

## RECORD FULL-YEAR YEAR RESULTS

**27 February 2026:** Australian headquartered, international water and wastewater treatment company De.mem Limited (ASX:DEM) ("De.mem" or "the Company") is pleased to release its Consolidated Financial Report for the 12 months ended 31 December 2025 ("CY 2025").

CY 2025 marks a structural milestone for the Company, with record revenue, record margins, and the first full calendar year of positive adjusted EBITDA.

### HIGHLIGHTS

- **Record revenue of \$29.9m**, up 20% vs prior corresponding period (pcp).
- **Record cash receipts of \$32.3m**, up 14% pcp.
- **Record growth momentum**, with 27 consecutive quarters of cash receipts growth.
- **Record 43% gross margins**, up from 40% in CY 2024.
- **Record adjusted EBITDA of \$1.6m**, first full calendar year of adjusted EBITDA positive.
- **Positive operating cash flows of \$318k**, second consecutive full calendar year delivering operating cash flow positive results.
- **More than 90% recurring revenues** providing high cash flow visibility.
- **Core Chemicals acquisition fully integrated**, set to provide its first full-year revenues and profit contribution in CY 2026.
- **Strong balance sheet**, with \$4.0m cash and term deposits as at 31 December 2025.
- **On track for record full CY 2026 results.**

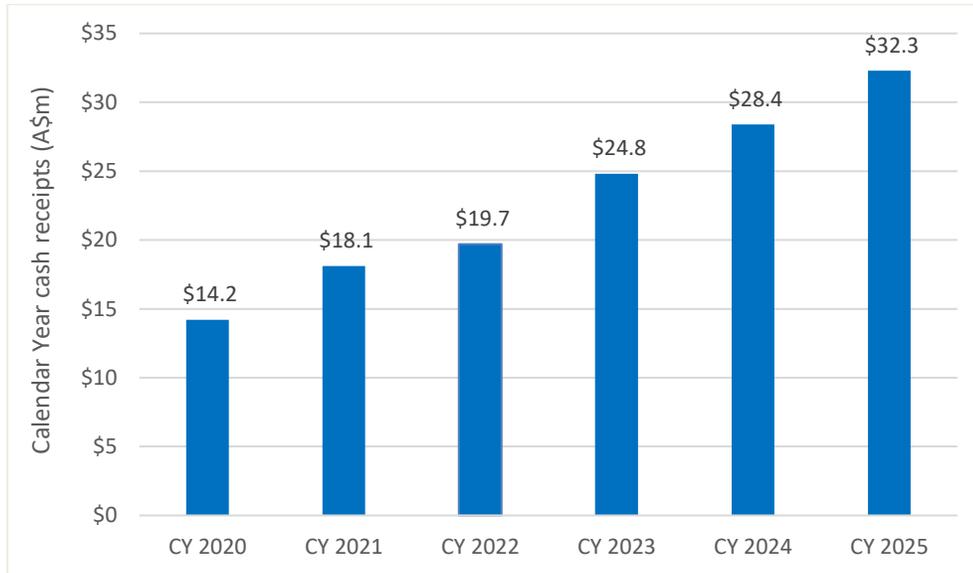
### Record revenue and cash receipts

De.mem is pleased to report record CY 2025 revenue and cash receipts – the highest ever recorded in company history.

Revenue increased by 20% to \$29.9m and cash receipts increased by 14% to \$32.3m (**Chart 1**), reflecting continued growth across recurring services, specialty chemicals and industrial client cross-sell.

