# XRF SCIENTIFIC LIMITED

ABN 80 107 908 314

# ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

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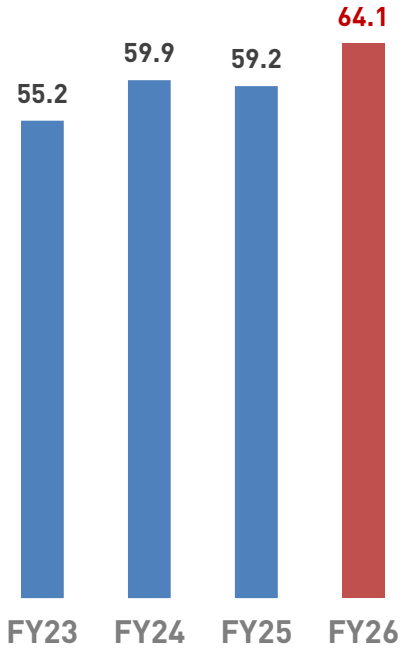
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# FINANCIAL RESULTS SUMMARY

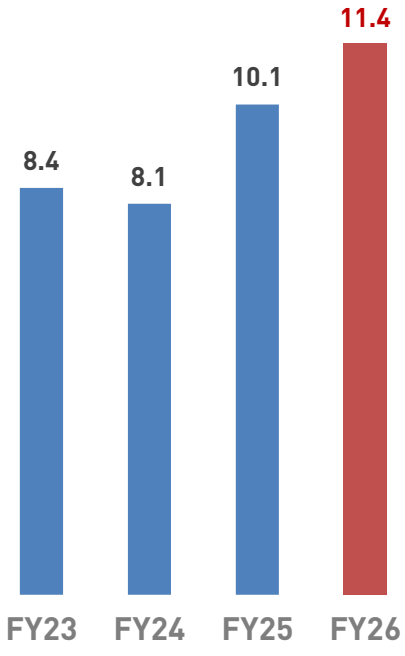
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Sales Revenue up 8%



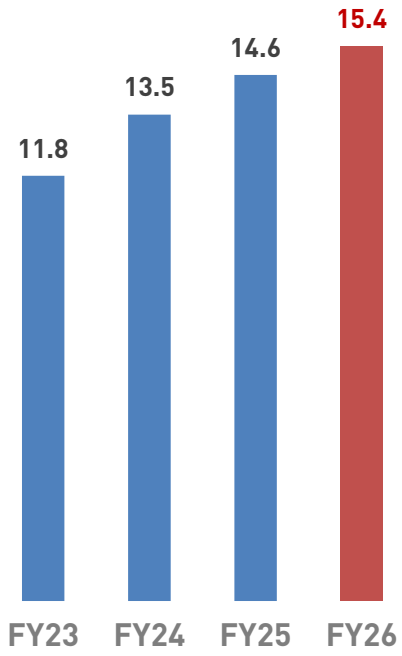

**Sales Revenue** ($m)

Operating Cash Flow up 12%



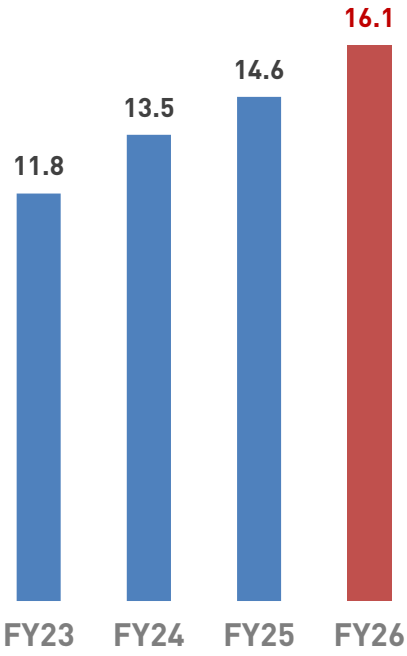

**Operating Cash Flow** ($m)

Net Profit Before Tax up 5%




**Net Profit Before Tax** ($m)

Adjusted Net Profit Before Tax up 10%




**Adjusted Net Profit Before Tax** ($m)

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# CHAIRMAN'S LETTER

Dear Fellow XRF Shareholder,

XRF has once again delivered a record financial result driven by strong performance from our core businesses. Total sales grew over the prior year and accelerated in the final quarter. Net Profit after Tax was higher after a stronger contribution from Orbis Mining and the Precious Metals division, with the statutory result impacted by acquisition and expansion investments. Of particular significance was our purchase of Bruker's German based Combustion Gas Analysis (CGA) business which significantly broadens our range of high-performance analytical equipment and represents the next new growth driver for XRF following our development of the TGA machine and the acquisition of Orbis.

Our Consumables business remains the backbone of XRF's operations and continued to generate strong product sales and further expand its customer base. Operating profit remained strong with no material impact from a rebound in the lithium input price. The ever-growing base of our installed xrFuse furnaces and excellent customer service ensures that this business is well placed to continue to build on its position as a global market leader.

Our Precious Metals fabrication business had a further good year despite the dampening effect on sales volume of high metal prices. Our Melbourne plant continues to improve production technology and lower costs through greater automation while ensuring that our product quality and customer service remains world class.

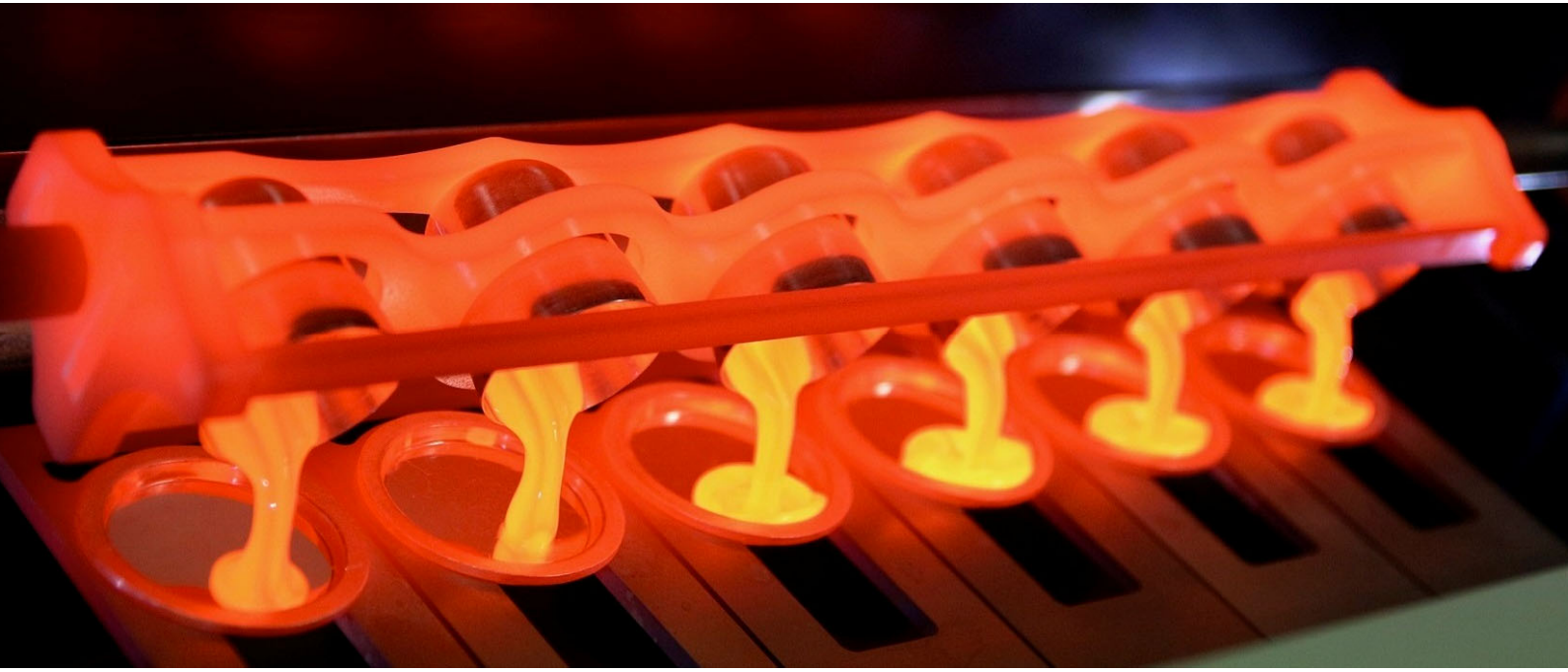
Our Capital Equipment business performed well benefiting from a very strong contribution from Orbis Mining and the growing sales volume of our TGA machine. Sales of our TGA machine are expected to grow further as we gain market acceptance with repeat orders already received from two large high quality reference sites. Orbis Mining's increased machine sales and higher profit contribution is being driven by the quality and strong reputation of their industry leading crushers resulting in growing market share. During the year XRF opened offices in the USA and India which are expected to further drive sales of our products in these large and attractive markets.

XRF's strong financial performance has allowed us to maintain fully franked dividends paid to our shareholders and reinvest in our current exciting growth opportunities. Furthermore our balance sheet remains strong with a healthy net cash position even after our acquisition for cash of the CGA business. Our business acquisitions over recent years have benefited shareholder returns and we will continue to actively monitor further opportunities in adjacent sectors that will be value accretive.

In closing I would like to thank all of XRF's skilled, talented and committed team, ably led by our Managing Director, Vance Stazzonelli, and my fellow directors for their significant contribution and ongoing effort in delivering yet another strong financial result and positioning our business well for further profitable growth.



**Fred S Grimwade**
Chairman



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# DIRECTORS' REPORT

Your directors present their report on the company XRF Scientific Limited and its controlled entities for the financial year ended 30 June 2026.

## DIRECTORS

The names of the directors in office at any time during or since the end of the financial year are:

Fred Grimwade
Vance Stazzonelli
David Brown
David Kiggins

Directors have been in office since the start of the financial year to the date of this report.

## PRINCIPAL ACTIVITY

The principal activity of the economic entity during the financial year was the business of manufacturing and marketing precious metal products, specialised chemicals and instruments for the scientific, analytical and mining industries. No significant change in the nature of these activities occurred during the year.

## DIVIDENDS – XRF SCIENTIFIC LIMITED AND CONTROLLED ENTITIES

Dividends paid to members during the financial year were as follows:

| | 2026<br>$ | 2025<br>$ |
|---|---|---|
| Final dividend for the prior financial year | 6,405,462 | 5,440,184 |

Amounts paid during the current period include a final dividend of 4.5 cents per share (FY25: 3.9 cents), paid to eligible holders of 142,330,969 shares (FY25: 139,491,903).

In addition, since the end of the financial year the directors have declared the payment of a fully franked final dividend of 4.5 cents per share to be paid on 25 September 2026 out of retained earnings at 30 June 2026.

# DIRECTORS' REPORT

## REVIEW OF OPERATIONS

A review of operations during the financial year and the results of those operations found that the economic entity continued to engage in its principal activity. The results and financial position are disclosed in the attached financial statements.

The consolidated entity has produced a Net Profit After Tax Attributable to Members of $10,488,149 for the year ended 30 June 2026, compared with $10,383,453 for the previous year.

Details of the results for the financial year ended 30 June 2026 are as follows:

| | 2026 | 2025 | Increase/(decrease) over prior year |
|---|---|---|---|
| | $ | $ | % |
| Total revenue and other income | 64,447,039 | 59,480,461 | 8.3 |
| Net profit after tax | 10,488,149 | 10,337,596 | 1.5 |
| Net profit attributable to members | 10,488,149 | 10,383,453 | 1.0 |
| Basic earnings per share – (cents per share) | 7.4 | 7.4 | (0.7) |
| Diluted earnings per share – (cents per share) | 7.3 | 7.4 | (2.1) |

## OPERATING RESULTS

XRF Scientific Ltd ("XRF" or "Company" or "Group") is pleased to report its June 2026 full-year results to shareholders. The Company generated revenue of $64.4m and Net Profit After Tax of $10.5m. The statutory profit result includes $0.7m of costs related to the CGA acquisition and the setup/startup of two new international offices in India and USA. The Board has declared a final fully franked dividend of 4.5 cents per share.

Our adjusted profit before tax was up 10% on the previous year when considering the below items:

| | 2026 | 2025 |
|---|---|---|
| | $ | $ |
| Profit before tax | 15,372,618 | 14,590,462 |
| Business acquisitions and new office setup / startup costs | 690,217 | - |
| **Adjusted profit before tax** | **16,062,835** | **14,590,462** |

During the year we saw strong demand from our mining and industrial customers, with international sales continuing to grow. International sales growth remains a key focus, which is expected to be accelerated through initiatives such as the new international offices and CGA acquisition. The Precious Metals and Capital Equipment divisions both performed strongly and were the main contributors to the increased results. Our cross-selling strategy is gaining pace, with customers increasingly purchasing numerous products across our range. We continue to see good sales momentum for newer products such as xrTGA and Orbis, where we are actively growing our market share.

Our balance sheet remains robust with $9.5m in cash and $1.0m in debt at 30 June 2026. Early in the year we repaid our remaining $0.7m of platinum loans due to the high cost of interest. Liabilities were reduced after the $0.8m Orbis earnout was paid 100% in XRF shares. The CGA acquisition reduced our cash position by $5.6m and increased Inventories by $0.7m, Intangible Assets by $6.2m and Provisions by $1.4m for the earn out liability.

Operating cash inflow was very strong at $11.4m, which was up by 12% on FY25. Investing activities cash outflow increased to $8.1m from $2.2m in FY25, mainly due to the CGA acquisition.

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## OPERATING RESULTS continued

The Consumables division generated profit before tax of $6.8m from revenue of $18.1m. After a pickup in international sales the second half was considerably stronger, with profit before tax of $3.8m achieved vs $3.0m in the first half. During the year there was robust demand from the mining sector, with Asia continuing as a key growth market. Profit before tax margins were maintained at 38%, supported by strong sales growth in numerous developing international markets. During the year we achieved our first international sale of our special flux for copper analysis (patented), which is already used by several Australian customers.

The Precious Metals division had an excellent year, generating revenue of $24.6m and a record profit before tax of $4.5m. During the year demand for recycling platinum products continued strongly. Margins expanded, which was driven by high precious metals prices, including platinum and other minor metals used in production. The platinum price increased significantly during FY26, which increased customer prices for new products and recycling. New product sales reduced in Q2 and Q3 as certain customers became cautious around the timing of their purchases. With the platinum price falling, there has been a notable improvement in customer demand for new products since Q4.

The Capital Equipment division delivered record profit before tax of $5.3m from revenue of $26.3m. Orbis was a strong contributor with revenue up by 26% to $8.9m. Increased crusher sales were driven by customers in Australia, US and Canada, predominantly in the gold sector. Sales for our xrTGA are increasing in momentum, with the first repeat sales received from two large global companies. Sales for the product line hit $1m for the first time and are expected to continue to grow into a material contributor for the division. The next generation xrFuse 1 and 2 instruments were launched and have received a positive reception from the market. We have at least six new machines in advanced stages of development, for release through FY27 and beyond.

On 23 April 2026 we announced an Asset Purchase Agreement with Bruker AXS SE (Germany) for the acquisition of the Combustion Gas Analysis (CGA) product line. The acquisition of USD $4m in upfront consideration expands our product portfolio into significantly more sophisticated laboratory products. The CGA range consists of four analytical instruments for rapid and precise elemental analysis of carbon, sulfur, oxygen, hydrogen and nitrogen (CS/OHN Analysers). The instruments are used in a wide range of sectors for quality control and research, such as nuclear energy materials, rare earth magnetic materials, powder metallurgy and additive manufacturing, welding industries, ores and minerals, glass, ceramics, cement and metals production (iron, steel, cobalt, nickel, copper, aluminium and more). The manufacturing and engineering handover commenced in June 2026 and has been progressing well. Revenue is expected to commence in Q2 FY27 once the instrument production has been transferred to Perth.

## MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

A final dividend of 4.5 cents per share fully franked (FY25: 4.5 cents per share fully franked) was declared on 17 August 2026, with a record date of 11 September 2026 and payment date of 25 September 2026.

There were no other events subsequent to the reporting date which have significantly affected or may significantly affect the XRF Scientific Limited operations, results or state of affairs in future years.

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# DIRECTORS' REPORT

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group will continue to pursue its objectives of increasing profitability and market capitalisation during the next financial year. Strategies to achieve these objectives include geographic expansion initiatives and new product development. The Group will also consider opportunities to acquire complementary laboratory product manufacturing or supply companies.

Likely results in the operations of the Group and the expected results of those operations in the future financial year have not been included in this report, as the disclosure of such information may lead to commercial prejudice to the Group.

## SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the affairs of the Group.

## ENVIRONMENTAL REGULATION

All companies within the Group continued to comply with all environmental requirements. Wherever possible, carbon emissions have been limited, and new production techniques adopted to reduce energy use. The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report greenhouse gas emissions and energy use. For the measurement period 1 July 2025 to 30 June 2026 the directors have assessed that there are no current reporting requirements, but the Company may be required to do so in the future. The economic entity is also subject to the environmental regulations under the laws of the Commonwealth or of a State or Territory in which it operates. The Directors are not aware of any breaches of these regulations.

## CORPORATE GOVERNANCE DISCLOSURE

The Group's Corporate Governance Statement for the year ended 30 June 2026 can be found at www.xrfscientific.com/corporate-governance. The statement also summarises the extent to which the Group has complied with the Corporate Governance Council's recommendations.

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# DIRECTORS' REPORT

## INFORMATION ON DIRECTORS

| | |
|---|---|
| ***Fred Grimwade*** | **Chairman (Non-Executive)** |
| *Date of appointment:* | 1 May 2012 (14 years); Chairman since 29 October 2018 (8 years) |
| *Qualifications:* | Bachelor of Commerce and Law, Master of Business Administration, Fellow of the Governance Institute of Australia, Fellow of the Australian Institute of Company Directors, and Fellow of Chartered Institute of Securities and Investment |
| *Experience:* | Currently a Principal and Director of Fawkner Capital and in December 2025 was appointed as a Director of Regal Cream Products Pty Ltd, the manufacturer of Bulla dairy products. Has held general management positions at Colonial Agricultural Company, the Colonial Group, Western Mining Corporation and Goldman, Sachs & Co. |
| *Other current directorships:* | Non-Executive Director of Australian United Investment Company Ltd (since March 2014) and other private companies |
| *Former directorships in last 3 years:* | Chairman/Director of CPT Global Ltd (October 2002 to November 2023) and other private companies |
| *Special responsibilities:* | Chairman of the Remuneration Committee, member of the Audit & Governance Committee |
| *No. of shares:* | 563,527 fully paid ordinary shares |
| ***David Brown*** | **Director (Non-Executive)** |
| *Date of appointment:* | 7 June 2004 (22 years) |
| *Qualifications:* | Bachelor of Science, Bachelor of Economics |
| *Experience:* | Has over five decades of experience in research and development and manufacturing of X-Ray Flux chemicals; formerly Chief Chemist for Swan Brewery Co. Ltd and Chairman of Scientific Industries Council of WA. |
| *Other current directorships:* | Private companies only |
| *Former directorships in last 3 years:* | Private companies only |
| *Special responsibilities:* | Technical consultant to XRF Chemicals Pty Ltd |
| *No. of shares:* | 8,224,200 fully paid ordinary shares |
| ***David Kiggins*** | **Director (Non-Executive)** |
| *Date of appointment:* | 1 May 2012 (14 years) |
| *Qualifications:* | Bachelor of Science (Hons), Fellow of the Institute of Chartered Accountants of England and Wales, Fellow of the Institute of Chartered Secretaries and Administrators, and member of Australian Institute of Company Directors |
| *Experience:* | Currently Chief Financial Officer at Sadleirs, David brings extensive experience across listed and private companies. Previously held CFO roles at Stealth Global Holdings Ltd and Heliwest; Finance Director and Company Secretary at Global Construction Services Ltd; GM Business Development and Company Secretary at Automotive Holdings Group Ltd; audit and international business consulting roles at Arthur Andersen. |
| *Other current directorships:* | Private companies only |
| *Former directorships in last 3 years:* | Private companies only |
| *Special responsibilities:* | Chairman of the Audit & Governance Committee, member of the Remuneration Committee |
| *No. of shares:* | 217,181 fully paid ordinary shares |
| ***Vance Stazzonelli*** | **Managing Director (Executive)** |
| *Date of appointment:* | 22 February 2018 (8 years) |
| *Qualifications:* | Bachelor of Commerce (Professional Accounting) |
| *Experience:* | Vance joined XRF Scientific as Chief Financial Officer in October 2009. He was subsequently appointed to Chief Operating Officer in January 2011 and then Chief Executive Officer in August 2012. On 22 February 2018, he was appointed as Managing Director. |
| *Other current directorships:* | Private companies only |
| *Former directorships in last 3 years:* | Private companies only |
| *Special responsibilities:* | N/A |
| *No. of shares:* | 1,240,000 fully paid ordinary shares |
| *No. of performance rights:* | 547,375 performance rights |

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## COMPANY SECRETARIES

**Vance Stazzonelli, B.Comm, CPA** – Vance has held the role of Company Secretary since June 2008.
**Andrew Watson, B.Comm, CA** – Andrew was appointed Joint Company Secretary in August 2013.

## OTHER KEY MANAGEMENT

**Andrew Watson (Chief Financial Officer – XRF Scientific Limited)**
Andrew joined XRF Scientific in August 2012. He is a member of the Chartered Accountants Australia and New Zealand and holds a Graduate Diploma of Applied Corporate Governance.

## MEETINGS OF DIRECTORS

The number of meetings held by the Board of Directors including meetings of the committees of the Board and the number of meetings attended by each of the Directors during the financial year ended 30 June 2026 were as follows:

| | Full meetings of Directors | | Meetings of committees - Audit & Governance, Remuneration | |
|---|---|---|---|---|
| | A | B | A | B |
| Fred Grimwade | 12 | 12 | 3 | 3 |
| David Brown | 12 | 12 | * | * |
| David Kiggins | 12 | 12 | 3 | 3 |
| Vance Stazzonelli | 12 | 12 | * | * |

**A** = Meetings held during the time the director held office or was a member of the Committee during the year.
**B** = Meetings attended.
***** = Not a member of the relevant Committee.

## REMUNERATION REPORT (Audited)

**(a) Principles used to determine the nature and amount of remuneration.**

**Remuneration governance**
The Remuneration Committee is a committee of the Board. Its objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. It is primarily responsible for making recommendations to the Board on:

- the over-arching executive remuneration framework
- operation of the incentive plans which apply to the executive team, including key performance indicators and performance hurdles
- remuneration levels of executive directors and other key management personnel, and
- non-executive director fees

**Non-executive directors**
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed periodically by the Board. The Chairman's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman does not actively participate in any discussions relating to determination of his own remuneration. The Chairman's remuneration is inclusive of committee fees. Non-executive directors do not currently receive share options.

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## REMUNERATION REPORT (Audited) continued

**Managing director**

No additional remuneration is paid to Mr Stazzonelli as part of his appointment as Managing Director.

**Directors' fees**

Directors' remuneration was last reviewed in July 2026 and it was decided that fees would be increased to the following amounts:

| | |
|---|---|
| Chairman | $127,500 (including superannuation benefits of 12%) |
| Non-Executive Directors | $77,300 (including superannuation benefits of 12%) |
| Committee Chairman | $11,000 (including superannuation benefits of 12%) |

The maximum amount payable is capped at $400,000 per annum and was approved by shareholders at the Annual General Meeting in November 2012.

**Executive pay**

The executive pay and reward framework has three components:

1. Base pay and benefits, including superannuation
2. Short-term performance incentives
3. Long-term incentives

It is Board policy to review key management annually, and adjust such compensation taking into account the manager's performance, the performance of the entity which they manage, and the performance of the Group of companies.

Where appropriate, there is a direct link between financial performance (profit or growth) to key managers' compensation by way of bonus, which is assessed under a weighted balanced scorecard method, as set out by the Remuneration Committee at the start of each year. This method is accepted by the Board as being an appropriate incentive for encouraging key management personnel to reach targets that are in excess of budgeted growth.

*(i) Base Pay*

Executives are offered a competitive base pay that forms the fixed component of pay. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is reviewed on promotion.

*(ii) Benefits*

Executives may receive benefits including car and mileage allowances.

*(iii) Superannuation*

Retirement benefits of 12% of the base pay are delivered to the individual super fund of the executive's choice.

*(iv) Short-term performance incentives*

Bonuses may be paid on the performance of the individual entity based on full year performance for the financial year. In most instances bonus payments are based on the achievement of a percentage of that year's budget and targets/objectives being met. A short-term incentive (STI) pool is available for executives during the annual review, which is subject to caps that are in place. Using a profit target ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan.

*(v) Long-term incentives*

The Board is cognisant of general shareholder opinion that long-term equity-based rewards for executives should be linked to the success of the Company. To achieve this, performance rights may be awarded as a percentage of fixed remuneration. The performance rights vest upon the satisfaction of performance criteria, following which the Company will allocate to the executive the number of shares to which they are entitled.

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## REMUNERATION REPORT (Audited) continued

*(vi) Assessing performance and clawback of remuneration*

The Company's current Executive Performance Reward Policy does not currently include any clawback provisions.

**(b) Details of remuneration**

| *(i) Non-Executive* | | *(ii) Executive* | |
|---|---|---|---|
| Fred Grimwade | Chairman | Vance Stazzonelli | Managing Director |
| David Brown | Director | Andrew Watson | Chief Financial Officer |
| David Kiggins | Director | | |

**Fixed Remuneration**

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and its competitive market. Fixed remuneration is reviewed annually by the Remuneration Committee based on market rates, as well as having regard to the Company and individual performance. The fixed remuneration of other key management personnel is contained in information that follows.

**Variable Remuneration (Short-Term Incentive)**

To assist in achieving the objective of retaining a high-quality executive team, the Remuneration Committee links the nature and amount of the executive emoluments to the Company's financial and operating performance. For the Managing Director, variable remuneration is calculated based on an assessment of key performance indicators using a weighted balanced scorecard method, as set out by the Remuneration Committee at the start of each year. The maximum amount payable to the Managing Director for 2026 is $191,000. There were five categories of STI performance measure (plus a discretionary component) for the year ended 30 June 2026. Those measures were chosen to provide a balance between corporate, individual, operational, strategic, financial and behavioural aspects of performance. The weighting assigned to each of the performance measures was as follows:

- Group financial performance (30%)
- Leadership (10%)
- Stakeholder & associated business relations (8%)
- Execution of business growth strategy (29%)
- Compliance and risk management (8%)
- Discretionary (15%)

The Remuneration Committee considered the performance of the Managing Director against the performance measures outlined above. A range of financial, strategic and operational targets were met and internal expansion plans are on schedule. All compliance obligations were met throughout the year with no reported issues and relationships with internal and external stakeholders were well managed. It was decided that $110,200 (including superannuation) would be paid, which is 58% of the maximum amount payable.

Bonus payments to other key management personnel were 100% discretionary, based on a range of financial, strategic and operational factors. These amounts were accrued at 30 June 2026 and paid in August 2026. In March 2026, each employee eligible to participate in the Company's employee share scheme (including the Chief Financial Officer) received shares valued at $1,000. The issue of these shares was 100% at the Board's discretion.

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## REMUNERATION REPORT (Audited) continued

**Variable Remuneration (Long-Term Incentive)**

In November 2025, the Board awarded 146,725 performance rights ("PRs") to the Managing Director (based on 60% of his fixed salary) and 57,933 to the Chief Financial Officer (based on 35% of his fixed salary). The PRs are subject to the performance conditions below:

*Indexed Total Shareholder Returns*

Total Shareholder Return (TSR) measures the growth in the Group's share price together with the value of dividends during the period. When calculating the Group's TSR, its share price at the beginning and end of the performance period will be calculated as a one-month VWAP (i.e. July in year 1 and June in year 3). The percentage of PRs out of this tranche that vest will be determined by reference to the relative TSR of the Group achieved over the three-year performance period, compared to the TSR of the S&P/ASX Small Ordinaries Accumulation Index (ASOAI), as follows:

| Performance against the relevant condition(s) | Quantum of Performance Rights subject to performance conditions that vest (%) |
|---|---|
| **Less than index TSR**<br>Below 100% of the proportionate change in the ASOAI index over the relevant performance period | Nil |
| **Equal to index TSR**<br>At 100% of the proportionate change in the ASOAI index over the relevant performance period | 50% |
| **Greater than index TSR**<br>Between 100% and 120% of the proportionate change in the ASOAI index over the relevant performance period | Pro-rata between 50% and 100% |

Threshold vesting of this tranche of the PRs occurs where the Company's TSR equals the S&P/ASX Small Ordinaries Accumulation Index TSR over the performance period. For the whole tranche of PRs to vest, the Company's TSR must exceed the TSR of the S&P/ASX Small Ordinaries Index over the performance period by 20 per cent.

This performance condition must be satisfied in order for the performance rights to vest. The Board currently expects that it will determine whether or not the performance conditions have been satisfied by late August 2028, after the release of the Company's audited financial statements.

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## REMUNERATION REPORT (Audited) continued

### Amounts of remuneration

Details of the remuneration of directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of XRF Scientific Limited are set out in the following:

| | Short-term | | | | Post-employment | Long-term | | |
|---|---|---|---|---|---|---|---|---|
| 2026 | Cash Salary $ | Cash Bonuses $ | Share-Based Payments $ | Other $ | Super-annuation $ | Long-Service Leave $ | Share-Based Payments $ | Total $ |
| **Non-executive directors** | | | | | | | | |
| Fred Grimwade | 108,482 | - | - | - | 13,018 | - | - | 121,500 |
| David Brown | 65,625 | - | - | *255,520 | 7,875 | - | - | 329,020 |
| David Kiggins | 75,089 | - | - | - | 9,011 | - | - | 84,100 |
| **Total non-executive directors** | **249,196** | **-** | **-** | **255,520** | **29,904** | **-** | **-** | **534,620** |
| **Executive directors** | | | | | | | | |
| Vance Stazzonelli | 448,200 | 110,200 | - | - | 30,540 | 12,905 | 170,201 | 772,046 |
| **Total executive directors** | **448,200** | **110,200** | **-** | **-** | **30,540** | **12,905** | **170,201** | **772,046** |
| **Other KMP** | | | | | | | | |
| Andrew Watson | 289,000 | 44,643 | 1,000 | **22,231 | 42,705 | 6,443 | 67,202 | 473,224 |
| **Total other KMP** | **289,000** | **44,643** | **1,000** | **22,231** | **42,705** | **6,443** | **67,202** | **473,224** |
| | **986,396** | **154,843** | **1,000** | **277,751** | **103,149** | **19,348** | **237,403** | **1,779,890** |

| | Short-term | | | | Post-employment | Long-term | | |
|---|---|---|---|---|---|---|---|---|
| 2025 | Cash Salary $ | Cash Bonuses $ | Share-Based Payments $ | Other $ | Super-annuation $ | Long-Service Leave $ | Share-Based Payments $ | Total $ |
| **Non-executive directors** | | | | | | | | |
| Fred Grimwade | 104,161 | - | - | - | 11,978 | - | - | 116,139 |
| David Brown | 62,935 | - | - | *244,517 | 7,237 | - | - | 314,689 |
| David Kiggins | 72,030 | - | - | - | 8,284 | - | - | 80,314 |
| **Total non-executive directors** | **239,126** | **-** | **-** | **244,517** | **27,499** | **-** | **-** | **511,142** |
| **Executive directors** | | | | | | | | |
| Vance Stazzonelli | 427,600 | 147,000 | - | - | 30,000 | 10,745 | 195,949 | 811,294 |
| **Total executive directors** | **427,600** | **147,000** | **-** | **-** | **30,000** | **10,745** | **195,949** | **811,294** |
| **Other KMP** | | | | | | | | |
| Andrew Watson | 277,056 | 62,500 | 1,000 | **10,656 | 40,587 | 6,300 | 77,165 | 475,264 |
| **Total other KMP** | **277,056** | **62,500** | **1,000** | **10,656** | **40,587** | **6,300** | **77,165** | **475,264** |
| | **943,782** | **209,500** | **1,000** | **255,173** | **98,086** | **17,045** | **273,114** | **1,797,700** |

* Technical services provided by consultancy (such as technical sales and support, analytical method development).

