voted (%)	8.20
Total Securityholders Cast	182

Resolution		For	Against	Open Board	Open Non-Board	Abstain	Excluded
1 Remuneration Report	<i>Voted</i>	33,297,619	17,211,888	609,659	74,741	98,782	71,035,280
	<i>%</i>	65.04	33.62	1.19	0.15	N/A	N/A
	<i>% of all securities</i>	5.33	2.76	0.10	0.01	0.02	11.38
2 Re-elect Mr Barry Sechos	<i>Voted</i>	116,222,576	5,032,844	604,619	74,741	393,189	0
	<i>%</i>	95.31	4.13	0.50	0.06	N/A	N/A
	<i>% of all securities</i>	18.61	0.81	0.10	0.01	0.06	0.00

**Please note:** Voting forms have been recorded and audited. The figures above can now be regarded as final.



# How to ask a question

To ask a written question select the **Q & A icon**

Select the **topic** your question relates to from the drop-down list

Type your question in the text box and **press the send** button

To ask a verbal question follow the instructions below the **broadcast window**.

The screenshot displays a user interface for asking questions. At the top, there are four navigation tabs: 'Broadcast' (with a monitor icon), 'Vote' (with a document icon), 'Q & A' (with a speech bubble icon and highlighted in purple), and 'Documents' (with a folder icon). Below the tabs is a large text input area labeled 'Your question(s)'. Underneath this is a smaller text box with a dropdown arrow, labeled 'Select Topic'. Below the dropdown is a character count indicator '0 character(s)' and a 'Send' button. A note states 'Questions are limited to 2000 characters.'



# Mr David Krasnostein AM

Chairman



# Mr Lachlan McKinnon

Managing Director / CEO



# Today's topics



2022 Performance

Growth Strategy

Outlook for the  
company



# 2022 Performance

Key financial results	12 months to 31 December 2022	12 months to 31 December 2021
Revenues	\$3.0 million	\$6.3 million
Gross Profit	\$1.4 million	\$3.6 million
Underlying EBIT <sup>1</sup>	(\$9.1 million)	(\$7.9 million)
NPAT <sup>2</sup>	(\$11.2 million)	(\$3.9 million)
Net Operating Cash Flow	(\$7.1 million)	(\$6.9 million)

## Key balance sheet metrics

Cash at bank	\$14.5 million	\$23.0 million
Receivables	\$0.7 million	\$2.8 million
Inventory	\$2.4 million	\$3.3 million

1. Underlying EBIT (Earnings before interest and tax) is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for the add back of income tax, finance costs and certain non-cash income and expense items that are deemed to not have an ongoing affect to the underlying performance of the business. The Company believes that presenting Underlying EBIT provides a better understanding of its financial performance by facilitating a more representative comparison of financial performance between financial periods.

2. Net Operating Profit/(Loss) after Tax

## Key Impacts On Full Year Financials



Project delays continue to impact sales

Gross margin lower on increased freight costs

Expenses associated with ongoing legal matters

Restructuring costs to support growth plans and ensure improved risk management and governance standards

Engaged corporate advisors to explore all available options to maximize shareholder value



# Reinforcing our strategy



Diversification of market segments  
delivering new opportunities

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New product & service offerings

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Phoslock now represented across  
all regions

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'Distribution-led' go to market  
model





## Focus: accessible, reliable and repeatable business

Large lake projects: unpredictable, 'lumpy', impacted by funding delays and COVID

