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Companies Announcements Office
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SciDev FY21 Full Year Results

SciDev Ltd (ASX: SDV) ('SciDev' or 'the Company') is pleased to provide the following update on the Company's financial performance for the year ended 30 June 2021.

FY2021 Financial Highlights[1]

- **Revenue of A$42.5m up 135% versus FY20 (A$18m)**
- **Cash receipts of A$41.9m up 110% versus FY20 (A$20m)**
- **Gross profit margin of 24% up 41% versus FY20 (17%)**
- **Net profit after tax of A$3.5m up 494% versus FY20 (loss A$0.8m)**
- **Net cash at 30 June 2021 of A$7.0m, A$3.8m in inventory and with a further A$6.5m available via undrawn debt facilities**

FY2021 Operational Highlights

- **Strategic acquisition of Haldon Industries Pty Ltd (Haldon), an Australian based environmental engineering and solutions company focussed on water treatment through build-own-operate, design and construct solutions**
- **Expansion in manufacturing upgrade at the Kings Park production facility, increasing higher margin chemistry sales**
- **Continued innovation in mineral sands, delivering excellent outcomes at Iluka's Jacinth/Ambrosia and other project opportunities**
- **Supply contract award with Société Le Nickel (a subsidiary of Eramet) to provide MaxiFlox® chemistry for SLN's New Caledonian nickel operations**
- **Expansion into iron ore with field qualifications announced at Fortescue Metal Group's Solomon Hub**
- **Extension of the relationship with ExxonMobil via purchase order for chemistry and associated professional services**
- **Successful transition from R&D to field validation of CatCheck® chemistry with BP in the Eagle Ford basin**

[1] FY21 included contribution from SciDev Water Services Pty Ltd, the acquirer of the Haldon business. Contribution from SciDev Water Services was recognised from 12 May 2021 to end of the financial year.

- **Successful field validation with SciDev's MaxiFlox® technology at BHP's Olympic Dam with progress made through the tender process**
- **Contract award to design, construct and commission a Leachate Treatment Plant for Sydney's A$2.6 billion Gateway Road Project**
- **Strong performance in Construction, with the Melbourne Metro Project closed out on schedule and other construction opportunities advancing globally**

SciDev Managing Director and Chief Executive Officer Lewis Utting said: "The 2021 financial year was another extremely successful year for SciDev as we continued to execute our strategy and establish our position as an emerging leader in the environmental solutions market focussed on water intensive industries.

The company more than doubled revenue over the year through successful execution of our organic growth opportunities. The ability to deliver the scale of growth we achieved during the year reflects the diversity in our revenue streams, the increasing demand for our solutions and importantly, a positive reflection on the ability of our highly skilled team.

We complemented our organic growth with the acquisition of Haldon Industries, which increased our exposure to the Water sector through SciDev Water Services.

Our internally developed IP to address polyfluoroalkyl substances (PFAS) is delivering industrial scale, world leading environmental outcomes for several blue chip clients and delivering positive revenue growth for the company. Our ability to identify and execute on highly complementary, sustainable, environmentally focussed acquisitions has driven significant value over recent years.

I am exceptionally proud of the team's effort over the year. With our recently expanded highly skilled work force, bespoke end-to-end solutions and ESG tailwinds, the growth outlook for SciDev remains extremely positive as we move in to FY22 and beyond'.

Financial Review

The consolidated entity reported revenue of A$42.5m for the period, representing a 135% increase on the prior year results of A$18m. SciDev's record revenue generation was achieved through organic growth via contract wins across several verticals. Contribution from the Haldon acquisition was recognised from 12 May 2021.

The company increased its gross profit margin to 24% (17% in FY20). The Company has continued to invest for future growth and anticipates revenue growth will outpace expenditure driving improved margins in coming years.

Net profit after tax for the year was A$3.5m (loss of A$0.8m in FY20).

Net cash outflow from operations was A$1.3m for the year, due in part to an increase in inventory to support the growing business. Despite the operating cash outflow during the year, SciDev delivered three strong quarters of positive cashflow during FY21. The only quarter of negative operating cashflow (September 2020) was a result of impacts from Covid19 payment/payables and the large inventory build to support business growth.

At the end of the period, the consolidated entity had a net cash position of A$7m, with A$3.8m inventory at hand. The Company's A$6.8m working capital facilities were A$6.5m undrawn at the period end.

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FY22 Outlook

Management focus for FY22 will include:

- Ongoing focus on the health and safety of our employees and contractors
- Execution of the company's strategic growth objectives as it relates to technology and market development across several verticals and geographies
- Integration of the SciDev Water Services business, strengthening SciDev's position as a leading provider in the environmental solutions market
- Progressing commercial discussions post field-validation of SciDev chemistry across numerous business development opportunities
- Advancing end-to-end solution opportunities realising synergies through cross business unit sales of SciDev Water Services solutions
- Delivering sustainable commercial outcomes with technology partners in North America and Europe through organic and strategic opportunities
- Ongoing assessment of other strategic growth opportunities globally
- Continued focus on increasing sales and cash conversion in all geographies and verticals

Lewis Utting
Managing Director & Chief Executive Officer

This release has been approved by the Board of Directors of SciDev Ltd.

For Further Information:

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About SciDev

SciDev is a leader in the environmental solutions market focused on water intensive industries. SciDev brings together world-class technology, chemistry and application to solve pressing operational and environmental issues for the water, oil and gas, mining and construction markets.