** Cash payment of long service leave accrued by the employee.

### Percentage of performance related compensation of total remuneration

Certain executive personnel are paid performance bonuses and receive performance rights in addition to set remuneration amounts. The Board of Directors have set these incentives to encourage growth and profitability and they are paid as per the conditions set out on pages 11 and 12. The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

| | Fixed Remuneration | | At risk - STI | | At risk - LTI | |
|---|---|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 | 2026 | 2025 |
| Vance Stazzonelli | 50% | 50% | 20% | 20% | 30% | 30% |
| Andrew Watson | 62% | 62% | 16% | 16% | 22% | 22% |

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## REMUNERATION REPORT (Audited) continued

**Options issued as part of total remuneration**

No options have been issued in 2026 or 2025 as part of total remuneration.

**Voting and comments made at the Company's 2025 Annual General Meeting**

A resolution to adopt the Remuneration Report for the 2025 financial year was proposed at the Company's most recent Annual General Meeting. The resolution was decided by poll, with 97% of eligible votes cast in favour of adopting the report. Aside from the votes cast, the Company did not receive any specific feedback at the meeting or throughout the year on its remuneration practices.

### (c) Shareholder Wealth

The following is a summary of key shareholder wealth statistics for the Company over the past 5 years (listed since 2006).

| Financial Year | NPAT attributable to XRF shareholders | Earnings Per Share | Dividends Declared Per Share | Share Price | Market Capitalisation at 30 June |
|---|---|---|---|---|---|
| | $ | Cents | Cents | $ | $ |
| 2021/22 | 6,083,736 | 4.5 | 2.5 | 0.57 | 77,458,468 |
| 2022/23 | 7,685,827 | 5.6 | 3.3 | 1.17 | 160,348,237 |
| 2023/24 | 8,885,264 | 6.4 | 3.9 | 1.35 | 185,757,109 |
| 2024/25 | 10,383,453 | 7.4 | 4.5 | 1.84 | 258,586,384 |
| 2025/26 | 10,488,149 | 7.4 | 4.5 | 1.73 | 247,459,335 |

### (d) Bonuses

Each individual Key Management Personnel performance bonus was discussed and reviewed against the requirements set out on page 10. It was agreed that the proposed performance bonuses met these conditions, specifically individual performance against agreed Key Performance Indicators.

### (e) Shares held by key management personnel

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

| Name | Balance at 1 July 2025 | Vesting of PRs | On-market trades | Issued via DRP | Issued via ESS | Balance at 30 June 2026 |
|---|---|---|---|---|---|---|
| *Directors* | | | | | | |
| Fred Grimwade | 551,705 | - | - | 11,822 | - | 563,527 |
| David Brown | 9,224,200 | - | (1,000,000) | - | - | 8,224,200 |
| David Kiggins | 215,248 | - | - | 1,933 | - | 217,181 |
| Vance Stazzonelli | 850,000 | 384,088 | 5,912 | - | - | 1,240,000 |
| *Other Key Management Personnel* | | | | | | |
| Andrew Watson | 80,760 | 142,388 | - | 4,781 | 568 | 228,497 |

**Securities Trading Policy**

The Company has adopted a policy that imposes certain restrictions on Directors and employees trading in the securities of the Company. The restrictions have been imposed to prevent trading in contravention of the insider trading provisions of the *Corporations Act 2001*.

**Option holdings**

There were no options over ordinary shares in the Company held during the financial year by directors of XRF Scientific Limited or other key management personnel of the Group.

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## REMUNERATION REPORT (Audited) continued

**Dividends received by key management personnel**

Details of dividends received directly, indirectly or beneficially by key management personnel and their related parties are as follows:

| Name | 2026 $ | 2025 $ |
|---|---|---|
| *Directors* | | |
| Fred Grimwade | 24,827 | 20,957 |
| David Brown | 370,089 | 358,496 |
| David Kiggins | 9,686 | 8,303 |
| Vance Stazzonelli | 55,534 | 31,200 |
| *Other Key Management Personnel* | | |
| Andrew Watson | 10,042 | 2,962 |

### (f) Service Agreements

Remuneration for the Managing Director and Chief Financial Officer is set out in service agreements, which are detailed below. No other key management personnel are currently employed under service contracts.

**Vance Stazzonelli, Managing Director of XRF Scientific Limited:** Ongoing employment contract effective 1 July 2012. Base salary is $500,000 per annum (effective 1 July 2026 and ongoing), including superannuation benefits (2025: $478,200 including superannuation benefits). Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to six months full pay. Notice period by the employee of six months. Payment of bonuses is based on a range of strategic, financial, operational, personnel, and Board-related key performance indicators.

**Andrew Watson, Chief Financial Officer of XRF Scientific Limited:** Ongoing employment contract effective 24 July 2014. Base salary is $305,000 per annum (effective 1 July 2026 and ongoing), plus superannuation benefits of 12% (2025: $289,000 plus superannuation benefits of 12%). Payment of a termination benefit on early termination by the Company, other than for gross misconduct, equal to three months full pay. Notice period by the employee of three months. Payment of bonuses is at the Board's discretion.

### (g) Share-based compensation

Details of performance rights held by key management personnel are as follows:

| Name | Balance at 1 July 2025 | Issued during the period | Vested during the period | Lapsed during the period | Balance at 30 June 2026 |
|---|---|---|---|---|---|
| Vance Stazzonelli | 803,153 | 146,725 | (384,088) | (18,415) | 547,375 |
| Andrew Watson | 306,611 | 57,933 | (142,388) | (6,827) | 215,329 |

Details of active performance rights are as follows:

| Plan | Grant date | Performance period | Performance conditions | Value per PR | Number of PRs issued | Percentage vested | Vesting Date |
|---|---|---|---|---|---|---|---|
| 2023 *(MD)* | 13/11/2023 | 01/07/2023 to 30/06/2026 | TSR | $0.5638 | 214,634 | N/A | Before 30/09/2026 |
| 2023 *(CFO)* | 13/11/2023 | 01/07/2023 to 30/06/2026 | TSR | $0.5638 | 84,143 | N/A | Before 30/09/2026 |
| 2024 *(MD)* | 04/11/2024 | 01/07/2024 to 30/06/2027 | TSR | $1.0534 | 186,016 | N/A | Before 30/09/2027 |
| 2024 *(CFO)* | 04/11/2024 | 01/07/2024 to 30/06/2027 | TSR | $1.0534 | 73,253 | N/A | Before 30/09/2027 |
| 2025 *(MD)* | 03/11/2025 | 01/07/2025 to 30/06/2028 | TSR | $1.1600 | 146,725 | N/A | Before 30/09/2028 |
| 2025 *(CFO)* | 03/11/2025 | 01/07/2025 to 30/06/2028 | TSR | $1.1600 | 57,933 | N/A | Before 30/09/2028 |

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## REMUNERATION REPORT (Audited) continued

During the year ended 30 June 2026, shares valued at $1,000 were also issued to the Chief Financial Officer under the XRF Scientific Exempt Employee Share Plan (2025: $1,000). There was no share-based compensation to any other Director or Key Management Personnel for the years ended 30 June 2026 and 2025. The Company has not adopted an employee share option scheme.

**(h) Remuneration consultants**

No remuneration consultants were used in the years ended 30 June 2026 and 30 June 2025.

**(i) Other transactions with key management personnel**

Premises were rented from a related entity of Director David Brown during the financial year. These properties were rented on normal commercial terms and conditions, totalling $120,132 (2025: $115,829). No amounts were outstanding at the end of the year.

**(j) Loans to directors and executives**

No loans were made to directors and executives during the financial years ended 30 June 2026 and 30 June 2025.

**End of Remuneration Report (Audited).**

## NON-AUDIT SERVICES

Details of the non-audit services provided by the Company's external auditor BDO Audit Pty Ltd and its related practices during the year ended 30 June 2026 are outlined in the following table. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed by the Audit & Governance Committee to ensure that they do not impact the impartiality and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

| | Consolidated | |
|---|---|---|
| | 2026 | 2025 |
| | $ | $ |
| *BDO – Australia* | | |
| Audit and review of financial reports | 189,123 | 175,769 |
| Taxation services | 98,309 | 62,867 |
| Other services | 3,512 | 7,761 |
| *BDO - Belgium* | | |
| Audit and review of financial reports | 36,184 | 38,960 |
| Taxation services | 11,980 | 16,276 |
| *BDO - Canada* | | |
| Taxation services | 16,447 | 29,077 |
| Other services | - | 1,294 |
| *BDO - UK* | | |
| Audit and review of financial reports | - | 19,502 |
| *BDO - India* | | |
| Other services | 60,359 | 9,534 |
| **Total remuneration for audit and other services** | **415,914** | **361,040** |

## OPTIONS

No unissued ordinary shares of XRF Scientific Limited remain under option at the date of this report.



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## PERFORMANCE RIGHTS

Performance rights plans with unissued ordinary shares at the date of this report are summarised below:

| Plan year | Opening balance at 1 July 2025 | Granted during the period | Vested during the period | Forfeited during the period | Closing balance at 30 June 2026 |
|---|---|---|---|---|---|
| 2022 | 1,454,354 | - | (1,409,597) | (44,757) | - |
| 2023 | 663,221 | - | - | - | 663,221 |
| 2024 | 618,359 | - | - | - | 618,359 |
| 2025 | - | 676,288 | - | - | 676,288 |
| **Total** | **2,735,934** | **676,288** | **(1,409,597)** | **(44,757)** | **1,957,868** |

## INSURANCE OF DIRECTORS, OFFICERS AND AUDITORS

During the financial year, the Company paid insurance premiums to insure the directors and officers of the Company and its Australian–based controlled entities. The liabilities insured are legal costs that may be incurred in defending civil or some criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

During the financial year, the Company has not paid premiums to insure, or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

## PROCEEDINGS ON BEHALF OF OR INVOLVING THE ECONOMIC ENTITY

No person has applied for leave of Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

## ROUNDING IN DIRECTORS' REPORT

All values in this report are rounded to the nearest dollar unless otherwise stated, under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 18.

## AUDITOR

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors and signed for and on behalf of the Board by:



**Fred S Grimwade**
Chairman

17 August 2026

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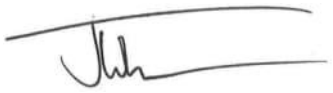
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

**DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF XRF SCIENTIFIC LIMITED**

As lead auditor of XRF Scientific Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of XRF Scientific Limited and the entities it controlled during the period.



**Jackson Wheeler**

**Director**

**BDO Audit Pty Ltd**

Perth

17 August 2026

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# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2026

| | Note | Consolidated | |
|---|---|---|---|
| | | 2026 $ | 2025 $ |
| Revenue | 5 | 64,400,158 | 59,448,334 |
| Cost of sales | 6 | (32,675,419) | (30,654,824) |
| **Gross profit** | | **31,724,739** | **28,793,510** |
| Other income | | 46,881 | 32,127 |
| Administration expenses | 6 | (13,179,652) | (11,843,844) |
| Occupancy expenses | | (1,257,082) | (1,085,974) |
| Other expenses | | (1,830,847) | (1,048,355) |
| Finance costs | | (131,421) | (257,002) |
| **Profit before income tax** | | **15,372,618** | **14,590,462** |
| Income tax expense | 7 | (4,884,469) | (4,252,866) |
| **Profit after income tax** | | **10,488,149** | **10,337,596** |
| Profit attributable to NCI | | - | 45,857 |
| **Profit after income tax attributable to XRF Scientific Ltd equity holders** | | **10,488,149** | **10,383,453** |
| **Other comprehensive income / (loss)** | | | |
| Profit after income tax | | 10,488,149 | 10,337,596 |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| Foreign currency translation differences | 22(a) | (762,428) | 654,304 |
| **Total comprehensive income** | | **9,725,722** | **10,991,900** |
| Total comprehensive income attributable to NCI | | - | 45,857 |
| **Total comprehensive income attributable to XRF Scientific Ltd equity holders** | | **9,725,722** | **11,037,757** |
| **Earnings per share for the year attributable to XRF Scientific Ltd equity holders** | | | |
| Basic earnings per share (cents per share) | 32 | 7.4 | 7.4 |
| Diluted earnings per share (cents per share) | 32 | 7.3 | 7.4 |

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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# CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2026

| | Note | Consolidated | |
|---|---|---|---|
| | | 2026 $ | 2025 $ |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 8 | 9,459,007 | 12,231,941 |
| Trade and other receivables | 9 | 9,735,298 | 10,277,812 |
| Inventories | 10 | 21,022,454 | 18,834,345 |
| Other assets | 11 | 736,847 | 619,504 |
| **Total Current Assets** | | **40,953,606** | **41,963,602** |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 12 | 12,189,762 | 11,715,376 |
| Intangible assets | 13 | 23,921,089 | 17,290,092 |
| Deferred tax asset | 14 | 1,587,899 | 1,816,455 |
| **Total Non-Current Assets** | | **37,698,750** | **30,821,923** |
| **Total Assets** | | **78,652,356** | **72,785,525** |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 15 | 3,617,288 | 4,058,207 |
| Provisions | 16 | 1,382,660 | 2,443,129 |
| Short-term borrowings | 17 | 174,000 | 174,000 |
| Current lease liabilities | 18 | 692,642 | 789,712 |
| Other current liabilities | 19 | 1,484,690 | 1,136,837 |
| Current income tax liability | | 989,839 | 933,955 |
| **Total Current Liabilities** | | **8,341,119** | **9,535,840** |
| **NON-CURRENT LIABILITIES** | | | |
| Long-term borrowings | 17 | 768,500 | 942,500 |
| Non-current lease liabilities | 18 | 702,794 | 968,906 |
| Deferred tax liability | 20 | 1,084,766 | 984,608 |
| Provisions | 16 | 1,358,523 | 185,446 |
| **Total Non-Current Liabilities** | | **3,914,583** | **3,081,460** |
| **Total Liabilities** | | **12,255,702** | **12,617,300** |
| **Net Assets** | | **66,396,654** | **60,168,225** |
| **EQUITY** | | | |
| Issued capital | 21 | 28,155,397 | 24,964,252 |
| Reserves | 22(a) | 1,898,054 | 2,975,680 |
| Retained profits | 22(c) | 36,343,203 | 32,228,293 |
| **Total Equity** | | **66,396,654** | **60,168,225** |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

