

## MARCH 2026 QUARTERLY ACTIVITIES REPORT: RECORD CASH RECEIPTS AND POSITIVE OPERATING CASH FLOW

**24 April 2026:** Industrial water and wastewater treatment company De.mem Limited (ASX:DEM) (“De.mem” or “the Company”) is pleased to report record March Quarter 2026 results.

### KEY HIGHLIGHTS

- **Record quarterly cash receipts** of ~\$ 10.4 million, 31% growth vs. prior corresponding period (“pcp”).
- **Record growth momentum**, with 28 successive quarters of cash receipts growth vs. pcp.
- **Record cash receipts compound annual growth rate (CAGR) of ~26%** over 7 years.
- **Positive operating cash flow** of \$504k for the quarter.
- **Strong CY 2026 outlook.**

### RECORD RESULTS

De.mem is delighted to report **record results in cash receipts, growth rates and continued growth momentum**, while maintaining **positive quarterly operating cashflow**.

The Company’s vision is to be the leading international supplier of decentralized water treatment solutions to industrial and residential customers, **driving revenue growth through high margin recurring sales**. For multi-site industrial customers, De.mem offers a “one stop shop” of premium water and waste water treatment solutions, **generating high margin recurring revenues** from its services and specialty chemicals divisions.

For residential customers, De.mem offers its membrane products for domestic water treatment applications – a large and growing segment of the global water treatment market. See below commentary, “*Domestic water filtration market entry in progress*”.

### Record cash receipts

De.mem is pleased to report record March Quarter 2026 cash receipts of ~\$10.4m, the highest quarterly cash receipts in the Company’s history. The result is approximately 31% higher than the prior corresponding period (“pcp”) of March 2025. The result includes double digit organic growth across the Company’s core operating business.

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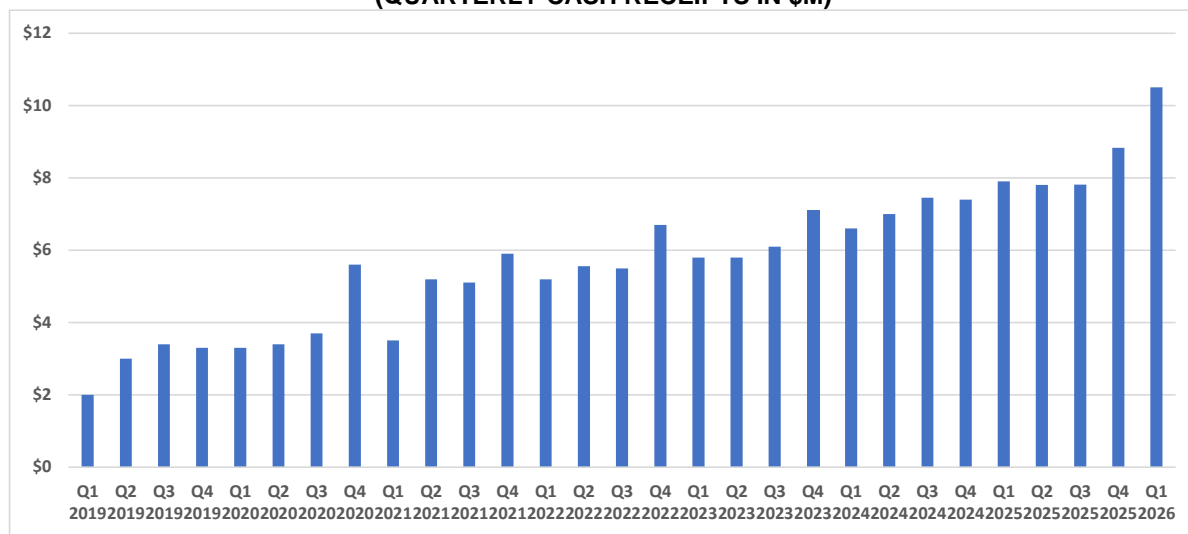
### Growth rate

De.mem achieved a ~26% long term compound annual growth rate (CAGR) of in cash receipts over 7 years (Chart 1).