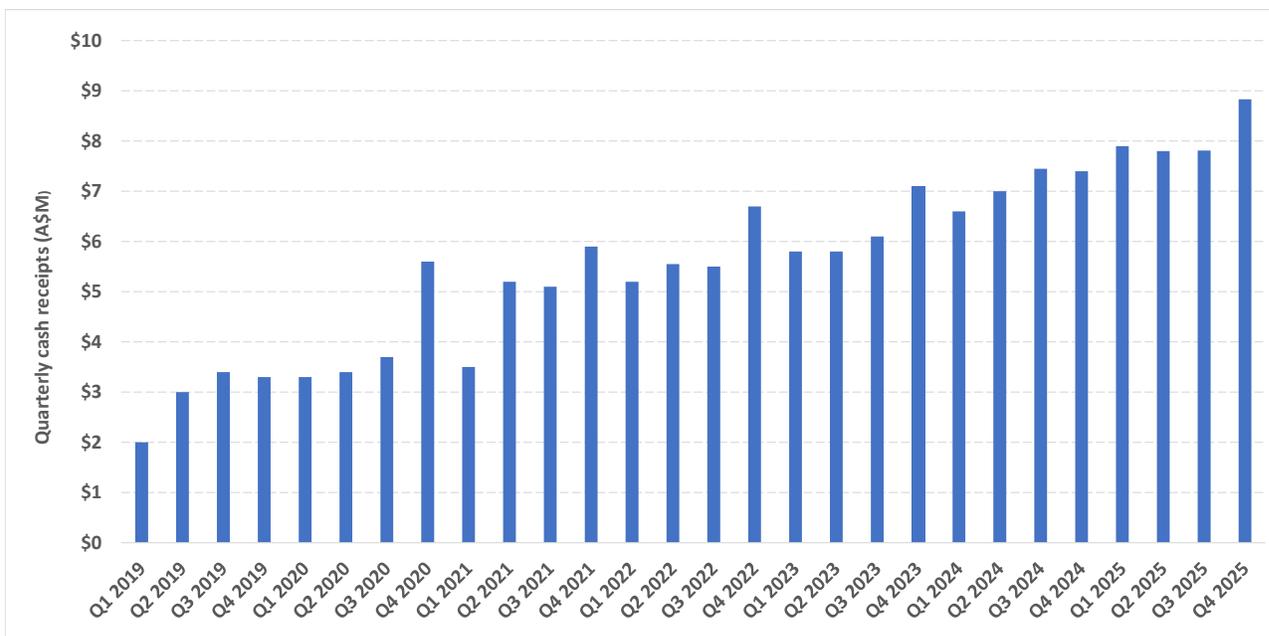
Since 2019, De.mem has delivered approximately **24% compound annual growth in cash receipts**, reflecting disciplined execution of its recurring revenue expansion strategy.

**CHART 1: ANNUAL CASH RECEIPTS (A\$M)**



De.mem achieved continued strong growth momentum, with 27 successive quarters of cash receipts growth versus prior corresponding period (“pcp”). The Company expects to continue this growth trajectory in CY 2026 (**Chart 2**).

**CHART 2: RECORD 27 QUARTERS OF CASH RECEIPTS GROWTH (A\$M)**



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## First full-year EBITDA positive

CY 2025 marks the first full calendar year in which De.mem has reported positive adjusted EBITDA.

Adjusted EBITDA increased to \$1.6m, a substantial turnaround from -\$60k in CY 2024 (**Chart 3**).

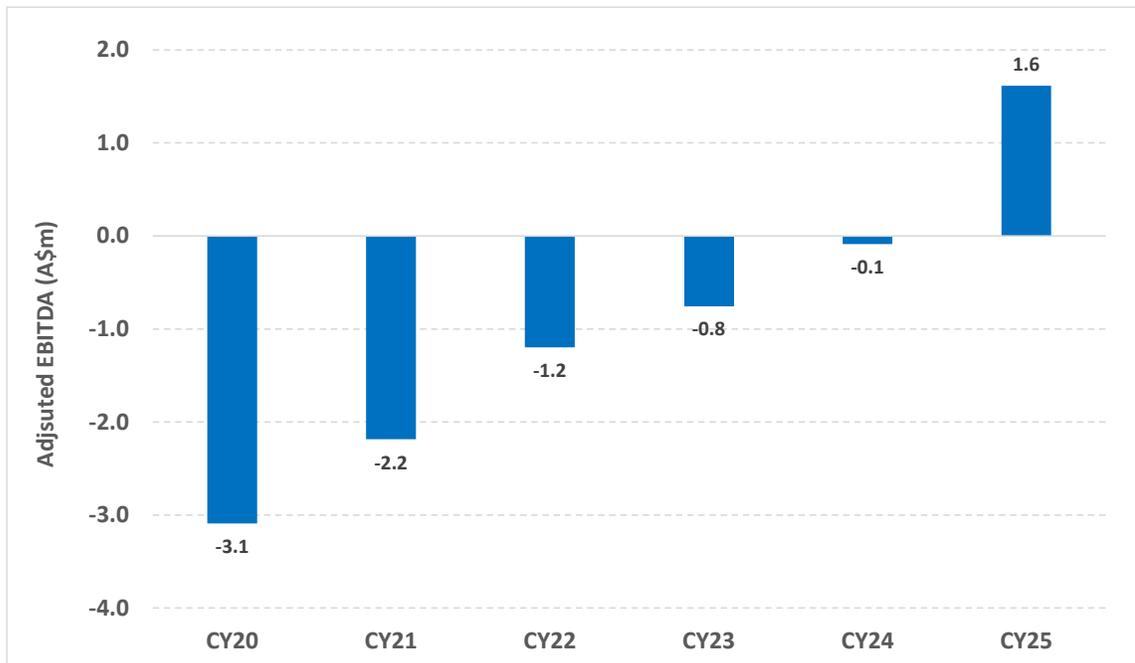
The improvement reflects:

- Higher recurring revenue mix
- Margin expansion
- Operating leverage across the platform
- Continued integration benefits from prior acquisitions

Adjusted EBITDA excludes share-based payments, business acquisition costs and other one-off items.

Importantly, the result includes continued investment in the Company's Singapore membrane R&D operations as well as in the early launch of its residential filtration products (see section below), which underpins the Company's proprietary technology platform and future revenue potential.

**CHART 3: ANNUAL ADJUSTED EBITDA (A\$m)**



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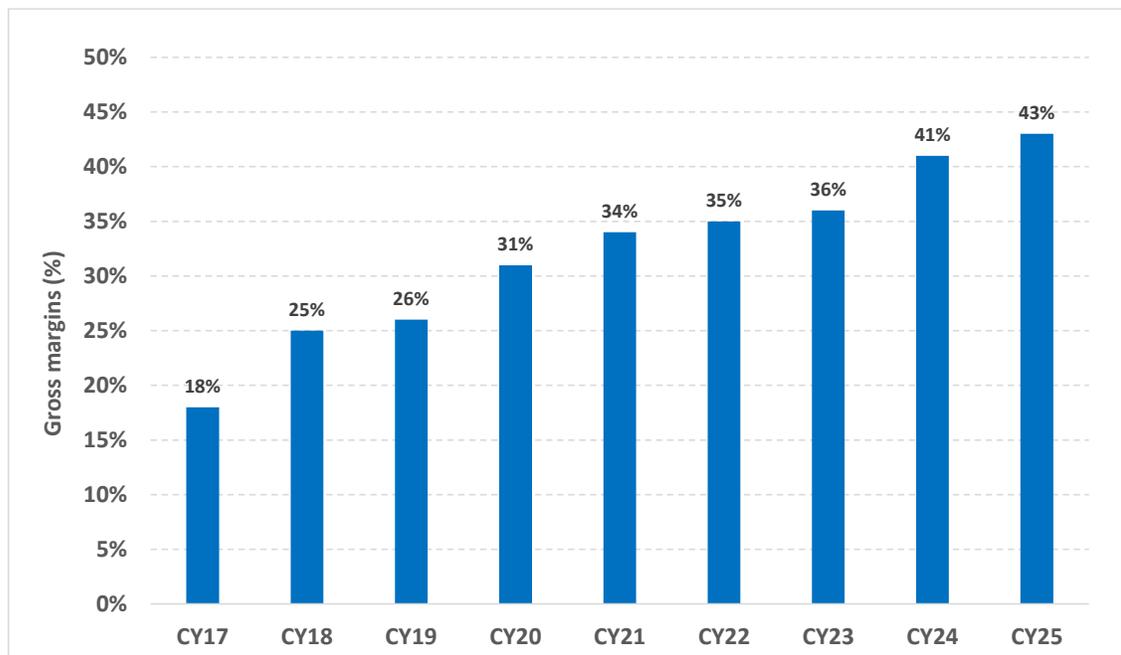
## Record margin expansion

The Company achieved another significant milestone, reporting record 43% gross margins in CY 2025, up from 41% in CY 2024.

This continues the strategic progression from 18% gross margins in 2017, demonstrating the success of De.mem's focus on high-margin recurring revenue segments (**Chart 4**).

Gross margin is defined as gross income divided by revenues.

**CHART 4: RECORD GROSS MARGINS**



## Operating cash flow discipline

De.mem delivered \$318k positive operating cash flows in CY 2025, following \$115k in CY 2024.

Operating cash flow has improved consistently since CY 2022.

Working capital movements during CY 2025 included:

- ~\$250k upfront working capital injection into Core Chemicals post-acquisition.
- Project-related component purchases (~\$250k) for a recently awarded project in Germany.

These investments are expected to be recognised as revenue in CY 2026.

## Core Chemicals – leveraged to surging gold sector

The acquisition of Core Chemicals Pty Ltd, completed on 1 November 2025, provides leverage to the surging gold mining sector.