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# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2026

| 30 JUNE 2026 – CONSOLIDATED | Issued Share Capital | Non-Controlling Interest | Share-Based Payment Reserve | Foreign Currency Translation Reserve | Retained Profits | Total |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ |
| **Balance at 1 July 2025** | **24,964,252** | **-** | **1,393,911** | **1,581,769** | **32,228,293** | **60,168,225** |
| Profit for the year | - | - | - | - | 10,488,149 | 10,488,149 |
| Other comprehensive loss | - | - | - | (762,427) | - | (762,427) |
| **Total comprehensive income** | **-** | **-** | **-** | **(762,427)** | **10,488,149** | **9,725,722** |
| **Transactions with Equity Holders in their capacity as Equity Holders** | | | | | | |
| Ordinary shares issued (less transaction costs) | 1,505,251 | - | - | - | - | 1,505,251 |
| Dividends Paid | - | - | - | - | (6,405,462) | (6,405,462) |
| Employee performance rights plan | 888,471 | - | (315,199) | - | 32,223 | 605,495 |
| Acquisition of Orbis Mining NCI | 797,423 | - | - | - | - | 797,423 |
| | **3,191,145** | **-** | **(315,199)** | **-** | **(6,373,239)** | **(3,497,293)** |
| **Balance at 30 June 2026** | **28,155,397** | **-** | **1,078,712** | **819,342** | **36,343,203** | **66,396,654** |

| 30 JUNE 2025 – CONSOLIDATED | Issued Share Capital | Non-Controlling Interest | Share-Based Payment Reserve | Foreign Currency Translation Reserve | Retained Profits | Total |
|---|---|---|---|---|---|---|
| | $ | $ | | $ | $ | $ |
| **Balance at 1 July 2024** | **21,410,923** | **655,175** | **771,244** | **927,465** | **31,775,401** | **55,540,208** |
| Profit for the year | - | (45,857) | - | - | 10,383,453 | 10,337,596 |
| Other comprehensive income | - | - | - | 654,304 | - | 654,304 |
| **Total comprehensive income** | **-** | **(45,857)** | **-** | **654,304** | **10,383,453** | **10,991,900** |
| **Transactions with Equity Holders in their capacity as Equity Holders** | | | | | | |
| Ordinary shares issued (less transaction costs) | 1,403,951 | - | - | - | - | 1,403,951 |
| Dividends Paid | - | (400,000) | - | - | (5,440,184) | (5,840,184) |
| Employee performance rights plan | 29,846 | - | 622,667 | - | 13,623 | 666,136 |
| Acquisition of Orbis Mining NCI | 1,947,455 | (209,318) | - | - | (4,504,000) | (2,765,863) |
| Acquisition of Labfit | 172,077 | - | - | - | - | 172,077 |
| | **3,553,329** | **(609,318)** | **622,667** | **-** | **(9,930,561)** | **(6,363,883)** |
| **Balance at 30 June 2025** | **24,964,252** | **-** | **1,393,911** | **1,581,769** | **32,228,293** | **60,168,225** |

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# CONSOLIDATED STATEMENT OF CASH FLOWS
## AS AT 30 JUNE 2026

| | Note | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers (inclusive of GST) | | 64,951,980 | 58,626,827 |
| Payments to suppliers and employees (inclusive of GST) | | (49,203,674) | (43,899,284) |
| Finance costs | | (131,421) | (257,001) |
| Income taxes paid | | (4,499,871) | (4,592,184) |
| Interest received | | 271,673 | 262,506 |
| **Net cash inflow from operating activities** | 30 | **11,388,687** | **10,140,864** |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment | | (1,702,263) | (1,747,832) |
| Proceeds from sale of property, plant and equipment | | 22,056 | 892,953 |
| Payments for business acquisitions (net of cash acquired) | | (5,600,000) | (952,662) |
| Payments for research and development | | (759,237) | (404,800) |
| Payments for intangibles | | (127,872) | - |
| **Net cash outflow from investing activities** | | **(8,167,316)** | **(2,212,341)** |
| **Cash flows from financing activities** | | | |
| Repayment of borrowings | 17 | (174,000) | (502,679) |
| Payment of lease liabilities | | (804,186) | (770,285) |
| Dividends paid | | (5,016,119) | (4,115,681) |
| Transactions with non-controlling interest (NCI) | | - | (1,956,396) |
| Dividends paid to NCI | | - | (400,000) |
| **Net cash outflow from financing activities** | | **(5,994,305)** | **(7,745,041)** |
| Cash and cash equivalents at the beginning of the financial year | | 12,231,941 | 12,048,459 |
| Net (decrease) / increase in cash and cash equivalents | | (2,772,934) | 183,482 |
| **Cash and cash equivalents at the end of the financial year** | 8 | **9,459,007** | **12,231,941** |

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented.

**(a) Basis of preparation**

The financial report of XRF Scientific Limited for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 17 August 2026 and covers XRF Scientific Limited as an individual entity as well as the consolidated entity consisting of XRF Scientific Limited and its subsidiaries.

These financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated, under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*.

XRF Scientific Limited is a company limited by shares incorporated in Australia and is a for-profit entity whose shares are publicly traded on the Australian Stock Exchange.

These general purpose financial statements have been prepared in accordance with Australian Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the *Corporations Act 2001*.

*Compliance with IFRS*

The financial statements of XRF Scientific Limited also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

*Historical cost convention*

These financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

*Financial statement presentation*

The following material accounting policies have been adopted in the preparation and presentation of the financial report.

**(b) Principles of consolidation**

*(i) Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of XRF Scientific Limited ("Company" or "Parent Company") as at 30 June 2026 and the results of all subsidiaries for the year then ended.

XRF Scientific Limited and its subsidiaries together are referred to in this report as the Group or the consolidated entity.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

All controlled entities have a 30 June financial year end.

The consolidated financial statements are prepared by combining the financial statements of all entities that comprise the consolidated entity, being the Company (the Parent Company) and its subsidiaries. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If, after reassessment, the fair values of the identifiable net assets acquired exceed the cost of acquisition, the benefit is credited to profit or loss in the period of acquisition.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control such entities. All intercompany balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

*(ii) Changes in ownership interests*

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

**(c) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director.

**(d) Foreign currency translation**

*Functional and presentation currency*

The functional currency of each Group entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

*Transaction and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge. The differences taken to equity are recognised in profit or loss on disposal of the net investment.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are recognised in the profit or loss.

*Group Companies*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary currency economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows.

Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position. Income and expenses for each profit or loss item are translated at average exchange rates. All resulting exchange differences are recognised in other comprehensive income.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

**(e) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised as follows:

*(i) Revenue from contracts with customers*

Group revenue is derived from the manufacture and sale of chemicals, equipment and accessories to production mines, construction material companies and commercial analytical laboratories, in Australia and overseas. These finished goods are primarily used in the preparation of samples for analysis. The Group also derives service revenue from the installation, maintenance and repair of goods sold to customers.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price should be allocated (e.g. warranties). In determining the transaction price to be used in the recognition of revenue for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

*Sale of finished goods* - Revenue is recognised at a point in time when control of the product has transferred to the customer, being when products are delivered. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and the customer has accepted the product in accordance with the agreed terms. Sales of goods are standalone transactions and do not involve ongoing contracts, nor the supply of additional goods and services.

*Service revenue* - When finished goods are bundled with installation services, they are listed separately on the sales invoice and there is a clear valuation assigned to each individual component. Installation is an optional service and could be performed by the customer or a third party, so it is considered to be a separate performance obligation. The performance of the service usually coincides with the delivery and installation of the goods, so both components can be recognised on the same date. Where there is a delay between the delivery of goods and the performance of services, the service components are allocated to the balance sheet as liabilities. This revenue will be recognised on the date that the service has been performed.

Maintenance and repair services fall into two main categories:

- Single services to be performed on a specified date in the future – If invoiced in advance, the revenue for these transactions remains on the balance sheet as a liability until the service is performed.
- Contracts to provide multiple services over a period of time – The revenue for these transactions is initially allocated to the balance sheet and then recognised on a monthly basis over the term of the contract (either 1 or 2 years), as the customer receives the benefit of the service on a simultaneous basis.

*(ii) Contract balances*

*Contract assets* - A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

*Trade receivables* - Trade receivables represent the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

*Contract liabilities* - A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when payment is made or is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

*(iii) Interest income*

Interest revenue is recognised on a proportional basis, considering the interest rates applicable to the financial assets.

**(f) Income tax**

The income tax expense or revenue for the period is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability.

No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

XRF Scientific Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. The head entity, XRF Scientific Limited, and the controlled entities in the tax consolidated group account for their own deferred tax amounts. Current tax is accounted for by each subsidiary entity, which is then consolidated up into the tax consolidated group, as per the tax sharing agreement. In addition to its own share of current and deferred tax amounts, XRF Scientific Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Income tax is allocated under the separate taxpayer within group approach. Details about the tax funding agreement are disclosed in note 7.

**(g) Leases**

The Group leases various offices, warehouses and factories. Rental contracts are typically made for fixed periods of 1 to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability,

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

**(h) Business combinations**

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss. All purchase consideration is recorded at fair value at the acquisition date. Contingent payments classified as debt are subsequently re-measured through profit or loss. Acquisition-related costs are expensed as incurred.

Non-controlling interests in an acquiree are recognised either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

Changes in the parent's ownership interest while the parent retains its controlling financial interest in its subsidiary shall be accounted for as equity transactions. The carrying amount of the non-controlling interest shall be adjusted to reflect the change in its ownership interest in the subsidiary. Any difference between the fair value of the consideration paid and the amount by which the non-controlling interest is adjusted shall be recognised in equity attributable to the parent.

If the Group recognises previous acquired deferred tax assets after the initial acquisition accounting is completed there will no longer be any adjustment to goodwill. As a consequence, the recognition of the deferred tax asset will increase the Group's net profit after tax.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

**(i) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(j) Cash and cash equivalents**

For cash flow statement presentation purposes, cash and cash equivalents includes deposits held at call with financial institutions, other short-term, highly liquid instruments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

**(k) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for expected credit losses.

Trade receivables are due for settlement no more than 90 days from the date of recognition. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off to the Statement of Profit or Loss and Other Comprehensive Income. A provision for impairment of receivables is established based on the expected credit loss approach. For trade receivables the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Another indicator that determines the trade receivable is impaired is if the party is deemed to be bankrupt.

The amount of the provision is the difference between the present value of cash flows due under the contract and the present value of the future cash flows an entity expects to receive, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The movement in the provision is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

**(l) Inventories**

*Raw materials, spare parts, work in progress and finished goods*

Raw materials, spare parts, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(m) Property, plant and equipment**

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Depreciation is calculated using a mixture of the straight line and diminishing value methods to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

| | |
|---|---|
| Plant and Equipment | 2%-40% |
| Property Improvements | 4%-25% |
| Motor Vehicles | 15%-25% |
| Office Equipment | 5%-66.67% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(i)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit or loss.

**(n) Intangible assets**

*(i) Goodwill*

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary/business at the date of acquisition. Goodwill on acquisitions of subsidiaries and businesses is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill is allocated to the consolidated entity's cash generating units identified according to business and geographical segments (note 13(a)).

*(ii) Patents, trademarks and licences*

Patents, trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of patents, trademarks and licences over their estimated useful lives, which vary from 3 to 20 years.

*(iii) Research and development*

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success considering its commercial and technical feasibility and its costs can be measured reliably.

The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which varies from 1 to 10 years.

**(o) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

**(p) Provisions**

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

**(q) Employee benefits**

*(i) Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*(ii) Other long-term employee benefit obligations*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experiences of employee departures and periods of service. These amounts are not expected to be settled wholly within 12 months of the reporting date.

Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*(iii) Retirement benefit obligations*

The amount charged to profit or loss in respect of superannuation represents the contributions made by the Group to superannuation funds as nominated by the individual employee. Contributions made by the Company to employee superannuation funds are charged as expenses when incurred.

**(r) Contributed equity**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

**(s) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.

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## NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

**(t) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of associated goods and services tax (GST), unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

**(u) Earnings per share**

*(i) Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

*(ii) Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**(v) New accounting standards and interpretations**

The accounting standards and interpretations relevant to the operations of the Group are consistent with those of the previous financial year. There were some amendments and interpretations effective for the first time from 1 July 2025, but they did not have any significant impact on the current year or any prior year and are not likely to affect future years.

A number of new standards, amendments to standards and interpretations issued by AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these consolidated financial statements and some are not expected to be relevant to the Group. The Group does not plan to adopt these standards early.

The following new standard will be applicable to the Group from the 30 June 2028 reporting period:

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 replaces AASB 101 *Presentation of Financial Statements* and requires income and expenses to be classified in profit or loss as one of five categories, being investing, financing, income taxes, discontinued operations and operating (which is a residual category). There are also two mandatory sub-totals:

- Operating profit or loss
- Profit or loss before financing and income taxes, which comprises operating profit or loss and all investing income and expenses.

When these amendments are first adopted on 1 July 2027, subtotals in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2028 may differ, including restated comparatives for the year ended 30 June 2027. However, there will be no change to net profit or loss after taxation in either period.

There may also be changes in the way interest and dividend cash inflows and outflows are presented in the Statement of Cash Flows, which may impact the subtotals for cash generated or utilised from operating activities, investing activities and financing activities.

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## NOTE 2: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including foreign exchange risk, price risk, cash flow risk, fair value risk and interest rate risk); credit risk; and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board provides guidance for overall risk management and other specific areas, such as mitigating foreign exchange, interest rate and credit risks, use of financial instruments and investing excess liquidity.

**(a) Market risk**

*(i) Foreign exchange risk*

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the Australian Dollar. The currencies giving rise to this risk are predominantly Euros, the US Dollar, and the Canadian Dollar.

Foreign currency risk arises where settlement of a trade receivable, payable or borrowings is denominated in a currency that is not the entity's functional currency, which may result in a foreign currency gain or loss. The Group seeks to mitigate this risk by engaging in a majority of commercial transactions that are generally in AUD. The Group's exposure to foreign currency risk at the reporting date was as follows:

| | 30 June 2026 | | | 30 June 2025 | | |
|---|---|---|---|---|---|---|
| | CAD | EUR | USD | CAD | EUR | USD |
| Trade receivables | 583,125 | 600,520 | 750,791 | 420,457 | 862,306 | 1,005,686 |
| Trade payables | 16,368 | 69,966 | 260,913 | 18,910 | 90,135 | 104,069 |

*Group sensitivity*

Based on the financial instruments held at 30 June 2026, had the Australian dollar strengthened / weakened by 10% (based on historical reasonableness movements) against the exchange rates in the above tables, with all other variables held constant, the Group's post-tax profit for the year would have been $197,152 lower / $240,964 higher (2025: $292,892 lower / $357,979 higher), mainly as a result of foreign currency exchange gains/losses on translation of foreign currency denominated financial instruments as detailed in the table above.

*(ii) Price risk*

As the Group does not have any investments in equities or commodities, its exposure to equities price risk and commodity price risk via investing is minimal.

While the Group holds precious metals as inventory (note 10), customer commitments to market rates purchased result in the Group's exposure to commodities price risk being immaterial.

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## NOTE 2: FINANCIAL RISK MANAGEMENT continued

*(iii) Cash flow, fair value and interest rate risk*

At 30 June 2026, if interest rates had changed by -/+ 100 basis points (based upon forward treasury rates) from the year-end rates with all other variables held constant, post-tax profit for the year would have been $9,818 higher / lower (2025: $385 higher / lower), mainly as a result of higher/lower interest income from cash and cash equivalents. Cash and cash equivalent balances at 30 June 2026 would have been higher/lower by the same amount.

**(b) Credit risk**

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk arises from cash and cash equivalents, trade receivables and other receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The Group trades only with recognised, creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Counterparties without external credit ratings are in majority existing customers (<6months) with no history of defaults (Group 2).

With respect to credit risk arising from the other financial assets of the Group, which comprise of cash and cash equivalents, and trade and other receivables, the Group's exposure to credit risk arises from the default of the counter party, with a maximum exposure equal to the carrying amount of these financial assets.

The Group assesses, on a forward-looking basis, the expected credit losses associated with its trade and other financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach under AASB 9 to measure expected credit losses for trade receivables. Based on historical default experience and consideration of current and forward-looking information, the expected credit loss allowance at 30 June 2026 was assessed as immaterial.

There are no significant concentrations of credit risk within the Group at the reporting date.

The following table represents the Group's exposure to credit risk:

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Cash and cash equivalents (A+ rated) | 9,459,007 | 12,231,941 |
| Trade receivables, net of impairment provision (note 9) (Group 2) | 9,724,444 | 9,951,577 |
| Other receivables (external parties) | 10,854 | 326,235 |
| **Total exposure to credit risk** | **19,194,305** | **22,509,753** |

Credit risk exposure is not significantly different for any of the segments of the Group.

