SciDev Limited

ABN 25 001 150 849

Appendix 4E - Preliminary Final Report - 30 June 2026

SciDev Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	SciDev Limited
ABN:	25 001 150 849
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

	2026 $'000	2025 $'000	Change $'000	Change %
Revenues from ordinary activities	85,530	103,386	(17,856)	(17%)
Loss from ordinary activities after tax attributable to the owners of SciDev Limited	(5,767)	(878)	(4,889)	557%
Loss for the year attributable to the owners of SciDev Limited	(5,767)	(878)	(4,889)	557%

	2026 Cents	2025 Cents
Basic earnings per share	(3.0)	(0.5)
Diluted earnings per share	(3.0)	(0.5)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
Refer to the attached *Commentary on results* for further information regarding the Group’s financial performance and results for the year ended 30 June 2026.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	11.56	13.31

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

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7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

SciDev holds a 50% interest in Nuoer SciDev JV Pte. Ltd., a Singapore incorporated joint venture established with Nuoer New Material Pte. Ltd.

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9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

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10. Audit statement

This report is based on accounts which are in the process of being audited.

The Company expects the independent auditor’s report to be unmodified and not contain an emphasis of matter.

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11. Attachments

Additional information supporting this Appendix 4E is attached.

SciDev Limited
Commentary on results
30 June 2026

Operating and financial review
The loss for the Group after providing for income tax amounted to $5,767,000 (30 June 2025: $878,000).

In FY2026, the Group delivered revenue of $85,530,000, representing a 17% decrease on the FY2025. The business delivered $3,602,000 of Underlying EBITDA (2025: $7,130,000) and positive operating cash flow for the year of $3,607,000 (2025: $2,866,000).

SciDev maintained a robust balance sheet with cash and cash equivalents of $8,565,000 on 30 June 2026 and a further $5,923,000 in inventory.

Reconciliation of profit before income tax to EBITDA and Underlying EBITDA (unaudited):

	2026 $'000	2025 $'000
(Loss)/profit before income tax	(5,819)	1,456
Depreciation and amortisation	4,213	4,168
Finance costs	506	568
EBITDA	(1,100)	6,192
Significant items		
Impairment of intangible assets	2,845	-
Restructuring including redundancies	1,030	-
ISO asset rectification	637	-
UK subsidiary wind-down costs	190	-
Transaction costs including due diligence	-	938
Underlying EBITDA	3,602	7,130

EBITDA and Underlying EBITDA are non-IFRS earnings measures which do not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. These measures, which are unaudited, are important to management as an additional way to evaluate the Group's performance. Underlying EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events.

Review of operations
FY26 was characterised by a challenging first half followed by a strong second-half recovery. A sharp first-half earnings decline, driven by the loss of a major Energy Services contract and continued losses in the International Water Technologies business, was followed by a strong second-half recovery. Four initiatives underpinned the recovery: the exit of loss-making International Water Technologies operations, broad cost reductions, lower capital expenditure, and tighter working capital management. Together these programs reduced the Group's cost base significantly relative to FY2025, with the benefits increasingly evident through the second half. Underlying EBITDA rose to $2,516,000 in 2H FY2026 from $1,086,000 in 1H, despite lower second-half revenue, while the net cash balance (cash and cash equivalents less bank loans) rebuilt to a comfortably strong $6,752,000 at year end.

The year also marked a strategic evolution for the Group. In June 2026, SciDev presented a refocused strategy built around an integrated water solutions platform spanning engineering, chemistry and data, targeting the markets where the Company has a genuine right to win: Mining, Data Centres and Energy. SciDev enters FY2027 with a stronger balance sheet, a leaner cost base, and a growing pipeline across these markets, including the Company's first Data Centre engagements and the recently announced Newmont Boddington contract.

SciDev Limited
Commentary on results
30 June 2026

Financial Review

Group revenue for FY2026 was $85,530,000, down 17% on FY2025 ($103,386,000), with gross margin of 26% (FY2025: 28%). Underlying EBITDA of $3,602,000 was $3,528,000 lower than FY2025, with the entire variance explained by two factors: the loss of the Energy Services xSlik® friction reducer contract and continued losses in the international Water Technologies business. These headwinds were partially offset by record earnings from Water Solutions, up $3,626,000 to $4,192,000 underlying EBITDA, and a 33% reduction in corporate costs, contributing a further $1,584,000 of underlying EBITDA benefit.

Net cash, comprising cash and cash equivalents less bank loans, was $6,752,000 at 30 June 2026, up from $6,343,000 a year earlier, reflecting positive second-half operating cash flow, Rum Jungle milestone receipts, and the reversal of the working capital build recorded in 1H FY2026. Total available liquidity was $13,752,000, comprising net cash of $6,752,000 and $7,000,000 of unutilised debt facilities, providing ample headroom for ongoing operations and near-term organic growth. Recurring revenue rose to 38% of the total, up from 30% in FY2025, reflecting the Group's continued shift toward higher-quality, repeatable revenue streams.

Water Solutions

Water Solutions delivered a record result in FY2026, with combined revenue up 12% to $48,282,000 and underlying EBITDA of $4,192,000, an improvement from a $566,000 underlying EBITDA in FY2025. This excludes the International Water Technologies operations.

Process Chemistry

Process Chemistry revenue grew 5% to $27,308,000, driven by large-scale tunnelling infrastructure projects and multi-year contract renewals in the mining sector. Underlying EBITDA increased 65% to $2,211,000, reflecting higher revenue and an improved gross margin mix from a number of shorter-duration, higher-margin infrastructure projects.