Phosflow: large new market segment for PET

Larger lake projects: still a target, but difficult to forecast timing

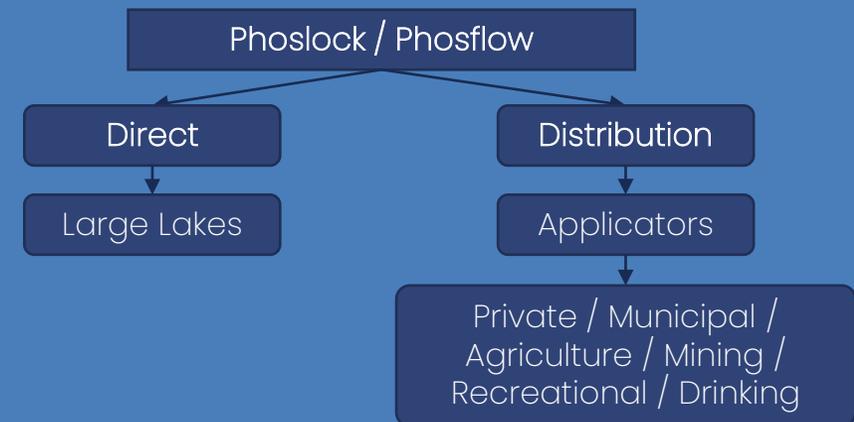
## 'Distribution-led' go-to-market model

'Direct' sales to the 'large lakes and waterbodies' segment

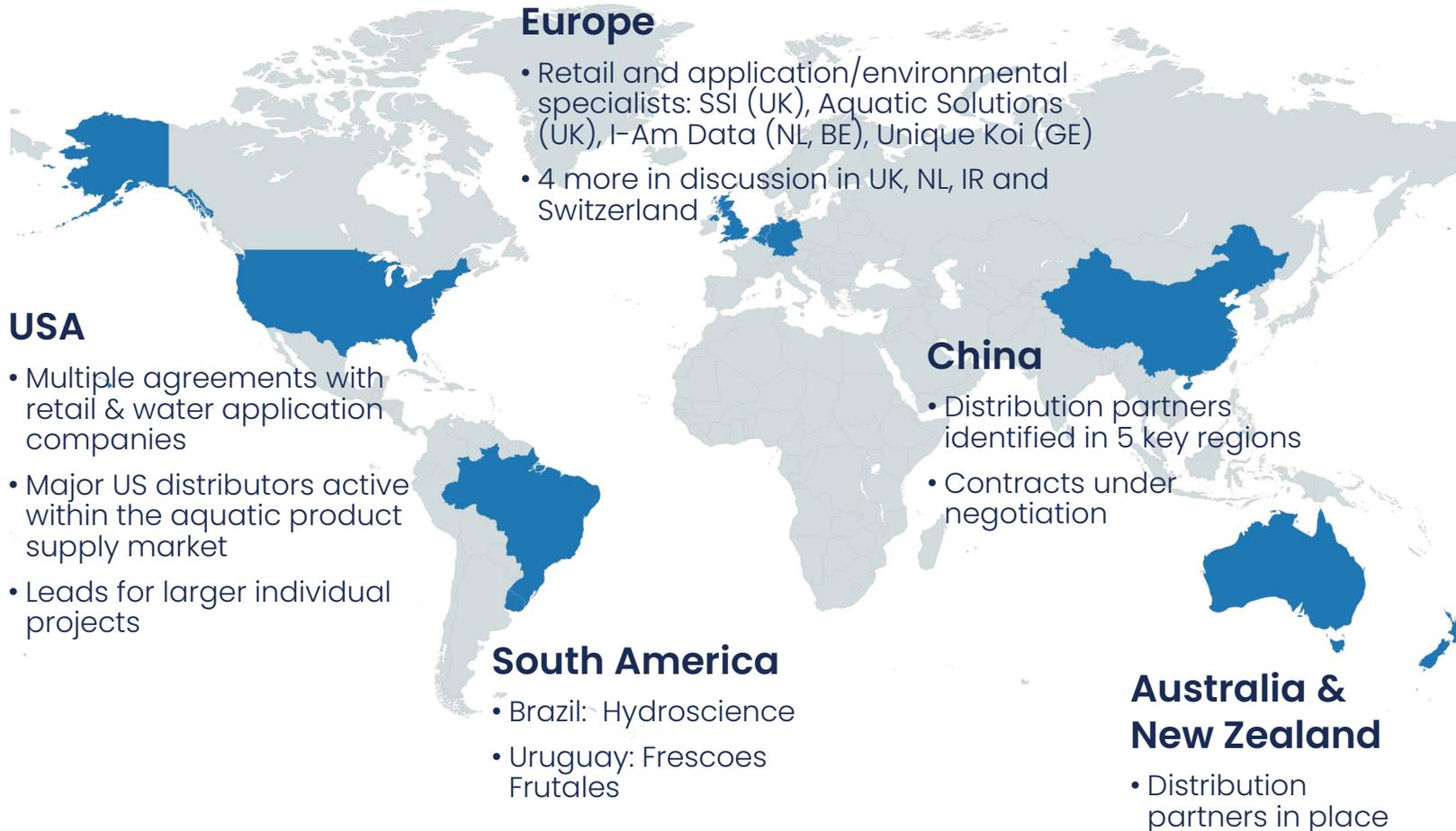
Focus on smaller, but more accessible, reliable and repeatable projects