Details of impaired trade receivables, and trade receivables overdue but not impaired can be found at note 9. An analysis of the Group's consolidated trade receivables is as follows:

| | Current | Over 30 days | Over 60 days | Over 90 Days | Total |
|---|---|---|---|---|---|
| **2026** | 6,632,071 | 1,285,119 | 1,130,285 | 676,969 | 9,724,444 |
| **2025** | 8,429,673 | 786,959 | 541,200 | 193,745 | 9,951,577 |

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## NOTE 2: FINANCIAL RISK MANAGEMENT continued

**(c) Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. The below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. There have been no breaches or defaults on the repayment of debt.

| Contractual maturities of financial liabilities<br><br>As at 30 June 2026 | Less than 6 months<br><br>$ | 6 – 12 months<br><br>$ | Between 1 and 2 years<br><br>$ | Between 2 and 5 years<br><br>$ | Total contractual cash flows<br><br>$ | Carrying Amount (assets)/ liabilities<br><br>$ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| Trade and other payables | 2,354,922 | - | - | - | 2,354,922 | 2,354,922 |
| Property lease liabilities | 387,725 | 387,725 | 559,731 | 200,506 | 1,535,687 | 1,395,436 |
| Property loan | 115,805 | 112,995 | 802,223 | - | 1,031,023 | 942,500 |
| **Total non-derivatives** | **2,858,452** | **500,720** | **1,361,954** | **200,506** | **4,921,632** | **4,692,858** |
| **As at 30 June 2025** | | | | | | |
| **Non-derivatives** | | | | | | |
| Trade and other payables | 2,906,864 | - | - | - | 2,906,864 | 2,906,864 |
| Property lease liabilities | 442,878 | 442,879 | 601,840 | 447,103 | 1,934,700 | 1,758,618 |
| Property loan | 118,440 | 115,873 | 224,047 | 799,298 | 1,257,658 | 1,116,500 |
| **Total non-derivatives** | **3,468,182** | **558,752** | **825,887** | **1,246,401** | **6,099,222** | **5,781,982** |

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

| | Consolidated | |
|---|---|---|
| | 2026<br>$ | 2025<br>$ |
| Bank overdraft facility | 500,000 | 500,000 |
| Bank guarantee and import loan facility (combined limit) | 2,687,274 | 2,805,144 |
| | **3,187,274** | **3,305,144** |

**(d) Fair value estimation**

The carrying amounts of the Group's financial assets and financial liabilities are considered to approximate their fair values due to the short-term nature of the instruments and the market-based terms of borrowings.

## NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related results.

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## NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENTS continued

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**(a)** **Estimated recoverable amount of goodwill –** The Group tests whether goodwill has suffered any impairment, by comparing the carrying value to the recoverable amount, in accordance with the accounting policy stated in note 1(n). Refer to note 13 for the details on impairment tests performed on goodwill.

**(b)** **Tax –** The determination of the Group's provision for income tax, deferred tax assets and liabilities involves significant judgements and estimates on certain matters and transactions, for which the ultimate outcome may be uncertain. If the final outcome differs from the Group's estimates, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

**(c)** **Fair value of assets acquired in a business combination –** The Group recognises identifiable assets acquired and liabilities assumed in a business combination at their fair values assessed on the acquisition date. The determination of these fair values requires management to make significant estimates and assumptions, including forecast future cash flows, expected growth rates, useful lives, customer relationships, technology and discount rates. Changes in these assumptions may result in material adjustments to the fair values assigned to acquired assets and liabilities and the resulting amount of goodwill recognised. Refer to note 14 for further details of business combinations completed during the year.

**(d)** **Allowance for expected credit losses –** The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

**(e)** **Determining lease terms –** Management considers all facts and circumstances that create an economic incentive to exercise (or not exercise) an extension option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

**(f)** **Measurement of contingent consideration arising on business combinations –** The Group has recognised contingent consideration in relation to business combinations. The determination of the fair value of these liabilities requires significant judgement and estimation, including assumptions regarding the timing and probability of forecast sales performance. Changes in these assumptions may result in material adjustments to the carrying value of the liability.

## NOTE 4: SEGMENT INFORMATION

Operating Segments – AASB 8 requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used in previous periods. Operating segments are reported in a uniform manner to which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Managing Director.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including those that relate to transactions with any of the Group's other components. Each operating segment's results are reviewed regularly by the Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Managing Director monitors segment performance based on profit before income tax expense. Segment results that are reported to the Managing Director include results directly attributable to a segment as well as those allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

The consolidated entity has determined that strategic decision making is facilitated by evaluation of operations on the customer segments of Capital Equipment, Precious Metals and Consumables. For each of the strategic operating segments, the Managing Director reviews internal management reports on a monthly basis.

**(a)** **Description of segments**

*Capital Equipment* - Manufactures sample preparation products and analytical instruments.

*Precious Metals* - Manufactures products for the laboratory and industrial platinum alloy markets.

*Consumables* - Manufactures chemicals and other supplies for analytical laboratories.

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## NOTE 4: SEGMENT INFORMATION continued

**(b) Primary reporting format – business segments**

Segment information provided to the Managing Director for the full-year ended 30 June 2026 is as follows:

| | Capital Equipment | Precious Metals | Consumables | Total |
|---|---|---|---|---|
| **Full-year ended 30 June 2026** | **$** | **$** | **$** | **$** |
| Total segment revenue | 26,293,264 | 24,575,454 | 18,050,509 | 68,919,227 |
| Inter segment sales | (2,255,099) | (2,535,029) | - | (4,790,128) |
| **Revenue from external customers** | **24,038,165** | **22,040,425** | **18,050,509** | **64,129,099** |
| **Profit before income tax expense** | **5,257,919** | **4,501,106** | **6,774,139** | **16,533,164** |
| **Full-year ended 30 June 2025** | | | | |
| Total segment revenue | 22,561,292 | 21,514,613 | 19,260,210 | 63,336,115 |
| Inter segment sales | (1,724,782) | (2,422,536) | - | (4,147,318) |
| **Revenue from external customers** | **20,836,510** | **19,092,077** | **19,260,210** | **59,188,797** |
| **Profit before income tax expense** | **4,081,392** | **3,544,070** | **7,223,832** | **14,849,294** |
| **Segment assets** | | | | |
| At 30 June 2026 | 28,668,676 | 20,158,054 | 21,574,038 | 70,400,768 |
| At 30 June 2025 | 20,825,190 | 21,042,237 | 20,116,538 | 61,983,965 |
| **Segment liabilities** | | | | |
| At 30 June 2026 | 5,929,491 | 2,711,788 | 801,320 | 9,442,599 |
| At 30 June 2025 | 4,375,992 | 3,454,506 | 780,519 | 8,611,017 |
| **Depreciation & amortisation expense** | | | | |
| For the year ended 30 June 2026 | 858,063 | 394,966 | 291,095 | 1,544,124 |
| For the year ended 30 June 2025 | 829,437 | 426,492 | 288,516 | 1,544,445 |
| **Capital expenditure** | | | | |
| For the year ended 30 June 2026 | 351,805 | 720,047 | 551,762 | 1,623,614 |
| For the year ended 30 June 2025 | 360,264 | 418,982 | 952,737 | 1,731,983 |

| | 2026 ($) | 2025 ($) |
|---|---|---|
| **Revenue from external customers – segments** | **64,129,099** | **59,188,797** |
| Unallocated revenue | 271,059 | 259,537 |
| **Revenue from external customers – total** | **64,400,158** | **59,448,334** |
| **Profit before income tax expense – segments** | **16,533,164** | **14,849,294** |
| Profit/(Loss) incurred by parent entity | (1,160,546) | (258,832) |
| **Profit before income tax expense** | **15,372,618** | **14,590,462** |
| **Total segment assets** | **70,400,768** | **61,983,965** |
| Cash and cash equivalents | 6,759,080 | 9,579,136 |
| Deferred tax asset | 1,587,899 | 1,816,455 |
| Other corporate assets & eliminations | (95,391) | (594,031) |
| **Total assets** | **78,652,356** | **72,785,525** |
| **Segment non-current assets by geographical region** | | |
| Australia | 32,630,312 | 25,714,446 |
| Canada | 1,927,462 | 2,163,121 |
| Europe | 1,396,853 | 933,603 |
| **Total segment non-current assets** | **35,954,627** | **28,811,170** |
| **Total segment liabilities** | **9,442,599** | **8,611,017** |
| Deferred tax liability | 1,084,766 | 984,608 |
| Income tax provision | 989,839 | 933,955 |
| Trade & other payables | 1,229,552 | 1,528,179 |
| Other corporate liabilities | (491,054) | 559,541 |
| **Total liabilities** | **12,255,702** | **12,617,300** |

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## NOTE 5: REVENUE

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| **Revenue** | | |
| ***Revenue from external customers*** | | |
| Sale of goods | 62,557,776 | 57,708,867 |
| Service revenue (recognised at point in time) | 1,256,964 | 1,036,655 |
| Service revenue (recognised over time) | 313,745 | 440,306 |
| ***Total revenue from external customers*** | **64,128,485** | **59,185,828** |
| Interest income | 271,673 | 262,506 |
| **Total revenue** | **64,400,158** | **59,448,334** |

The Group derives revenue from external customers from the transfer of goods and services at a point in time and over time in the following major product lines and geographical regions (based on the location of the Group entity preparing the invoice):

| Full-year ended 30 June 2026 | Capital Equipment $ | Precious Metals $ | Consumables $ | Total $ |
|---|---|---|---|---|
| Australia | 18,417,372 | 10,727,988 | 14,521,335 | 43,666,695 |
| Canada | 1,136,618 | 4,073,838 | 1,245,042 | 6,455,498 |
| Europe | 4,484,175 | 7,238,599 | 2,284,132 | 14,006,906 |
| **Revenue from external customers (note 4)** | **24,038,165** | **22,040,425** | **18,050,509** | **64,129,099** |
| **Full-year ended 30 June 2025** | | | | |
| Australia | 15,799,009 | 9,959,321 | 15,475,304 | 41,233,634 |
| Canada | 628,442 | 3,413,185 | 1,396,085 | 5,437,712 |
| Europe | 4,409,059 | 5,719,571 | 2,388,821 | 12,517,451 |
| **Revenue from external customers (note 4)** | **20,836,510** | **19,092,077** | **19,260,210** | **59,188,797** |

## NOTE 6: EXPENSES

| | Consolidated 2026 $ | Consolidated 2025 $ |
|---|---|---|
| Profit before income tax includes the following specific expenses: | | |
| **Depreciation** | | |
| Depreciation (included in administration expenses) | 386,017 | 357,878 |
| Depreciation (included in cost of goods sold) | 358,701 | 375,023 |
| Amortisation of right to use assets (included in occupancy expenses) | 808,607 | 789,728 |
| **Total depreciation** | **1,553,325** | **1,522,629** |
| **Amortisation** | | |
| Patents, trademarks and acquired customer lists (included in administration expenses) | 74,179 | 80,247 |
| Research and development (included in administration expenses) | 79,778 | 91,041 |
| **Total amortisation** | **153,957** | **171,288** |

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## NOTE 6: EXPENSES continued

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| **Other specific expenses** | | |
| Employee benefits expenses (included in administration expenses) | 10,096,151 | 9,158,890 |
| Share-based payments expenses (included in administration expenses) | 700,821 | 749,256 |
| Short-term lease expenses (included in occupancy expenses) | 200,433 | 167,059 |

## NOTE 7: INCOME TAX EXPENSE

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| **(a) Income tax expense** | | |
| Current tax | 4,701,801 | 4,639,663 |
| Deferred tax | 328,714 | (212,599) |
| Adjustments for current tax of prior periods | (146,046) | (174,198) |
| | **4,884,469** | **4,252,866** |
| Deferred income tax expense included in income tax expense comprises: | | |
| Decrease (increase) in deferred tax assets (note 14) | 228,556 | (232,104) |
| Increase in deferred tax liabilities (note 20) | 100,158 | 19,505 |
| | **328,714** | **(212,599)** |
| **(b) Numerical reconciliation of income tax expense to prima facie tax payable** | | |
| Profit before income tax expense | 15,372,618 | 14,590,462 |
| Tax at the Australian rate of 30% (2025: 30%) | 4,611,785 | 4,377,139 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Share-based payments expense | 210,246 | 224,777 |
| Differences arising from tax rates applicable to foreign entities | (30,819) | (49,079) |
| Sundry items | 239,303 | (125,773) |
| | **5,030,515** | **4,427,064** |
| Adjustments for current tax of prior periods | (146,046) | (174,198) |
| **Total income tax expense** | **4,884,469** | **4,252,866** |

**(c) Tax consolidation legislation**

XRF Scientific Limited and its wholly owned Australian controlled entities elected to enter into the tax consolidation regime from 1 July 2005. The accounting policy in relation to this legislation is set out in note 1(f). The entities have entered into a tax funding agreement under which the wholly-owned entities fully compensate XRF Scientific Limited for any current tax payable assumed and are compensated by XRF Scientific Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to XRF Scientific Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements. The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The funding amounts are recognised as current intercompany receivables or payables.

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## NOTE 8: CASH AND CASH EQUIVALENTS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Cash at bank and on hand | 4,444,797 | 5,231,941 |
| Deposits at call | 5,014,210 | 7,000,000 |
| | **9,459,007** | **12,231,941** |
| **Reconciliation to cash at the end of the year** | | |
| Balances as above | 9,459,007 | 12,231,941 |
| Balance per statements of cash flows | **9,459,007** | **12,231,941** |

**(a) Cash at bank and on hand**

Cash at bank earns interest at floating rates based on daily bank deposit rates of between 0% to 0.05% pa (2025: 0% to 0.05% pa). Cash available for use is as reported above, with no restrictions applicable.

**(b) Deposits at call**

Short-term deposits are made for varying periods of between no set term and 3 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

**(c) Risk exposure**

The Group's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

## NOTE 9: TRADE AND OTHER RECEIVABLES

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Trade receivables | 9,789,844 | 10,016,977 |
| Allowance for impairment of receivables | (65,400) | (65,400) |
| Other receivables – From external parties | 10,854 | 326,235 |
| Total trade and other receivables | **9,735,298** | **10,277,812** |
| Past due but not impaired | | |
| Up to 3 months | 2,415,403 | 1,328,158 |
| Up to 6 months | 676,969 | 193,746 |
| | **3,092,372** | **1,521,904** |
| Allowance for impairment of receivables | | |
| Balance at 1 July | (65,400) | (65,400) |
| (Increase)/Decrease in allowance during the year | - | - |
| Balance at 30 June | **(65,400)** | **(65,400)** |

**(a) Impaired trade receivables**

During the 2026 financial year, the allowance for impaired receivables remained unchanged at $65,400 (2025: allowance was $65,400).

**(b) Past due but not impaired**

As at 30 June 2026, trade receivables of the Group of $3,092,372 (2025: $1,521,904) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. A significant portion of the overdue receivables have been collected since 30 June 2026. The ageing analysis of these trade receivables is in note 2. The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these classes, it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

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## NOTE 9: TRADE AND OTHER RECEIVABLES continued

**(c) Other receivables**

These amounts generally arise from transactions outside the usual operating activities of the Group. All other receivables are subject to the same terms as trade receivables. Those terms have been described in note 1(k).

**(d) Effective interest rates and credit risk**

Information concerning the effective interest rate and credit risk of both current and non-current receivables is set out in note 2.

**(e) Non-current receivables**

There are no non-current receivables in the current year (2025: Nil).

## NOTE 10: INVENTORIES

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Raw materials and spare parts | 11,018,806 | 8,856,160 |
| Finished goods | 4,829,095 | 4,600,881 |
| Precious metals (general) | 5,174,553 | 4,639,393 |
| Platinum on loan (refer to note 16) | - | 737,911 |
| | **21,022,454** | **18,834,345** |

Stock was recorded at lower of cost and net realisable value on 30 June 2026 and 30 June 2025.

**Inventory expense**

Inventories recognised as expense during the year ended 30 June 2026 amounted to $22,943,639 (2025: $20,402,316).

