

# ASX Announcement

24 July 2024

## Record Revenue Quarter Drives Strong Returns

SciDev Ltd (ASX: SDV) ('**SciDev**' or '**the Company**') is pleased to provide an update on its financial and operational performance for the quarter ended 30 June 2024 (Q4 FY24).

### Q4 FY24 Financial Highlights<sup>1</sup>

- Strong group revenue of \$29.9m, up 56% on Q4 FY23 (previous corresponding period or "PCP") with cash receipts of \$32.6m
- Cashflow from operations of \$2.2m and underlying EBITDA of \$2.1m
- Cash and cash equivalents at 30 June 2024 of \$9.4m (\$9.1m at 31 March 2024)
- Growth in group revenue reflects continued growth in both Water Technologies and Chemical Services.

### Q4 FY24 Operational Highlights

- Chemical Services operated across four Oil & Gas basins in North America, supporting an average of 8 completion fleets during the quarter
- Water Technologies awarded a contract of an initial value of approximately \$2m with Ventia to supply a Build Own Operate (BOO) water treatment plant in Victoria to treat PFAS contaminated surface water.
- Water Technologies secured a second contract with Acciona Construction Australia Pty Ltd to design and construct a water treatment plant to support the construction of the Western Harbour Tunnel in Sydney, with a headline contract value of \$4.75m
- New purchase orders received for supply of MaxiFlox® flocculant and coagulant for continual trials in Central America.

### FY24 Financial Highlights<sup>1</sup>

- Record annual revenue in FY24 of \$109.3m up 22% on FY23
- Unaudited underlying EBITDA of \$8.9m up 118% on FY23
- Positive operating cashflow of \$6.5m for the full year

<sup>1</sup> All financial results are unaudited. All \$ are A\$ unless otherwise stated

**SciDev Limited**

ABN: 25 001 150 849

e: [info@scidevlimited.com](mailto:info@scidevlimited.com)

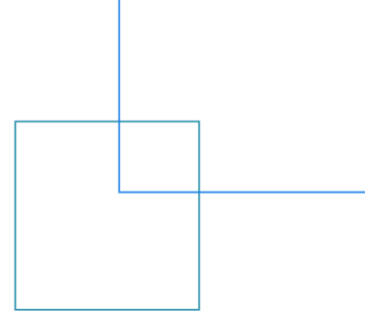
w: [scidevlimited.com](http://scidevlimited.com)

Unit 1, 8 Turbo Rd

Kings Park

NSW 2418 AUSTRALIA

p: +61 2 9622 5185



**SciDev CEO Seán Halpin addressed performance for Q4 FY24, saying,** “We continue to build on the momentum of the past year as we accelerate our growth strategy. Driven by an expanding client base in all divisions and enhanced operational efficiency, we delivered record quarterly revenue of \$29.9 million, up 56% over the same period last year.

“We are experiencing high demand for our propriety technology, including our PFAS-remediation technology FluorofIX™. Driven by increasingly stringent regulations mandating industry to remediate PFAS-contaminated sites, we have only scratched the surface of a growing global PFAS remediation market, valued at US\$220 billion in the United States alone.

“In addition, our ability to provide practical and reliable water treatment solutions for our clients is reflected in the extension of our relationship with Acciona to another major infrastructure project in NSW.”

“In Chemical Services, our industry-leading proprietary chemistry gives us a competitive edge and is now providing sustained growth as we gain traction across both the US Oil & Gas and the global mining market.”

“As we conclude FY24 with revenue of \$109.3m and an unaudited underlying EBITDA of \$8.9m we are well-positioned to continue our growth trajectory over the coming financial year. Our positive operating cash flow and strong balance sheet underscores our financial stability and readiness to capitalise on future opportunities.”

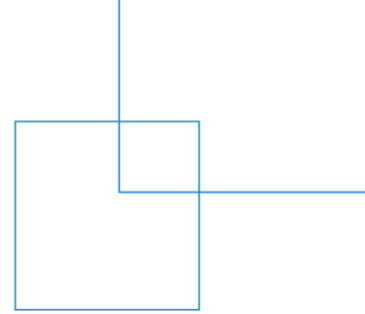
### Financial Performance<sup>1</sup>

In Q4, SciDev delivered total revenue of \$29.9m, up 56% on the PCP. The growth in revenue over the period was driven by improved performance in both Water Technologies and Chemical Services. Revenue in Water Technologies was positively impacted by the commencement of several major PFAS projects during the period. The growth in Chemical Services reflected our expanding footprint in US Oil & Gas and the ramping up of previously announced mining projects such as Iluka Cataby and the Thunderbird operations.