Core Chemicals, which supplies process chemicals to gold mining clients to maximise gold extraction and recovery from the refining waste stream, generated approximately \$4m revenue pre-acquisition and services 18 gold mines in Western Australia.

Combined with De.mem's 15 gold mining clients, the Group now services 33 gold mining operations.

There are an estimated 142 additional gold mines in Australia not currently serviced by either business. With average revenue per gold mine of over \$220k per annum, the revenue growth opportunity is significant.

Core Chemicals contributes:

- Complementary chemical product suite
- Cross-sell opportunities
- Geographic expansion opportunity into Eastern states and Pacific
- Platform leverage through De.mem's existing client base

Only two months of Core Chemicals contribution were included in CY 2025 results. CY 2026 will reflect a full-year contribution.

De.mem has demonstrated a strong acquisition track record, with 93% average revenue growth across four acquisitions completed between 2019 and 2022.

The acquisition provides a significant opportunity to expand Core Chemicals' offering into the Eastern states of Australia as well as the Pacific region. Core Chemicals currently only operates in Western Australia. De.mem has been working with numerous gold mining customers in Tasmania, Queensland and Papua New Guinea.

## Domestic water filtration commercial sales

De.mem is well placed to grow global revenues through servicing the global home water filtration market with its proprietary Graphene Oxide enhanced membrane.

The global home water filtration unit market size was estimated at US\$20.3 billion in 2024 and is projected to reach US\$50.9 billion by 2033, growing at a CAGR of 11.2% from 2025 to 2033 (source: *Grand View Research, Home Water Filtration Unit Market (2025 - 2033)*). The Asia-Pacific region accounts for the largest share in the overall market for domestic water filters.

Following NSF certification of its Graphene Oxide enhanced membrane in 2024, De.mem has progressed commercialisation during CY 2025.

Key developments include:

- Distribution partnership with Firmbase (China, Indonesia, Japan). De.mem is pursuing a third party sales distribution model to drive significant operating leverage with minimal capital contribution to maximise earnings growth. See ASX release, “*De.mem announces strategic distribution agreement for key Asian markets*”, dated 11 February 2025, for further details.
- Initial sales into China and Indonesia.
- Ongoing North American distribution via Purafy Clean Technologies in Kingston, Ontario, Canada.
- Australian WaterMark certification process initiated.

In June 2025, De.mem initiated the WaterMark certification process – a mandatory Australian product certification scheme for plumbing and drainage products. Subject to the successful completion of the certification, De.mem intends to launch its proprietary membrane products into drinking water applications in Australia. The completion of the process is expected in early CY 2026.

## Record CY 2026 outlook

De.mem expects continued positive EBITDA and operating cash flow performance in CY 2026, and is on track also for record CY 2026 cash receipts, given the following factors:

- 27 consecutive quarters of growth momentum.
- Continued growth of 90% recurring cash receipts.
- Double digit organic growth momentum, with 24% CAGR in cash receipts over the past 6.75 years.
- Full-year contribution from Core Chemicals.
- Contribution from two recently awarded German projects (~\$1m combined revenue).
- Operating leverage from margin progression.
- Domestic water product rollout post WaterMark certification.

## CEO Commentary

**De.mem Chief Executive Officer Andreas Kroell said:**

*“2025 represents an inflection point for De.mem.*

*We have delivered record revenue, record margins, and our first full year of positive EBITDA. Our recurring revenue base exceeds 90%, margins continue to expand, and operating leverage is becoming evident across the platform.*



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*With the full-year contribution of Core Chemicals and continued domestic water market progression, we believe the Company is well positioned to continue compounding earnings and achieve new records in 2026.”*

This release was authorized by the Company's Chief Executive Officer, Mr. Andreas Kroell.

-ENDS-

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**De.mem Limited (ASX:DEM)** is a decentralised water and wastewater treatment business that designs, builds, owns and operates turnkey water and wastewater treatment systems for some of the world's largest companies in the mining, electronics, chemical, oil & gas, and food & beverage industries. Its systems also provide municipalities, residential developments and hotels/resorts across the Asia Pacific with a reliable supply of clean drinking water.

De.mem's technology to treat water and wastewater is among the most advanced globally. The Company is headquartered in Australia and has international locations in Singapore and Germany. It is commercialising an array of innovative proprietary membrane technologies.

To learn more, please visit: [www.demembranes.com](http://www.demembranes.com)

**Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of De.mem Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.