## NOTE 11: OTHER CURRENT ASSETS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Prepayments | 667,775 | 565,445 |
| Other assets | 69,072 | 54,059 |
| | **736,847** | **619,504** |

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## NOTE 12: PROPERTY, PLANT AND EQUIPMENT

| Consolidated | Plant & Equipment | Motor Vehicles | Property Improve-ments | Office Equip-ment | Land & Buildings | Right of Use Assets: Leased Properties | Total |
|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ |
| **At 30 June 2024** | | | | | | | |
| Cost | 8,704,323 | 576,133 | 1,879,580 | 453,527 | 1,823,217 | 4,006,394 | 17,443,174 |
| Accumulated depreciation | (3,186,067) | (182,786) | (668,142) | (287,038) | - | (2,293,468) | (6,617,501) |
| **Net book amount** | **5,518,256** | **393,347** | **1,211,438** | **166,489** | **1,823,217** | **1,712,926** | **10,825,673** |
| **Year ended 30 June 2025** | | | | | | | |
| Opening net book amount | 5,518,256 | 393,347 | 1,211,438 | 166,489 | 1,823,217 | 1,712,926 | 10,825,673 |
| Additions | 1,315,946 | 289,118 | 83,859 | 58,909 | - | - | 1,747,832 |
| Additions via Labfit acquisition | 41,249 | - | - | - | 851,704 | - | 892,953 |
| Changes to lease terms | - | - | - | - | - | 767,990 | 767,990 |
| Foreign currency adjustment | (81,118) | 13,389 | 813 | 6,292 | - | - | (60,624) |
| Disposals | - | (68,992) | (13,522) | (1,601) | (851,704) | - | (935,819) |
| Depreciation charge | (410,899) | (113,041) | (126,337) | (82,624) | - | (789,728) | (1,522,629) |
| **Closing net book amount** | **6,383,434** | **513,821** | **1,156,251** | **147,465** | **1,823,217** | **1,691,188** | **11,715,376** |
| **At 30 June 2025** | | | | | | | |
| Cost | 9,597,224 | 779,874 | 1,865,044 | 456,940 | 1,823,217 | 4,342,710 | 18,865,009 |
| Accumulated depreciation | (3,213,790) | (266,053) | (708,793) | (309,475) | - | (2,651,522) | (7,149,633) |
| **Net book amount** | **6,383,434** | **513,821** | **1,156,251** | **147,465** | **1,823,217** | **1,691,188** | **11,715,376** |
| **Year ended 30 June 2026** | | | | | | | |
| Opening net book amount | 6,383,434 | 513,821 | 1,156,251 | 147,465 | 1,823,217 | 1,691,188 | 11,715,376 |
| Additions | 1,287,720 | 231,564 | 63,554 | 119,425 | - | - | 1,702,263 |
| Changes to lease terms | - | - | - | - | - | 441,004 | 441,004 |
| Foreign currency adjustment | (80,607) | (7,739) | (1,366) | (3,789) | - | - | (93,501) |
| Disposals | (22,055) | - | - | - | - | - | (22,055) |
| Depreciation charge | (392,051) | (140,554) | (134,036) | (78,078) | - | (808,606) | (1,553,325) |
| **Closing net book amount** | **7,176,441** | **597,092** | **1,084,403** | **185,023** | **1,823,217** | **1,323,586** | **12,189,762** |
| **At 30 June 2026** | | | | | | | |
| Cost | 10,701,338 | 997,643 | 1,910,917 | 544,618 | 1,823,217 | 4,419,361 | 20,397,094 |
| Accumulated depreciation | (3,524,897) | (400,551) | (826,514) | (359,595) | - | (3,095,775) | (8,207,332) |
| **Net book amount** | **7,176,441** | **597,092** | **1,084,403** | **185,023** | **1,823,217** | **1,323,586** | **12,189,762** |

All items of property, plant and equipment were recorded at cost as at 30 June 2026 and 30 June 2025.

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## NOTE 13: INTANGIBLE ASSETS

| Consolidated | Research & Development $ | Goodwill $ | Patents, Trademarks & Other Rights $ | Total $ |
|---|---|---|---|---|
| **At 30 June 2024** | | | | |
| Cost | 1,179,292 | 15,420,271 | 943,401 | 17,542,964 |
| Accumulated amortisation and impairment | (364,680) | - | (559,038) | (923,718) |
| **Net book amount** | **814,612** | **15,420,271** | **384,363** | **16,619,246** |
| **Year ended 30 June 2025** | | | | |
| Opening net book amount | 814,612 | 15,420,271 | 384,363 | 16,619,246 |
| Additions | 404,800 | 322,633 | - | 727,433 |
| Foreign currency adjustment | - | 93,052 | 21,649 | 114,701 |
| Amortisation charge | (91,041) | - | (80,247) | (171,288) |
| **Closing net book amount** | **1,128,371** | **15,835,956** | **325,765** | **17,290,092** |
| **At 30 June 2025** | | | | |
| Cost | 1,569,902 | 15,835,956 | 965,049 | 18,370,907 |
| Accumulated amortisation and impairment | (441,531) | - | (639,284) | (1,080,815) |
| **Net book amount** | **1,128,371** | **15,835,956** | **325,765** | **17,290,092** |
| **Year ended 30 June 2026** | | | | |
| Opening net book amount | 1,128,371 | 15,835,956 | 325,765 | 17,290,092 |
| Assets acquired through business combination (note 23) | 1,789,200 | 4,397,457 | - | 6,186,657 |
| Other additions | 759,237 | 120,000 | 7,872 | 887,109 |
| Foreign currency adjustment | (10,492) | (230,387) | (47,933) | (288,812) |
| Amortisation charge | (79,778) | - | (74,179) | (153,957) |
| **Closing net book amount** | **3,586,538** | **20,123,026** | **211,525** | **23,921,089** |
| **At 30 June 2026** | | | | |
| Cost | 4,107,849 | 20,123,026 | 754,974 | 24,985,849 |
| Accumulated amortisation and impairment | (521,311) | - | (543,449) | (1,064,760) |
| **Net book amount** | **3,586,538** | **20,123,026** | **211,525** | **23,921,089** |

All intangible assets were recorded at cost as at 30 June 2026 and 30 June 2025. Patents, trademarks and other rights are amortised over their estimated useful lives, which vary from 3 to 20 years. Capitalised development costs are amortised over their useful lives, which vary from 1 to 8 years.

**(a) Impairment tests for goodwill**

Goodwill is allocated to the consolidated entity's cash generating units (CGUs) identified according to specific product lines and geographical locations.

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Consumables CGU | 8,619,490 | 8,650,808 |
| Precious Metals CGU | 3,855,440 | 4,019,677 |
| Capital Equipment CGU | 7,232,094 | 2,714,636 |
| European Sales Office CGU | 416,002 | 450,835 |
| | **20,123,026** | **15,835,956** |

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## NOTE 13: INTANGIBLE ASSETS continued

**(b) Significant estimate: key assumptions used for value-in-use calculations**

The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of assumptions. The forecast cash flows for 2027 are based on the Board-approved budget. These forecasts are based on projected revenues, margins and expenses which have been determined based on past performance and management's expectations for the future. Expected market conditions in which each CGU operates have been considered in the approved budget. The cash flows for 2028 to 2031 have been based on extrapolating the 2027 forecast by using average growth rates of 3.2% (FY25: 3.2%). Growth rates are based on past experience and future expectations. The Company is not aware of any significant variations from external market data. A terminal value was determined using a multiple of 4x (FY25: 4x) forecast earnings, which management considers appropriate having regard to the nature of the Group's operations. The pre-tax discount rate of 14.97% (FY25: 14.34%) reflects specific risks relating to each CGU.

**(c) Sensitivity to change in assumptions**

The recoverable amount of the CGUs exceeds the carrying amount based on impairment testing performed at 30 June 2026. A decrease of 20% in the projected annual cash flows or an increase of 2% in the pre-tax discount rate of 14.97% does not result in an impairment of the goodwill. These changes would be considered reasonably possible changes to the key assumptions.

**(d) Impairment charge**

No impairment charges have been deemed necessary for the current period.

## NOTE 14: DEFERRED TAX ASSETS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| ***Amounts recognised directly in equity:*** | | |
| Share issue expenses | 10,438 | 6,813 |
| ***Amounts recognised in profit or loss:*** | | |
| Employee benefits | 833,042 | 880,140 |
| Deferred tax asset recognised on prior year losses by German subsidiary | 17,839 | 60,183 |
| Deferred tax asset recognised on lease liabilities | 418,631 | 487,380 |
| Business acquisition expenses | 27,226 | - |
| Accruals | 19,654 | 87,132 |
| Provisions | 261,069 | 294,807 |
| | **1,577,461** | **1,809,642** |
| **Net deferred tax assets** | **1,587,899** | **1,816,455** |
| **Movements:** | | |
| Opening balance at 1 July | 1,816,455 | 1,584,351 |
| (Charged)/credited to profit or loss (note 7) | (228,556) | 232,104 |
| Closing balance at 30 June | **1,587,899** | **1,816,455** |
| Deferred tax assets expected to be recovered within 12 months | 450,424 | 537,369 |
| Deferred tax assets expected to be recovered after more than 12 months | 1,137,475 | 1,279,086 |
| | **1,587,899** | **1,816,455** |

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## NOTE 15: TRADE AND OTHER PAYABLES

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Trade payables | 1,097,813 | 1,023,481 |
| Sundry creditors and accruals | 1,257,109 | 1,883,382 |
| Annual leave (a) | 1,262,366 | 1,151,344 |
| | **3,617,288** | **4,058,207** |

Terms and conditions of trade payables vary between suppliers; however, terms of trade are generally 30 days.

**(a) Amounts not expected to be settled within the next 12 months**

The entire obligation is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave within the next 12 months. The following amounts reflect leave that is not expected to be taken within the next 12 months:

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Annual leave obligations expected to be settled after 12 months | 833,162 | 759,887 |

**(b) Foreign exchange risk exposure**

Information about the Group's exposure to foreign exchange risk is provided in note 2.

## NOTE 16: PROVISIONS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Long service leave (a) | 634,287 | 614,787 |
| Dividends payable to ordinary shareholders | 352,070 | 286,497 |
| Provision for CGA acquisition earnout (note 23) | 252,000 | - |
| Warranty provision (note 23) | 140,000 | - |
| Provision for earnout – Orbis Mining | - | 800,526 |
| Provision for platinum loan | - | 737,911 |
| Other provisions | 4,303 | 3,408 |
| **Total current provisions** | **1,382,660** | **2,443,129** |
| | | |
| Provision for CGA acquisition earnout (note 23) | 1,148,000 | - |
| Long service leave | 210,523 | 185,446 |
| **Total non-current provisions** | **1,358,523** | **185,446** |

**(a) Amounts not expected to be settled within the next 12 months**

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. Based on past experience, the Group does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be paid within the next 12 months:

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Long service leave obligations expected to be settled after 12 months | 475,715 | 461,090 |

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## NOTE 17: BORROWINGS

| | Consolidated | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| | Current | Non-Current | Current | Non-Current |
| | $ | $ | $ | $ |
| Property loan [1] | 174,000 | 768,500 | 174,000 | 942,500 |
| | **174,000** | **768,500** | **174,000** | **942,500** |

[1] Consists of a three-year, interest-bearing loan, initially used to fund the purchase of a property in Melbourne. The facility was refinanced in April 2025, extending the maturity date to March 2028. Instalments are paid monthly (including principal and interest), at a variable rate of 6.46% per annum (2025: 5.76%). As security for the loan facility, the lender holds a registered first mortgage over the acquired property, plus unlimited cross guarantees and indemnities by all Australian subsidiaries within the XRF group. The carrying value of the loan is $942,500. Covenants applicable to the loan include: the loan to property value ratio must not exceed 65%; the interest cover ratio must not be less than 3.5x; the debt to tangible net worth ratio must not exceed 55%. The Group has met all covenant requirements to date.

| | 2026 $ | 2025 $ |
|---|---|---|
| **Net debt reconciliation** | | |
| Total borrowings at 1 July | 1,116,500 | 1,619,179 |
| Repayment of borrowings | (174,000) | (502,679) |
| **Total borrowings at 30 June** | **942,500** | **1,116,500** |

## NOTE 18: LEASES - RIGHT OF USE ASSETS AND LIABILITIES

The following right-of-use assets have been recognised on the balance sheet at 30 June 2026:

| | 2026 $ | 2025 $ |
|---|---|---|
| Leased properties (refer to note 12) | 1,323,586 | 1,691,188 |

The following liabilities have been recognised on the balance sheet at 30 June 2026:

| | 2026 $ | 2025 $ |
|---|---|---|
| Current lease liabilities | 692,642 | 789,712 |
| Non-current lease liabilities | 702,794 | 968,906 |
| **Total lease liabilities** | **1,395,436** | **1,758,618** |

**(a) Extension and termination options**

Extension and termination options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

**(b) Critical judgements in determining the lease term**

Potential future cash outflows of $2,573,451 have not been included in the lease liabilities because it is not reasonably certain that the leases will be extended (or not terminated).

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## NOTE 19: OTHER CURRENT LIABILITIES

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Customer deposits | 1,128,614 | 669,634 |
| Revenue received in advance | 356,076 | 467,203 |
| | **1,484,690** | **1,136,837** |

## NOTE 20: DEFERRED TAX LIABILITIES

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| **Amounts recognised in profit or loss** | | |
| Research and development | 501,619 | 297,782 |
| Deferred tax liability recognised on lease right of use assets | 397,076 | 467,151 |
| Depreciation | 158,387 | 190,295 |
| Other | 27,684 | 29,380 |
| **Net deferred tax liabilities** | **1,084,766** | **984,608** |
| **Movements:** | | |
| Opening balance at 1 July | 984,608 | 965,103 |
| Charged to profit or loss (note 7) | 100,158 | 19,505 |
| **Closing balance 30 June** | **1,084,766** | **984,608** |

## NOTE 21: ISSUED CAPITAL

| | Consolidated | | Consolidated | |
|---|---|---|---|---|
| | 2026 Shares | 2025 Shares | 2026 $ | 2025 $ |
| Ordinary shares fully paid | 143,040,078 | 140,536,078 | 28,155,397 | 24,964,252 |

**Movements in ordinary share capital:**

| Date | Details | No. of shares | Issue Price ($) | $ |
|---|---|---|---|---|
| **1 July 2024** | **Opening balance** | **138,109,375** | | **21,410,923** |
| 26 July 2024 | Shares issued for acquisition of Orbis Mining NCI | 1,332,604 | 1.4681 | 1,956,396 |
| 6 September 2024 | Vesting of employee performance rights | 49,924 | 0.6220 | 31,053 |
| 27 September 2024 | Shares issued under dividend reinvestment plan | 907,195 | 1.4600 | 1,324,505 |
| 12 December 2024 | Shares issued for acquisition of Labfit | 94,094 | 1.8492 | 174,000 |
| 12 March 2025 | Shares issued under employee share scheme | 42,886 | 1.9100 | 81,912 |
| 30 June 2025 | Deferred tax adjustments | | | 5,778 |
| | Less: FY25 transaction costs | | | (20,315) |
| **30 June 2025** | **Closing balance** | **140,536,078** | | **24,964,252** |
| **1 July 2025** | **Opening balance** | **140,536,078** | | **24,964,252** |
| 21 August 2025 | Vesting of employee performance rights | 1,409,597 | 0.6384 | 899,824 |
| 22 August 2025 | Shares issued for Orbis Mining earnout | 385,294 | 2.0777 | 800,526 |
| 26 September 2025 | Shares issued under dividend reinvestment plan | 661,397 | 2.1000 | 1,388,934 |
| 4 March 2026 | Shares issued under employee share scheme | 47,712 | 1.7600 | 83,973 |
| 30 June 2026 | Deferred tax adjustments | | | 41,127 |
| | Less: FY26 transaction costs | | | (23,239) |
| **30 June 2026** | **Closing balance** | **143,040,078** | | **28,155,397** |

**(a) Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amount paid on the shares held. In a poll, each share is entitled to one vote.

## NOTE 21: ISSUED CAPITAL continued

**(b) Dividend reinvestment plan**

The parent entity has a dividend reinvestment plan in place and shares were issued to participants in September 2025.