### Record growth momentum

De.mem achieved a **record 28 consecutive quarters of cash receipts growth** vs pcg (Chart 1), which highlights the strength of the Company's high recurring cash flow business model.

**CHART 1: RECORD 28 QUARTERS OF CASH RECEIPTS GROWTH VS. PCP  
(QUARTERLY CASH RECEIPTS IN \$M)**



### Positive quarterly operating cashflows

De.mem commences CY 2026 with positive operating cash flows of \$504k during the March Quarter 2026. The result reflects the combination of sustained cash receipts growth, expanding margins through the focus on high margin recurring revenue segments and disciplined cost management.

De.mem's German subsidiary contributed with approx. \$350k to the positive result. This is due to the company delivering on a project awarded to De.mem during the September Quarter 2025 (see below for further details).

Please see the Appendix 4C attached to this release for further details regarding the cash flows.

### Strong cash balance

De.mem's cash balance increased to ~\$4.2m as at 31 March 2026, up from \$4m as at 31 December 2025 and \$3.3m as at 30 September 2025.

The improvement reflects the strength of the Company's operating cash generation in the quarter.

### **Strong contribution of Western Australian business and Core Chemicals**

Core Chemicals Pty Ltd, De.mem's recent acquisition in Western Australia, performed strongly during the quarter, delivering approx. \$1.6m in quarterly cash receipts (compared to approx. \$4m in annual cash receipts pre-acquisition).

Core Chemicals supplies specialty chemicals for gold fragment extraction and recovery from the refining waste stream to gold mining clients.

The strong first full quarter result further validates the acquisition rationale and demonstrates the earnings accretion delivered through De.mem's acquisition and integration strategy.

### **Delivered on a project awarded to the Company's German subsidiary**

During the March Quarter 2026, De.mem delivered on a waste water treatment equipment project for a galvanizing client in Germany, worth approximately \$500k in total revenues/cash receipts. Nearly all of the cash receipts were received before 31 March 2026. The project had originally been awarded to De.mem during the September Quarter 2025.

## **RECURRING REVENUES**

**De.mem generates over 90% recurring revenues**, which is a key driver of its consistent growth over 28 quarters (Chart 1).

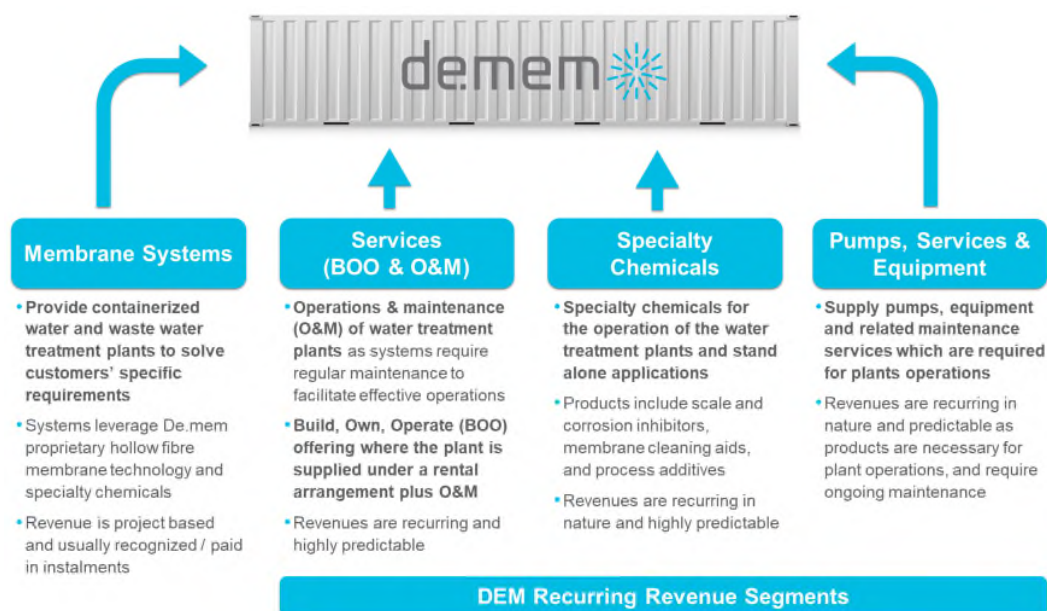
Recurring revenue segments comprise the following:

- The provision of water and waste water treatment services through provision of:
  - Long term Build, Own, Operate ("BOO") and Operations & Maintenance ("O&M") contracts; and
  - Regular maintenance work on water treatment equipment and pumps.
- Specialty chemicals sales.
- Sales of small equipment and consumables.
- Membrane replacement sales into existing industrial facilities.
- Sale of domestic water treatment systems and replacement of membrane cartridges.

The Company's recurring revenue model is driven by its comprehensive "one stop shop" offering, backed by innovative membrane technology. This combination is unique within the highly fragmented market for de-centralized (ie. containerized, flexible solutions deployed at the water source) industrial water treatment. Image 1.

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IMAGE 1: DE.MEM BUSINESS SEGMENTS & COMPREHENSIVE OFFERING



## BLUE-CHIP, DIVERSIFIED CUSTOMER BASE WITH LEVERAGE TO SURGING GOLD SECTOR

De.mem's industrial customers are blue-chip enterprises, diversified across a range of industrial sectors such as AGL (utilities); Givaudan and Coca-Cola (food and beverages); Alcoa, Rio Tinto, South 32 (mining).

The acquisition of Core Chemicals has materially **increased De.mem's exposure to the gold mining sector** (see ASX release, "Acquisition of Core Chemicals to increase exposure to surging gold mining sector", dated 17 October 2025).

Core Chemicals supplies process chemicals to gold mining clients to maximise gold extraction and recovery from the refining waste stream. **The combined De.mem-Core Chemicals business has a significant revenue growth opportunity** through cross-sales and servicing new Australian and international gold mines.

## DOMESTIC WATER FILTRATION MARKET ENTRY IN PROGRESS

De.mem also offers its membrane products for domestic water treatment applications. The Company's domestic systems are using its flagship membrane technology, the Graphene-Oxide ("GO") enhanced Ultrafiltration membrane, as the key component.

**The global domestic water filtration market** was estimated at US\$12.1 billion in 2022 and **is expected to grow by 10.5% per annum to US\$26.7 billion by 2030** (source:

*Grand View Research, November 2022*). The Asia-Pacific region accounts for the largest share in the overall market for domestic water filters.

The Company has achieved the certifications required for the deployment of its membrane in potable or drinking water applications in the USA and many other countries. On 9 May 2024, the Company announced its formal USA National Sanitation Foundation (NSF) certification under NSF Standard 53 for the Company's GO enhanced membrane technology (see ASX release "*Graphene Oxide enhanced membrane - NSF formal certification*", 9 May 2024).

De.mem is pursuing a **third party sales distribution model to drive significant operating leverage** with minimal capital contribution to maximise revenue growth. De.mem has existing partnerships in place covering North America, Singapore, Indonesia, China and Japan.

### **Australian Watermark certification process initiated**

In June 2025, De.mem initiated the WaterMark certification process for its domestic water treatment systems.

WaterMark refers to a mandatory Australian product certification scheme for plumbing and drainage products. It ensures these products are safe, fit for purpose, and meet relevant Australian standards before they can be legally used in plumbing and drainage systems.

During the December Quarter 2025, WaterMark representatives successfully concluded a De.mem site audit in Singapore. De.mem completed further requests during the March Quarter 2026.

### **STRONG CY 2026 OUTLOOK**

De.mem is pleased to report a strong **CY 2026 outlook**, given the following factors.