Smaller drinking water catchments / reservoirs, private waterways, golf courses, recreational water, treatment plants, mining and water reclamation

New model working, part in the US



# Distribution network



Distribution partners to lead the in-country, smaller, repeatable applications of both Phosflow and Phoslock.

Highly networked in their regions, faster access to opportunities.

PET's direct sales team focused on large and more substantial lake projects.



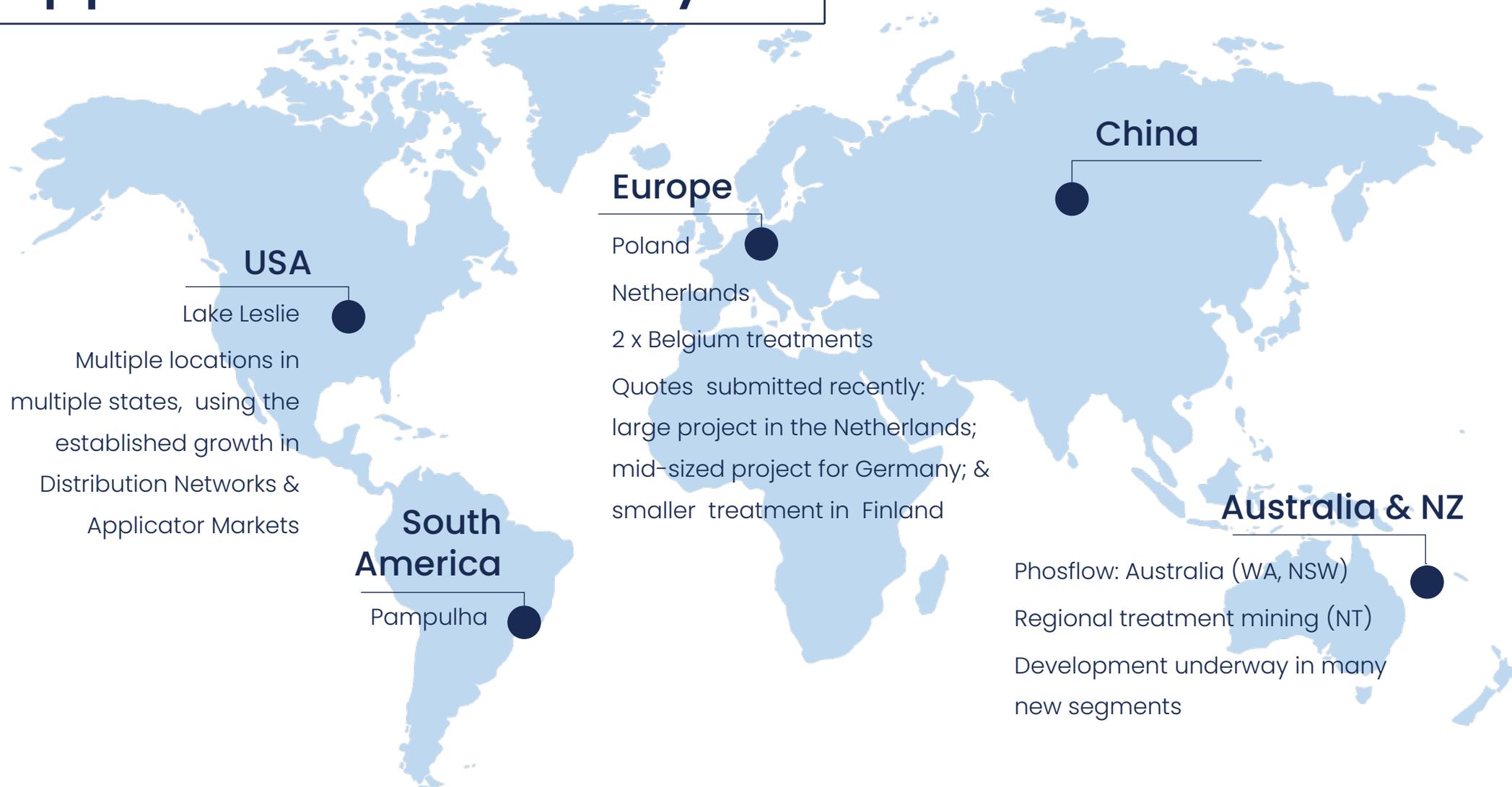


# 2022 Applications Summary



20+ completed

# 2023 ( as mid-May 2023 ) Applications Summary





# New product portfolio

New opportunities for the business

Complete solution to addressing flowable water remediation issues

AU, NZ, Europe and USA



# Phosflow





# Focused R&D program

## New product opportunities

Internal research and development program

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## Recent Phoslock studies

Potential to reduce GHG emissions

Can reduce methane by up to 74%

Incentive for government authorities and commercial and industrial customers



# Growth Strategy Key Drivers

Customer &  
Commercial



Manufacturing  
& Supply Chain



Research &  
Development



People,  
Performance &  
Culture





Wyoming Business Council  
grant for second  
manufacturing plant

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Investment to improve  
China plant capacity