**(c) Capital risk management**

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. No formal targets are in place for gearing ratios.

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| *The gearing ratios at 30 June 2026 and 30 June 2025 were as follows:* | | |
| Total borrowings | 942,500 | 1,116,500 |
| Less: cash and cash equivalents | (9,459,007) | (12,231,841) |
| **Net debt *** | **(8,516,507)** | **(11,115,341)** |
| Total equity | 66,396,654 | 60,168,225 |
| **Total equity plus net debt** | **57,880,147** | **49,052,884** |
| **Gearing ratio (negative due to the Company's positive net cash position)** | **-15%** | **-23%** |

## NOTE 22: RESERVES AND RETAINED PROFITS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| **(a) Reserves** | | |
| Foreign currency translation reserve | 819,340 | 1,581,769 |
| Share-based payments reserve (b) | 1,078,712 | 1,393,911 |
| **Balance 30 June** | **1,898,054** | **2,975,680** |

*Foreign currency translation reserve*

The foreign currency translation reserve is used to recognise the unrealised gains and losses arising from the consolidation of subsidiaries denominated in currencies other than Australian dollars.

*Share-based payment reserve*

The share-based payments reserve is used to recognise the value of equity-settled share-based payments.

| | | |
|---|---|---|
| **(b) Movements in Share-Based Payments Reserve** | | |
| Balance 1 July | 1,393,911 | 771,244 |
| Performance rights vested during the period | (899,824) | (31,053) |
| Performance rights lapsed during the period | (32,223) | (13,624) |
| Performance rights expensed during the period | 616,848 | 667,344 |
| **Balance 30 June** | **1,078,712** | **1,393,911** |
| | | |
| **(c) Movements in Retained Profits** | | |
| Balance 1 July | 32,228,293 | 31,775,401 |
| Net profit for the year | 10,488,149 | 10,383,453 |
| Dividends paid or provided for | (6,405,462) | (5,440,184) |
| Employee performance rights plan | 32,223 | 13,623 |
| Acquisition of Orbis Mining NCI | - | (4,504,000) |
| **Balance 30 June** | **36,343,203** | **32,228,293** |

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## NOTE 23: BUSINESS COMBINATIONS

**(a) Acquisition of combustion gas analysis business**

On 22 April 2026, XRF Scientific Limited, through its wholly owned subsidiary XRF Technology (WA) Pty Ltd, acquired Bruker AXS SE's (Bruker) Combustion Gas Analysis (CGA) business. The business comprises a range of analytical instruments used for the rapid and precise measurement of carbon, sulfur, oxygen, hydrogen and nitrogen in a variety of materials, using technologies including hot extraction, inert gas fusion and combustion by induction heating. The acquisition expands XRF's analytical instrumentation portfolio and strengthens its presence in key industries such as mining and minerals, metals production and processing, rare earth magnets, additive manufacturing, cement, glass and ceramics.

*(i) Purchase consideration*

Details of the purchase consideration, net assets acquired and goodwill are as follows:

| | $ |
|---|---|
| Cash paid upfront | 5,600,000 |
| Contingent consideration (earnout arrangement) | 1,400,000 |
| **Total potential purchase consideration** | **7,000,000** |

The assets and liabilities recognised as a result of the acquisition are as follows:

| | $ |
|---|---|
| Goodwill | 4,397,457 |
| Product development assets | 1,789,200 |
| Inventories | 953,343 |
| Warranty provision | (140,000) |
| | **7,000,000** |

Goodwill is attributable to the historical profitability and market reputation of the CGA product line, together with the synergies expected to arise from the integration of the business into the Company's existing operations. The goodwill has been allocated to the Capital Equipment CGU for impairment testing purposes. None of the goodwill is expected to be deductible for tax purposes.

Product development assets represent acquired product technology and intellectual property associated with the CGA product line. The assets will be amortised on a straight-line basis over their estimated useful lives once available for use. The fair value assigned to these assets is provisional at 30 June 2026 and remains subject to finalisation.

*(ii) Revenue and profit contribution*

The acquired business contributed revenue of $31,520 and net loss before tax of $51,956 to the group for the period of 22 April 2026 to 30 June 2026. The revenue recognised during the period primarily related to spare parts sales. Revenue from XRF-manufactured CGA products is expected to commence in FY27.

If the acquisition had occurred on 1 July 2025, consolidated revenue and consolidated net profit before tax for the period ended 30 June 2026 would have been $67,972,505 and $16,472,459 respectively. These amounts have been calculated using the group's accounting policies.

*(iii) Acquisition related costs*

Direct costs relating to the acquisition of $386,459 are included in administration and other expenses on the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

*(iv) Purchase consideration – cash outflow*

Included in the payments for business acquisitions in the investing activities section of the Consolidated Statement of Cash Flows is $5,600,000.

*(v) Purchase consideration – contingent consideration*

The acquisition contract includes a contingent consideration clause which sets out additional amounts payable to the former owners, based on 7% of net CGA revenue over a three-year period following the acquisition. The maximum contingent consideration payable is USD 1,000,000 which has been recognised as a provision (refer to note 16).

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## NOTE 23: BUSINESS COMBINATIONS continued

**(b) Significant estimates and judgements**

In accounting for the business combination, the following significant estimates and judgements have been made:

- **Fair value of assets and liabilities -** The fair values assigned to assets acquired and liabilities assumed were determined using assumptions regarding future cash flows, useful lives and discount rates.
- **Contingent consideration liability -** The fair value of the contingent consideration liability was estimated based on forecast sales performance and the probability of achieving the earnout conditions.

## NOTE 24: DIVIDENDS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Final dividend for the prior financial year, paid in the current financial year | 6,405,462 | 5,440,184 |

Amounts paid during the current period include a final dividend of 4.5 cents per share (FY25: 3.9 cents), paid to eligible holders of 142,330,969 shares (FY25: 139,491,903). A fully franked dividend of 4.5 cents per share has been declared on ordinary shares post 30 June 2026.

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Franking credits available for subsequent financial years based on a tax rate of 30% (2025:30%) | 14,352,949 | 12,249,996 |

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

**(a)** franking credits that will arise from the payment of the amount of the provision for income tax;
**(b)** franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
**(c)** franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends. The franked portions of the final dividends recommended after 30 June 2026 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ended 30 June 2026. The impact on the franking account of the dividend recommended by the directors since year end, but not recognised as a liability at year end, will be a reduction in the franking account of $2,758,630 (2025: $2,710,339).

## NOTE 25: CONTINGENCIES

At 30 June 2026, the consolidated entity had no material contingent liabilities. A contingent consideration liability relating to the acquisition of the CGA business has been recognised and is disclosed in note 23.

## NOTE 26: COMMITMENTS

**(a) Lease commitments**

XRF Labware Pty Ltd has an agreement with an external supplier for the lease of 26 kg of platinum, which is held for working capital purposes. The agreement is renewed quarterly, with lease fees determined by the prevailing market price of platinum. The lease was terminated in August 2026 and the Group has no ongoing commitment beyond this date.

**(b) Financing arrangements**

The Group's undrawn borrowing facilities were as follows as at 30 June 2026:

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Bank overdraft facility | 500,000 | 500,000 |
| Bank guarantee & import loan facility (AUD denominated) | 2,687,274 | 2,805,144 |
| | **3,187,274** | **3,305,144** |

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## NOTE 27: REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| *BDO – Australia* | | |
| Audit and review of financial reports | 189,123 | 175,769 |
| Taxation services | 98,309 | 62,867 |
| Other services | 3,512 | 7,761 |
| *BDO - Belgium* | | |
| Audit and review of financial reports | 36,184 | 38,960 |
| Taxation services | 11,980 | 16,276 |
| *BDO - Canada* | | |
| Taxation services | 16,447 | 29,077 |
| Other services | - | 1,294 |
| *BDO - UK* | | |
| Audit and review of financial reports | - | 19,502 |
| *BDO - India* | | |
| Other services | 60,359 | 9,534 |
| | **415,914** | **361,040** |

## NOTE 28: RELATED PARTY TRANSACTIONS

**(a) Parent entity**

The ultimate parent and controlling entity is XRF Scientific Limited which at 30 June 2026 owns 100% of all subsidiaries listed in note 29.

**(b) Interests in subsidiaries**

Interests in subsidiaries are set out in note 29.

**(c) Directors and key management compensation**

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Short-term employee benefits | 1,419,990 | 1,402,455 |
| Post-employment benefits | 103,149 | 98,086 |
| Long-term benefits | 19,348 | 17,045 |
| Share-based payments | 237,403 | 273,114 |
| | **1,779,890** | **1,790,700** |

No other post-employment or termination benefits have been provided. Detailed remuneration disclosures are available in the Remuneration Report from pages 9-16.

**(d) Loans to key management personnel**

There were no loans to any key management personnel during either of the years ended 30 June 2026 or 30 June 2025.

**(e) Other transactions with key management personnel**

Premises were rented from a related entity of Director David Brown during the financial year. These properties were rented on normal commercial terms and conditions, totalling $120,132 (2025: $115,829). No amounts were outstanding at the end of the year.

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## NOTE 29: SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

| | | | Entity holding * | |
|---|---|---|---|---|
| Name of entity | Country of Incorporation | Class of shares | 2026 % | 2025 % |
| XRF Chemicals Pty Ltd | Australia | Ordinary | 100 | 100 |
| XRF Labware Pty Ltd | Australia | Ordinary | 100 | 100 |
| XRF Technology (WA) Pty Ltd | Australia | Ordinary | 100 | 100 |
| XRF Technology (VIC) Pty Ltd | Australia | Ordinary | 100 | 100 |
| XRF Scientific Americas Inc | Canada | Ordinary | 100 | 100 |
| XRF Scientific Europe SPRL | Belgium | Ordinary | 100 | 100 |
| XRF Scientific Europe GmbH | Germany | Ordinary | 100 | 100 |
| XRF Scientific UK Ltd | United Kingdom | Ordinary | 100 | 100 |
| Precious Metals Engineering (WA) Pty Ltd | Australia | Ordinary | 100 | 100 |
| XFlux Pty Ltd | Australia | Ordinary | 100 | 100 |
| Gestion Scancia Inc | Canada | Ordinary | 100 | 100 |
| Orbis Mining Pty Ltd | Australia | Ordinary | 100 | 100 |
| Labfit Pty Ltd | Australia | Ordinary | 100 | 100 |
| XRF Scientific India Pvt Ltd | India | Ordinary | 100 | - |
| XRF Scientific Incorporated | USA | Ordinary | 100 | - |

* The proportion of ownership interest is equal to the proportion of voting power held.

## NOTE 30: RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES

**(a) Reconciliation of profit after income tax to net cash flow provided by operating activities**

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Profit for the year | 10,488,149 | 10,383,453 |
| Depreciation and amortisation | 1,707,280 | 1,693,917 |
| Profit attributable to NCI | - | (45,857) |
| Share based payments | 700,821 | 749,256 |
| Net exchange differences | 437,892 | (186,940) |
| Net assets of business combinations reclassified as investing activities | (586,657) | (88,922) |
| Net loss on sale of non-current assets | - | 14,968 |
| (Increase) decrease in trade and other debtors | 542,514 | (754,032) |
| (Increase) decrease in inventories | (2,188,109) | (1,815,666) |
| (Increase) decrease in other current assets | (117,343) | (6,572) |
| (Increase) decrease in deferred tax asset | 228,556 | (232,104) |
| (Decrease) increase in trade and other creditors | (440,919) | (39,888) |
| (Decrease) increase in provision for income taxes | 55,884 | (126,719) |
| (Decrease) increase in provision for deferred income tax | 100,158 | 19,505 |
| (Decrease) increase in other liabilities | 347,852 | 208,301 |
| (Decrease) increase in other provisions | 112,609 | 368,164 |
| **Net cash inflow from operating activities** | **11,388,687** | **10,140,864** |

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## NOTE 30: RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FLOW PROVIDED BY OPERATING ACTIVITIES continued

**(b) Non-cash investing and financing activities**

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Additions to right-of-use assets (note 12) | 441,004 | 767,990 |
| Shares issued under employee share scheme (note 31) | 83,973 | 81,912 |
| XRF shares issued in settlement of Orbis Mining earnout | 800,526 | - |
| XRF shares issued as part of the purchase consideration for Orbis Mining | - | 1,956,396 |
| XRF shares issued as part of the purchase consideration for Labfit | - | 174,000 |

## NOTE 31: SHARE-BASED PAYMENTS

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Performance rights issued to employees (a) | 616,848 | 667,344 |
| Shares issued to employees (b) | 83,973 | 81,912 |
| **Total share-based payments (included in administration expenses)** | **700,821** | **749,256** |

**(a) Performance Rights Plan**

Performance rights (PRs) are granted to employees at the discretion of the Board based on the Performance Rights Plan (Plan) approved by the Board. The Board may invite eligible employees to participate in the Plan and acquire PRs for no consideration. The PRs vest upon the satisfaction of any applicable vesting conditions, following which the Group will allocate one ordinary share per PR. Vesting conditions include total shareholder return, earnings per share growth rates and service periods. Where vesting conditions are not met, the PRs will lapse. Currently active PRs are subject to the following performance conditions:

- **Indexed Total Shareholder Returns**
  Total Shareholder Return (TSR) measures the growth in the Group's share price together with the value of dividends during the period. When calculating the Group's TSR, its share price at the beginning and end of the performance period will be calculated as a one-month VWAP (i.e. July in year 1 and June in year 3). The percentage of PRs out of this tranche that vest will be determined by reference to the relative TSR of the Group achieved over the three-year performance period, compared to the TSR of the S&P/ASX Small Ordinaries Accumulation Index (ASOAI), as follows:

| Performance against the relevant condition(s) | Quantum of Performance Rights subject to performance conditions that vest (%) |
|---|---|
| **Less than index TSR**<br>Below 100% of the proportionate change in the ASOAI index over the relevant performance period | Nil |
| **Equal to index TSR**<br>At 100% of the proportionate change in the ASOAI index over the relevant performance period | 50% |
| **Greater than index TSR**<br>Between 100% and 120% of the proportionate change in the ASOAI index over the relevant performance period | Pro-rata between 50% and 100% |

  Threshold vesting of this tranche of the PRs occurs where the Company's TSR equals the S&P/ASX Small Ordinaries Accumulation Index TSR over the performance period. For the whole tranche of PRs to vest, the Company's TSR must exceed the TSR of the S&P/ASX Small Ordinaries Index over the performance period by 20 per cent.

- **Service Period**
  The percentage of performance rights out of this tranche that vest, if any, will be determined after the employee has remained continuously employed by the Group for the duration of the performance period.