- Record cash receipts in the March Quarter 2026, with 31% growth vs pcp.
- Strong growth momentum over now 28 consecutive quarters.
- 26% CAGR in cash receipts over the past 7 years.
- Double digit organic growth momentum.
- Strong contribution momentum from Core Chemicals.
- Launch of domestic water treatment products.

### **CEO Commentary**

De.mem Chief Executive Officer Andreas Kroell said:

*"We are pleased to deliver record cash receipts in the March Quarter 2026, which expands our growth track record to now 28 consecutive quarters of cash receipts growth."*

*We have also started the new calendar year with positive operating cash flows, which provides for a positive outlook for the full year.*

*We believe De.mem is well positioned to continue growing into CY 2026.”*

#### **Payments to related parties included in Appendix 4C**

The payments to related parties of De.mem disclosed in item 6.1 of the Appendix 4C for the quarter, accompanying this Quarterly Activities Report, were payments of directors' fees, salaries and interest related to the shareholder loan provided on 15 December 2025 (see item 7 of the Appendix 4C for further details).

This release was authorized by the Company's CEO, Andreas Kroell, on behalf of the Board.

**-ENDS-**

#### **For further information, please contact:**

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**De.mem Limited (ASX:DEM)** is an Australian headquartered, international decentralized 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 offers a “one-stop-shop” of equipment, services, chemicals and consumables to its clients, for the ongoing operations of their water and waste water treatment plants. De.mem's technology to treat water and wastewater is among the most advanced globally. The Company commercialises an array of innovative proprietary hollow-fibre membrane technologies. De.mem has been partnering with Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research. 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.

## Appendix 4C

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

<b>Name of entity</b>
De.mem Limited

<b>ABN</b>	<b>Quarter ended ("current quarter")</b>
12 614 756 642	31 Mar 2026

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	10,357	10,357
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(6,514)	(6,514)
(c) advertising and marketing	(36)	(36)
(d) leased assets	-	-
(e) staff costs	(2,563)	(2,563)
(f) administration and corporate costs	(688)	(688)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	10
1.5 Interest and other costs of finance paid	(31)	(31)
1.6 Income taxes paid	(36)	(36)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	5	5
<b>1.9 Net cash from / (used in) operating activities</b>	<b>504</b>	<b>504</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) businesses	(6)	(6)
(b) property, plant and equipment	(30)	(30)
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(36)</b>	<b>(36)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(58)	(58)
3.7	Transaction costs related to loans and borrowings	(3)	(3)
3.8	Dividends paid	-	-
3.9	Other (lease liabilities)	(172)	(172)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(233)</b>	<b>(233)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
	Net Cash and equivalents at beginning of quarter/year to date.	3,990	3,990
4.2	Net cash from / (used in) operating activities (item 1.9 above)	504	504

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36)	(36)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(233)	(233)
4.5	Effect of movement in exchange rates on cash held	(19)	(19)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,206</b>	<b>4,206</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,052	3,436
5.2	Call deposits	1,154	554
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,206</b>	<b>3,990</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	134
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

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7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	480	480
7.2 Credit standby arrangements	-	-
7.3 Other (please specify) Bank overdraft	-	-
7.4 <b>Total financing facilities</b>	480	480
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<div style="border: 1px solid black; padding: 5px;"> <p>The loan facility under 7.1 relates to a shareholder loan of \$500k in total provided by the Chairman of the Board, Mr. Harry De Wit, and the CFO, Mr. Andrew Tay, as of 15 December 2025. The facility is unsecured, to be repaid over 5 years and is not convertible into De.mem shares. See ASX announcement dated 15 December 2025 for further details. The remaining balance of the loan as of 31 March 2026 is \$480k.</p> </div>	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	504
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,206
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,206
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	<div style="border: 1px solid black; padding: 5px;">N/A</div>
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	<div style="border: 1px solid black; padding: 5px;">N/A</div>
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	<div style="border: 1px solid black; padding: 5px;">N/A</div>
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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### Compliance statement

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

Date: 24 April 2026

Authorised by: Andreas Kroell  
Chief Executive Officer

### Notes

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