Table 1: Revenue from operations by vertical (unaudited)

Sector	Q4 FY23 (A\$m)	Q3 FY24 (A\$m)	Q4 FY24 (A\$m)	% Change (vs PCP)
<b>Water Technologies</b>	<b>3.2</b>	<b>6.0</b>	<b>7.4</b>	<b>131</b>
<b>Chemical Services</b>	<b>16.0</b>	<b>23.1</b>	<b>22.3</b>	<b>39</b>
- Mining & Construction	6.3	6.8	5.8	-8
- Energy Services	9.7	16.3	16.5	70
<b>Total</b>	<b>19.2</b>	<b>29.1</b>	<b>29.7</b>	<b>55</b>

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Quarterly positive cash flow from operations of \$2.2m with cash and cash equivalents at 30 June 2024 of \$9.4m with \$7.4m in inventory.

Payments to Directors and their associates for the quarter, \$99k include fees paid to Non-executive Directors.

## Operational Performance

### Chemical Services

SciDev continues innovating and delivering a range of chemistry solutions to clients that improve operational efficiency and reduce their water footprint. Key Q4 FY24 operational and development highlights include:

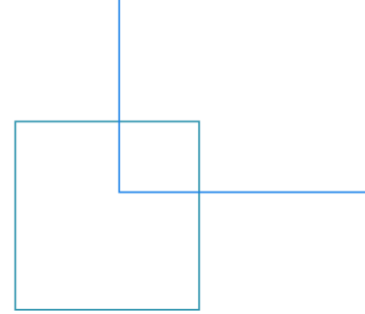
- SciDev operated across 4 Oil & Gas basins in North America, supporting an average of 8 completion fleets during the quarter.
- Awarded a field trial with a new customer in the Permian Basin.
- Worked with a blue-chip client in Utah on a project to explore the benefits of CatChek technology for wet sand applications used in completion fluid systems.
- Secured property next to the Eagle Ford Basin to store ISO tanks and other equipment, reducing lead times and freight costs for well site deliveries, aiming to service clients better and reduce operating expenses.
- Expanded the team by hiring sales staff to enhance the promotion of SciDev's chemistry and services.
- Chemical supply and services continued for all major clients including Iluka, Thunderbird Operations, Yancoal, Idemitsu, Peabody Energy, Bravus Mining, and Coronado.
- New purchase orders have been received for the supply of MaxiFlox® flocculant and coagulant for ongoing trials in Central America following the trials conducted in the March quarter.
- Executed laboratory testing program of MaxiFlox® chemistry for major gold producer in Western Australia with the client confirming progression to a two month field trial beginning in the September quarter.
- Business Development activities continued across several operations and commodities in both mining and construction in Australia and Oceania, whilst continuing across the Americas with a first enquiry from South America.
- Nuoer SciDev Singapore joint venture executed first sale into Turkey.

### Water Technologies

The Water Technologies business continued to expand its operations in Australia by executing several new contracts across the PFAS and broader water treatment industries. Key highlights from the period include:

- Operated on a total of 7 PFAS treatment projects through Q4 FY24, generating \$3.8m in revenue.
- Secured a second contract with Acciona Construction Australia Pty Ltd to design and construct a water treatment plant to support the construction of the Western Harbour Tunnel in Sydney, with

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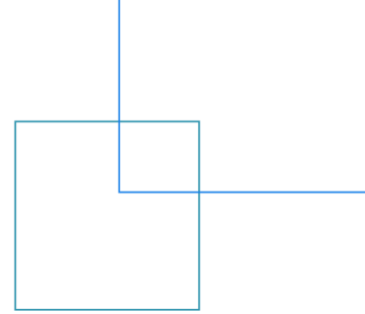
a headline contract value of \$4.75m. Detailed design and off-site construction of the WTP will commence immediately with the WTP being mobilised to the site in September 2024. The project is anticipated to run until February 2025.

- Awarded a contract with Ventia with an initial value of approximately \$2m to supply a Build Own Operate water treatment plant in Victoria to treat PFAS contaminated surface water.
- The construction of a previously announced PFAS water treatment facility with a blue-chip mining company in Western Australia is nearing completion, transitioning into the commissioning phase. Post-commissioning, SciDev will be engaged to manage and maintain the facility for at least 12 months before transferring control to the client.
- Ongoing development of the Water Technologies' business into the North American and European markets as tightening PFAS regulations in both regions create an increased demand for SciDev's FluorofIX™ and RegenIX™ PFAS treatment technologies.