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## NOTE 31: SHARE-BASED PAYMENTS continued

*(i) Summary of active performance rights*

The key details of each PR plan active at 30 June 2026 are summarised in the table below:

| Plan Year | Grant date | Performance period | Performance conditions | Value per PR | Number of PRs issued | Percentage vested | Vesting date |
|---|---|---|---|---|---|---|---|
| 2023 *(MD)* | 13/11/23 | 01/07/23 to 30/06/26 | TSR | $0.56 | 214,634 | N/A | Before 30/09/26 |
| 2023 *(Executives)* | 13/11/23 | 01/07/23 to 30/06/26 | TSR | $0.56 | 472,751 | N/A | Before 30/09/26 |
| 2024 *(MD)* | 04/11/24 | 01/07/24 to 30/06/27 | TSR | $1.05 | 186,016 | N/A | Before 30/09/27 |
| 2024 *(Executives)* | 04/11/24 | 01/07/24 to 30/06/27 | TSR | $1.05 | 432,343 | N/A | Before 30/09/27 |
| 2025 *(MD)* | 03/11/25 | 01/07/25 to 30/06/28 | TSR | $1.16 | 146,725 | N/A | Before 30/09/28 |
| 2025 *(Executives)* | 03/11/25 | 01/07/25 to 30/06/28 | TSR | $1.16 | 348,837 | N/A | Before 30/09/28 |
| 2025 *(Key staff)* | 03/11/25 | 01/07/25 to 30/06/28 | Service period | $1.31 | 180,726 | N/A | Before 30/09/28 |

The fair value of PRs is expensed proportionally over the performance period. For the year ended 30 June 2026, the Group has recognised $616,848 of share-based payment expense relating to PRs in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

PR plans with unissued ordinary shares at the end of the reporting date are summarised in the table below:

| Plan year | Opening balance at 1 July 2025 | Granted during the period | Vested during the period | Forfeited during the period | Closing balance at 30 June 2026 |
|---|---|---|---|---|---|
| 2022 | 1,454,354 | - | (1,409,597) | (44,757) | - |
| 2023 | 663,221 | - | - | - | 663,221 |
| 2024 | 618,359 | - | - | - | 618,359 |
| 2025 | - | 676,288 | - | - | 676,288 |
| **Total** | **2,735,934** | **676,288** | **(1,409,597)** | **(44,757)** | **1,957,868** |

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## NOTE 31: SHARE-BASED PAYMENTS continued

*(ii) Performance rights issued during the current period*

The fair value of the PRs granted during the year ended 30 June 2026 was determined using the Monte Carlo calculation methods, with the following key assumptions:

| Assumption | MD & Executives | Key staff |
|---|---|---|
| Performance hurdle | TSR | Service period |
| Underlying security spot price | $2.09 | $2.09 |
| Exercise price | Nil | Nil |
| Valuation date | 3 November 2025 | 3 November 2025 |
| Commencement of performance period | 1 July 2025 | 1 July 2025 |
| Performance measurement date | 30 June 2028 | 30 June 2028 |
| Performance period (years) | 3.00 | 3.00 |
| Remaining performance period (years) | 2.66 | 2.66 |
| Volatility of XRF Scientific | 41.4% | 41.4% |
| Volatility of the index | 12.8% | N/A |
| Risk-free rate | 3.6% | 3.6% |
| Dividend yield | 2.2% | 2.2% |
| Valuation per PR | $1.16 | $1.31 |

**(b) Employee Share Plan**

| | Consolidated | |
|---|---|---|
| | 2026 $ | 2025 $ |
| Shares issued to employees (included in administration expenses) | 83,973 | 81,912 |

The XRF Scientific Exempt Employee Share Plan was set up to provide eligible employees with an opportunity to acquire shares for no consideration, which will align their interests more closely with the Company's shareholders and provide greater incentive for them to focus on the Company's longer-term goals. Under the rules of the plan, a holding lock will be placed on the shares for a period of three years from the date of issue. On 4 March 2026, 47,712 shares were issued to employees, with a value of $1.76 per share. This was the volume-weighted average price of XRF shares over the week up to the time of issue.

## NOTE 32: EARNINGS PER SHARE

| | Consolidated | |
|---|---|---|
| | 2026 Cents | 2025 Cents |
| **(a) Basic earnings per share** | | |
| Profit attributable to the ordinary equity holders of the Company | 7.4 | 7.4 |
| **(b) Diluted earnings per share** | | |
| Profit attributable to the ordinary equity holders of the Company | 7.3 | 7.4 |
| | $ | $ |
| **(c) Reconciliations of earnings used in calculating earnings per share** | | |
| Profit attributable to the ordinary equity holders of the Company | 10,488,149 | 10,383,453 |
| | Number | Number |
| **(d) Weighted average number of shares used as the denominator** | | |
| Weighted average number of ordinary shares used to calculate basic EPS | 142,590,974 | 140,148,721 |
| Adjustment for unvested performance rights at 30 June 2026 | 1,957,868 | - |
| **Weighted average number of ordinary shares used to calculate diluted EPS** | **144,548,842** | **140,148,721** |

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## NOTE 33: PARENT ENTITY FINANCIAL INFORMATION

**(a) Summary financial information**

The information in this note has been prepared using the same accounting policies as presented in Note 1. The individual financial statements for the parent entity show the following aggregate amounts.

| | 2026 $ | 2025 $ |
|---|---|---|
| **Statement of Financial Position** | | |
| Current assets | 14,712,446 | 20,363,644 |
| Total assets | 35,920,974 | 41,638,798 |
| Current liabilities | 42,083,631 | 43,137,246 |
| Total liabilities | 43,173,291 | 44,123,727 |
| | | |
| *Shareholder equity* | | |
| Issued capital | 28,155,397 | 24,964,252 |
| Reserves | 2,229,658 | 2,971,088 |
| Retained earnings | (37,637,372) | (30,420,269) |
| | **(7,252,317)** | **(2,484,929)** |
| | | |
| Total comprehensive income for the year before tax | (1,086,709) | 160,611 |
| Tax benefit | 242,284 | 291,863 |
| **Total comprehensive income for the year after tax** | **(844,425)** | **452,474** |

**(b) Contingent liabilities of the parent entity**

The parent entity did not have any contingent liabilities as at 30 June 2026 or 30 June 2025. Letters of financial support have been provided to certain foreign subsidiaries to ensure their business continuity. These letters are not considered to be financial guarantees under AASB 9 *Financial Instruments*.

## NOTE 34: EVENTS OCCURRING AFTER THE REPORTING DATE

A final dividend of 4.5 cents per share fully franked (FY25: 4.5 cents per share fully franked) was declared on 17 August 2026, with a record date of 11 September 2026 and payment date of 25 September 2026.

There were no other events subsequent to the reporting date which have significantly affected or may significantly affect the XRF Scientific Limited operations, results or state of affairs in future years.

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# CONSOLIDATED ENTITY DISCLOSURE STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2025

| Name of entity | Type of entity | Share capital held | Country of incorporation | Australian resident | Foreign jurisdiction in which the entity is a resident for tax purposes * |
|---|---|---|---|---|---|
| XRF Chemicals Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XRF Labware Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XRF Technology (WA) Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XRF Technology (VIC) Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XRF Scientific Americas Inc | Body corporate | 100% | Canada | No | Canada |
| XRF Scientific Europe SPRL | Body corporate | 100% | Belgium | No | Belgium |
| XRF Scientific Europe GmbH | Body corporate | 100% | Germany | No | Germany |
| XRF Scientific UK Ltd | Body corporate | 100% | UK | Yes | United Kingdom |
| Precious Metals Engineering (WA) Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XFlux Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| Gestion Scancia Inc | Body corporate | 100% | Canada | Yes | Canada |
| Orbis Mining Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| Labfit Pty Ltd | Body corporate | 100% | Australia | Yes | N/A |
| XRF Scientific India Pvt Ltd | Body corporate | 100% | India | No | India |
| XRF Scientific Inc | Body corporate | 100% | USA | No | USA |

* According to the law of the foreign jurisdiction.

**(a) Basis of preparation**

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

**(b) Determination of Tax Residency**

Section 295(3B)(a) of the Corporation Acts 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**
  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.
- **Foreign tax residency**
  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

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# DIRECTORS' DECLARATION

## FOR THE YEAR ENDED 30 JUNE 2025

XRF Scientific Limited and its controlled entities

ACN 107 908 314

The Directors of the Company declare that:

1. The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flow, Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the *Corporations Act 2001* and:

    (a) Comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements after 2001; and

    (b) Give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date.

2. The Consolidated Entity Disclosure Statement as at 30 June 2026 set out on page 57 is true and correct.

3. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

4. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer as required by section 295A.

5. The Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



**Fred S Grimwade**
Chairman

Dated this 17th day of August 2026

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# INDEPENDENT AUDITOR'S REPORT

To the members of XRF Scientific Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of XRF Scientific Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Carrying value of goodwill – impairment assessment**

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| As disclosed in Note 13 of the financial report, goodwill represents a significant asset which the Group has recorded in the statement of financial position.<br><br>Under the Australian Accounting Standards, goodwill is required to be tested annually for impairment.<br><br>As set out in Note 13, the directors' assessment of the recoverable amount of the cash generating units ("CGU") to which goodwill is allocated, requires significant judgement, in particular in estimating future growth rates, discount rates and the expected cash flows of the CGU.<br><br>As a result, this was determined to be a key audit matter due to the above noted judgements and the significance of goodwill to the group's financial position. | Our procedures included, but were not limited to the following:<br><br>• Evaluating the Group's determination of CGU's and the allocation of assets to the carrying value of CGU's;<br><br>• Obtaining the Group's value in use models and agreeing the first year's forecast to board approved budgets;<br><br>• Evaluating management's ability to achieve budgeted cash flows by comparing prior period forecasts against actual results;<br><br>• Assessing the key inputs in the value in use models including the forecasted net profit before tax, discount rates, terminal value determination and growth rates for each CGU;<br><br>• Using our internal valuation specialist to assess the reasonableness of the discount rate applied;<br><br>• Performing a sensitivity analysis on the key assumptions in the models. These included budgeted net profit before tax, multipliers used in the terminal year of cash flows, and the discount rates applied; and<br><br>• Evaluating the adequacy of the related disclosures in the financial report. |

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**Accounting for the acquisition of Combustion Gas Analysis ('CGA')**

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| As disclosed in Note 23 of the financial report, the Group acquired Bruker AXS SE's (Bruker) Combustion Gas Analysis ('CGA') business on 22 April 2026.<br><br>The accounting for the acquisition is a key audit matter due to the significance of the transaction to the financial position of the group, the significant judgement and complexity involved in assessing the determination of the fair value of identifiable intangible assets and the fair value of consideration which includes contingent consideration. | Our procedures included, but were not limited to the following:<br><br>• Reviewing the acquisition agreement to understand the key terms and conditions, and confirming our understanding of the transaction with management;<br><br>• Obtaining and understanding of the transaction, including an assessment of whether what was acquired by XRF constituted a business or an asset acquisition;<br><br>• Assessing managements determination of the fair value of consideration paid and agreeing to supporting documentation;<br><br>• Evaluating the assumptions and methodology in management's determination of the fair value of assets and liabilities acquired; and<br><br>• Assessing the appropriateness of the business combination disclosures in respect of the acquisition. |

**Revenue recognition**

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| As disclosed in Note 5 of the financial report, Revenue for the year ended 30 June 2026 is $64,400,158.<br><br>Revenue recognition was identified as a key audit matter due to the significance of the balance to the financial report. It is also a key driver of financial performance for the Group and is of significance to the users of the financial report. | Our procedures included, but were not limited to the following:<br><br>• Assessing the revenue recognition policy applied by the Group for compliance with AASB 15;<br><br>• Reviewing standard terms and conditions within the agreements and reviewing management's assessment against principles of AASB 15;<br><br>• Tracing a sample of revenue transactions to purchase orders and delivery documents to confirm performance obligations have been met for revenue recognition, including around period end;<br><br>• Reviewing the credit notes issued post year-end; and<br><br>• Reviewing accounting policies and disclosures including significant estimates and judgements within the financial report. |

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**Other information**

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 16 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of XRF Scientific Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

BDO

**Jackson Wheeler**

**Director**

Perth, 17 August 2026

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# SHAREHOLDER INFORMATION

Additional information (as at 31 July 2026) required by the ASX Listing Rules and not disclosed elsewhere in this Annual Report is set out below:

## SUBSTANTIAL SHAREHOLDINGS

The number of shares held by substantial shareholders and their associates is as follows:

| Shareholder | Number of Ordinary Shares [1] |
|---|---|
| David Brown & Glenys Dawn Brown [2] | 8,224,200 |
| Michael Karl Korber | 8,115,505 |

[1] Based on information available to the Company, including substantial holding announcements released to the market.

[2] David Brown is a director of XRF Scientific Limited.

## NUMBER OF OPTION HOLDERS

| Class of Security | Number of Holders |
|---|---|
| Nil | - |

## VOTING RIGHTS

In accordance with the Constitution of the Company and the *Corporations Act 2001*, every member present in person or by proxy at a general meeting of the members of the Company has:

- On a vote taken by a show of hands, one vote; and
- On a vote taken by a poll, one vote for every fully paid ordinary share held in the Company

A poll may be demanded at a general meeting of the members of the Company in the manner permitted by the *Corporations Act 2001*.

## DISTRIBUTION OF SHARE AND OPTION HOLDERS

| Distribution of Shares & Options | Number of Holders of Ordinary Shares | Number of Holders of Options |
|---|---|---|
| 1-1,000 | 1,837 | – |
| 1,000-5,000 | 2,252 | – |
| 5,001-10,000 | 808 | – |
| 10,001-100,000 | 1,091 | – |
| 100,001 and above | 146 | – |
| | **6,134** | **–** |

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# SHAREHOLDER INFORMATION

## TOP 20 SHAREHOLDERS

| No. | Holder Name | Number of Ordinary Shares | Percentage of Ordinary Shares |
|---|---|---|---|
| 1 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 11,174,363 | 7.81% |
| 2 | CITICORP NOMINEES PTY LIMITED | 8,902,626 | 6.22% |
| 3 | EVELIN INVESTMENTS PTY LIMITED | 7,671,564 | 5.36% |
| 4 | MICHAEL KARL KORBER | 8,115,505 | 5.67% |
| 5 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 5,482,060 | 3.83% |
| 6 | D & GD BROWN NOMINEES PTY LTD [1] | 4,765,572 | 3.33% |
| 7 | PANDORA SUPER (WA) PTY LTD [2] | 3,458,628 | 2.42% |
| 8 | CHABAR PTY LTD | 3,146,138 | 2.20% |
| 9 | GREAT WESTERN CAPITAL PTY LTD | 3,020,940 | 2.11% |
| 10 | STEPHEN WILLIAM PROSSOR & FIONA CHRISTIAN PROSSOR | 2,669,767 | 1.87% |
| 11 | G & E PROPERTIES PTY LTD | 1,930,206 | 1.35% |
| 12 | FREDERIC DAVIDTS | 1,717,995 | 1.20% |
| 13 | GWC SUPER PTY LTD | 1,640,000 | 1.15% |
| 14 | BNP PARIBAS NOMINEES PTY LTD | 1,318,080 | 0.92% |
| 15 | GREGORY NORMAN KOPP | 892,293 | 0.62% |
| 16 | BNP PARIBAS NOMINEES PTY LTD | 868,082 | 0.61% |
| 17 | NEWPORT PRIVATE WEALTH P/L | 856,479 | 0.60% |
| 18 | JASNA HAY | 854,000 | 0.60% |
| 19 | VANCE ALBERT STAZZONELLI | 850,000 | 0.59% |
| 20 | NETWEALTH INVESTMENTS LIMITED | 838,727 | 0.59% |
| | | 70,173,025 | 49.06% |

[1] D & GD Brown Nominees Pty Ltd is a company owned by David Brown (director of XRF Scientific Limited) and his wife.

[2] Pandora Super (WA) Pty Ltd is the private superanniation fund of David Brown (director of XRF Scientific Limited) and his wife.

## RESTRICTED SECURITIES

There are currently no restricted securities.

## NON-MARKETABLE PARCELS

| Class of Security | Number of Securities | Number of Holders |
|---|---|---|
| Ordinary shares | 67,777 | 361 |

## UNQUOTED SECURITIES

| Class of Security | Number of Securities | Number of Holders |
|---|---|---|
| Performance rights | 1,957,868 | 25 |

## ON-MARKET BUY BACK

The Company does not have a current on-market buy-back scheme.

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# CORPORATE DIRECTORY

## DIRECTORS

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

## COMPANY SECRETARIES

Vance Stazzonelli
Andrew Watson

## KEY MANAGEMENT PERSONNEL

Andrew Watson (Chief Financial Officer)

## REGISTERED OFFICE

86 Guthrie Street
Osborne Park WA 6017
Tel: +61 8 9244 0600
Fax: +61 8 9244 9611

## COMPANY AUDITOR

BDO Audit Pty Ltd
Level 9, 5 Spring Street
Perth WA 6000

## BANKERS

HSBC Bank Australia Pty Ltd
Level 33, 250 St Georges Terrace
Perth WA 6000

## SOLICITORS

Dentons Australia Limited
Level 30, 152-158 St George's Terrace
Perth WA 6000

## SHARE REGISTRY

Automic Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000
Phone: 1300 288 664

## WEBSITE

www.xrfscientific.com

## ASX

Company Code: XRF

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