**Manufacturing &  
Supply Chain**

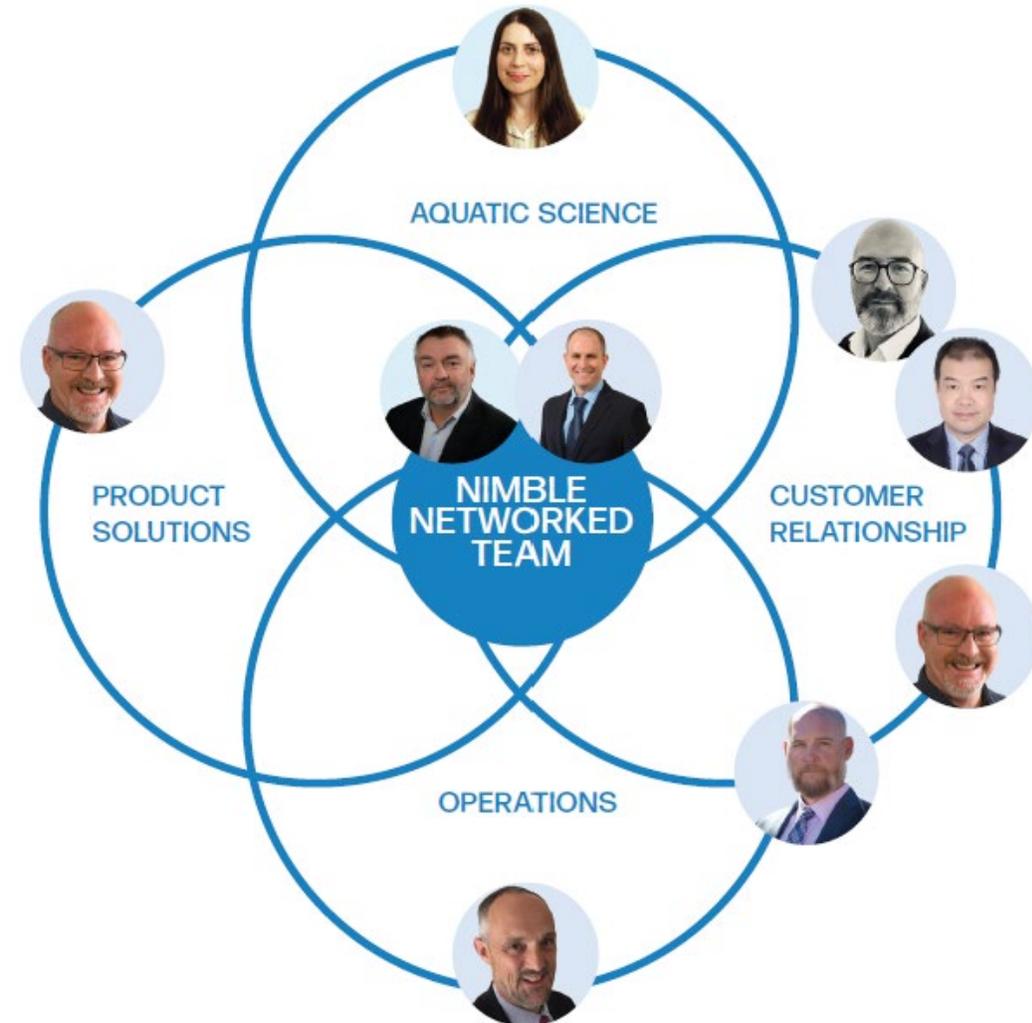
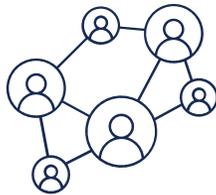




# People, Performance & Culture

Clear aspiration +  
Diverse capability + = Unlocked potential  
Networked culture

Our culture invites people to **Care, Collaborate** and be **Courageous**



# PHOSLOCK<sup>®</sup> Projects Summary



80

Projects in pipeline

7

Very Large

27

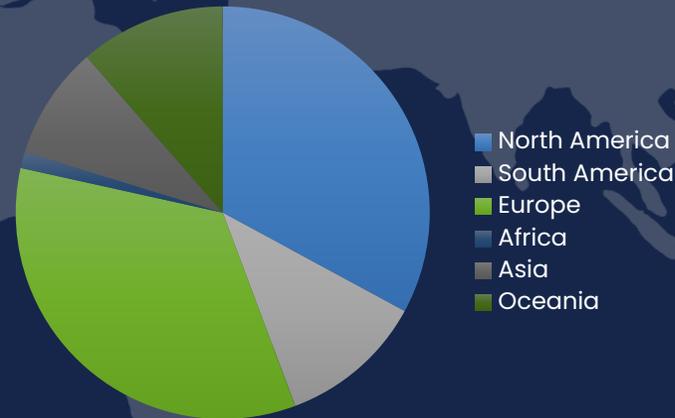
Small

25

Medium

21

Large





# Phosflow™ Projects Summary

32

Projects in pipeline



- North America
- South America
- Europe
- Africa
- Asia
- Oceania

2

Agricultural Run-off



19

Waterway Restoration



1

Aquaculture



Stormwater Management



10

Wastewater Treatment



# Outlook



Slow to recover following COVID-related impacts and general economic factors



Greater regulatory and community attention



Remain strongly placed to capitalise in remediation activity in coming years



Focused on executing sales strategy



Expect to see revenues grow over coming months, increased focus on costs





# Mr David Krasnostein AM

Chairman

# Resolutions

- Item 2** Adoption of the Company's Remuneration Report (Resolution 1) – advisory resolution only
- Item 3** Re-election of Mr Barry Sechos as a Director of the Company (Resolution 2)





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