## Outlook

With a growing portfolio of significant new contracts and strong demand across our end markets, SciDev is well-positioned to continue to grow our operational and financial footprint. Key areas of outlook focus for the Company in FY25 continue to include:

- Ongoing focus on the health and safety of all our employees.
- Capitalise on the recent developments in the USA EPA PFAS National Primary Drinking Water Regulations.
- Growth and expansion of market share in the global mining sector by delivering MaxiFlox® directly to new clients via direct sales, local licencing and partnership agreements and leveraging our Joint venture with Nuoer Chemicals.
- Continue to diversify our Oil and Gas industry client base as our proprietary CatChek and XSlik product lines gain increasing market acceptance.
- Deliver the Water Technologies' current order book while developing our business systems and processes to enable sustainable growth.
- Utilise our proven technologies, FluorofIX™ and RegenIX™, to generate revenue from our developing North American PFAS pipeline, spanning the US Department of Defence and private industry.
- Exploring opportunities to accelerate growth in Europe as PFAS regulations build in the region, while also exploring leachate and industrial wastewater treatment opportunities to secure initial revenue.
- Continued execution of business development opportunities in the domestic and overseas construction sector.



## For Further Information

### Corporate

Seán Halpin – Chief Executive Officer

Anna Hooper – Chief Financial Officer

+61 2 9622 5185

The Board of SciDev Limited authorises this announcement.

## About SciDev

SciDev is a leader in environmental solutions focused on water-intensive industries. Our solutions allow clients to reuse water, improve operational efficiencies and reduce their environmental footprints. We deliver world-leading chemistry and water treatment technology with end-to-end support from our specialist scientists and engineers.

SciDev works with clients across a range of industries, including Mining, Oil & Gas, Construction & Infrastructure and Water Treatment.

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**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

<b>Name of entity</b>	
SciDev Limited	
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>
25 001 150 849	30 June 2024

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date</b>
		<b>\$A'000</b>	<b>(12 months)</b>
			<b>\$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	32,590	109,142
1.2	Payments for		
	(a) research and development		
	(b) product manufacturing and operating costs	(25,243)	(85,270)
	(c) advertising and marketing		
	(d) leased assets		
	(e) staff costs	(4,453)	(15,902)
	(f) administration and corporate costs		
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(81)	(363)
1.6	Income taxes paid	(624)	(1,127)
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>2,195</b>	<b>6,480</b>

<b>2</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) entities		
	(b) businesses	(1,085)	(1,587)
	(c) property, plant and equipment	(461)	(2,002)
	(d) investments		
	(e) intellectual property	(18)	(62)
	(f) other assets		(337)

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	123	123
	(d) investments		
	(e) intellectual property		
	(f) other assets		156
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,441)</b>	<b>(3,709)</b>
<b>3</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(298)	(1,065)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(298)</b>	<b>(1,065)</b>
<b>4</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	9,052	7,732
4.2	Net cash from / (used in) operating activities (item 1.9 above)	2,195	6,480
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,441)	(3,709)

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(298)	(1,065)
4.5	Effect of movement in exchange rates on cash held	(83)	(13)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>9,425</b>	<b>9,425</b>

<b>5</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	9,425	9,052
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>9,425</b>	<b>9,052</b>

<b>6</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	99
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Amount included in 6.1 comprises fees paid to Non-executive Directors and remuneration for the Managing Director and rent paid to a company associated with a Director.



## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>7</b>	<b>Financing facilities</b> Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	<b>Total facility amount at quarter end</b> <b>\$A'000</b>	<b>Amount drawn at quarter end</b> <b>\$A'000</b>
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<b>Secured</b>	<b>%</b>	<b>Maturity date</b>
			<b>Facility amount</b> <b>\$A'000</b>
			<b>0</b>
	<b>Unsecured</b>		
			<b>0</b>

<b>8</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	2,195
8.2	Cash and cash equivalents at quarter end (Item 4.6)	9,425
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	9,425
8.5	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	-
8.6	If Item 8.5 is less than 2 quarters, please provide answers to the following questions:	
1.	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
2.	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
3.	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 July 2024

By the board

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

**Notes**

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.