



## ASX Announcement

28 February 2025

### Trading Update and Growth Outlook

Hydrix Services recorded consecutive profitable quarters, helped by stronger margins, billable utilisation and lower operating costs, which reduced the group's cash used in operations. Project sales growth from international clients and sales of cardiac monitoring products remain catalysts for driving Group profit.

**Hydrix Limited** ('Hydrix' or 'the Company') (ASX: **HYD**) today released its Appendix 4D for the first half ended 31 December 2024 (1HFY25) (audited) and provides the following **Market Update**.

#### 1HFY25 Financial Highlights:

##### Hydrix Services ("Services") Cash Operating Profit (COP) improved the Group's performance:

- **\$7.4m** of contract sales orders was a **37%** improvement on pcp of \$5.4m
- **\$40.0m** potential future project revenues from **15** active clients
- **\$0.4m** COP (v. \$40k loss pcp) after **\$0.8m** reduction in overhead costs in line with slightly lower revenues of **\$5.6m** (v. \$5.9m in the pcp)

##### Group cash and Cash Operating Loss (COL):

- **\$0.39m** COL was a significant improvement to the **\$2.09m** COL in the pcp
- **\$1.1m** cash on hand on 31 December 2024
- Subsequent to 31 December, Hydrix Ventures recorded a **\$0.36m** valuation increase of its investment in Gyder Surgical after FDA 510(k) clearance triggered an equity milestone payment

##### Hydrix Executive Chairman, Gavin Coote, commented:

*Recent sales victories in strategically significant international markets highlight our global competitiveness and the positive effects of enhanced marketing and business development initiatives. Strong revenues from sales in CY2024, coupled with a streamlined cost base across the Group, led to a substantial improvement in operating results compared to each Half last year.*

*"A key driver of Group profitability is growth in Services revenue. Services is well-structured, and although we don't expect the growth to be linear from quarter to quarter, we anticipate substantial sales momentum, and revenue increases throughout the upcoming year.*

*"We were thrilled that Gyder Surgical received FDA 510(k) clearance for their Hip Navigation System in January 2025. This significant milestone for Gyder highlights Hydrix's ability to deliver world-class expertise in highly specialised and regulated medical device design and development, as well as the positive impact of our venture investment in accelerating their path to commercialisation."*

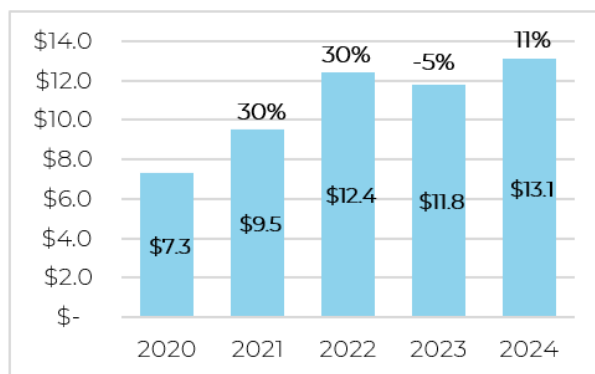
## Group Business Activity Report 1HFY25

**Hydrix Services** (“Services”) achieved a profitable half-year thanks to strong sales contract wins during CY2024, which amounted to \$13.1 million. Fixed overhead costs were decreased, and margins and billable utilisation improved across all engineering and program management.

Business conditions for new product development remain fluid. Encouragingly, the sales opportunity pipeline comprises about **\$40 million** in potential future project revenues from **15** active clients.

Global outreach to cardiac and medtech sector clients, both existing and prospective, is generating a healthy sales opportunity pipeline, leading to positive sales outcomes. Of sales in the first Half, **89%** came from cardiac and medtech clients, of which **61%** were in Europe and the USA. For example, Hydrix [announced](#) on 23 January 2025 the signing of a \$2.8 million sales contract with large European medical products company Paul Hartmann AG.

### Calendar Year Contract Sales Orders CY2021 to CY2024 (\$'Ms)



*The graph depicts contract sales orders by calendar year (excluding uncontracted value from future stages of these projects).*

*CY2024 sales were the strongest reported for the past 5-years. While revenues are non-linear quarter-to-quarter, contract sales orders are a leading indicator of future revenue growth and reflect momentum in international markets.*

**Hydrix Medical** continues to build its sales opportunity pipeline, currently at more than **\$2.0m** of potential annual recurring revenue. This includes software-as-a-service (SaaS) remote cardiac patient monitoring products under distribution licence from Implicity. Sales of Implicity are reliant on the outcome of an Australian government department of health policy funding decision, which we remain optimistic could be established in the year ahead.

Additionally, Hydrix Medical is looking into opportunities to sell ambulatory ECG wearable patch devices that are utilised for diagnosing and monitoring patients with arrhythmias, as well as tracking other cardiovascular vitals.

**Hydrix Ventures** continues to monitor the progress of its portfolio investee companies. In January 2025, Gyder Surgical achieved FDA 510(k) clearance. This triggered an equity milestone payment to Ventures amounting to **\$0.36 million**, bringing the total Ventures portfolio valuation to **\$3.8 million**.

- Ends -



This announcement is authorised for release by the Board of Directors of Hydrix Limited.

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### **About Hydrix Limited**

Hydrix Limited (ASX: HYD) is a powerful product innovation company. Hydrix's purpose is to enhance the health, safety, and well-being of a billion lives. The company leverages its powerful product innovation capability across three business segments: **Services:** design, engineer and deliver world first products and innovation; **Ventures:** invest in high potential MedTech clients; and **Medical:** distribute disruptive cardiovascular products.

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