Water Technologies

Water Technologies (APAC) revenue increased 27% to $20,974,000, underpinned by a strengthening baseline of mining and infrastructure contracts together with the Rum Jungle groundwater treatment plant construction contract, approximately 50% of which was completed during FY2026. Underlying EBITDA improved to $1,981,000, from a loss of $776,000 in FY2025, driven by progress on Rum Jungle and continued attention to cost control. During the year, the Group recognised an impairment expense of $2,845,000 against intangible assets arising from the 2021 acquisition of Haldon Industries. The impairment comprised the remaining carrying values of customer contracts ($922,000) and trademarks and intellectual property ($1,923,000).

Strategic developments

- Renewed strategic focus on building an integrated water solutions platform, combining Water Technologies engineering capability with Process Chemistry's advanced chemistry, and leveraging the data and optimisation tools of both businesses (Hydra-IQ and OptiFlox®).
- Alignment of the business around Mining, Infrastructure and Data Centres as core right-to-win markets.
- Established an initial position in the Data Centre market, drawing on existing water treatment capability and the team's prior experience delivering more than 40 water projects for data centre clients in Europe.

Energy Services

Energy Services revenue was $36,622,000, down 39% on FY2025, largely reflecting the loss of a key contract for premium xSlik® friction reducer, which accounted for the significant majority of the revenue decline. Sales of the flagship CatChek® product were comparatively resilient despite broader industry pressure, rising to 51% of total revenue in FY2026, up from 41% in FY2025. Underlying EBITDA of $4,761,000 was down 64% on FY2025, largely due to the loss of higher-margin xSlik® volumes. The result was further impacted by intensified competition in commodity-grade friction reducer chemistry, against a backdrop of weak US oilfield services activity and declining frac spread counts for much of the year.

Strategic developments

- Continued expansion in the Permian Basin, with emerging opportunities identified in the Beetaloo Basin, Australia.
- Signed a Master Services Agreement and generated first revenues with a tier-one oilfield services provider.
- Advanced new product development across Enhanced Oil Recovery (EnFlow), Completion (CatChek® variants) and Advanced Delivery Systems (high-suspension slurries).

Water Technologies – International

Revenue from the International Water Technologies business was not meaningful at $532,000, with an underlying EBITDA loss of $2,137,000 as market activity failed to develop as quickly as forecast. Following a strategic review, the Company made the decision to exit its US and UK direct operations and transition to a channel partner sales model, preserving long-term market access without an ongoing fixed cost base. The closure of operations was completed in the second half of FY2026, removing a cost base that had produced an EBITDA loss of $1,506,000 in the first half alone.

Corporate

Corporate costs reduced by 33% to an underlying EBITDA loss of $3,214,000, achieved through meaningful reductions in headcount and administration costs, and consistent with the cost and capital discipline framework presented at the Company's June 2026 Investor Day.

SciDev Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue	3	85,530	103,386
Other income		158	117
Expenses			
Changes in inventories, and raw materials and consumables used		(58,197)	(68,842)
Contractors and consultants		(1,434)	(1,275)
Depreciation and amortisation expense		(4,213)	(4,168)
Employee benefits expense		(16,939)	(18,042)
Employee related expenses		(1,076)	(855)
Impairment of intangible assets	8	(2,845)	-
Insurance		(965)	(1,004)
Transaction costs including due diligence		-	(938)
Professional fees		(588)	(1,021)
Travel and accommodation		(1,291)	(1,543)
Other expenses		(3,453)	(3,791)
Finance costs		(506)	(568)
(Loss)/profit before income tax benefit/(expense)		(5,819)	1,456
Income tax benefit/(expense)		52	(2,334)
Loss after income tax benefit/(expense) for the year attributable to the owners of SciDev Limited		(5,767)	(878)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Losses on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		(149)	(55)
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(934)	261
Other comprehensive income for the year, net of tax		(1,083)	206
Total comprehensive income for the year attributable to the owners of SciDev Limited		(6,850)	(672)
		Cents	**Cents**
Basic earnings per share		(3.0)	(0.5)
Diluted earnings per share		(3.0)	(0.5)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

SciDev Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	4	8,565	9,683
Trade and other receivables	5	12,045	15,000
Contract assets		297	635
Inventories	6	5,923	7,417
Income tax refund due		-	79
Other		1,296	1,009
Total current assets		28,126	33,823
Non-current assets			
Contract assets		56	134
Financial assets at fair value through other comprehensive income		248	397
Property, plant and equipment	7	7,929	11,275
Intangibles	8	20,983	24,740
Deferred tax		3,372	4,135
Other		1,074	722
Total non-current assets		33,662	41,403
Total assets		61,788	75,226
Liabilities			
Current liabilities			
Trade and other payables	9	12,498	18,062
Contract liabilities		2,258	208
Interest bearing liabilities		527	1,527
Lease liabilities		739	1,309
Income tax		7	-
Employee benefits		524	644
Total current liabilities		16,553	21,750
Non-current liabilities			
Interest bearing liabilities		1,286	1,813
Lease liabilities		999	1,613
Total non-current liabilities		2,285	3,426
Total liabilities		18,838	25,176
Net assets		42,950	50,050
Equity			
Issued capital	10	119,606	119,606
Reserves		(1,931)	(183)
Accumulated losses		(74,725)	(69,373)
Total equity		42,950	50,050

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

SciDev Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2024	119,489	(757)	(68,495)	50,237
Loss after income tax expense for the year	-	-	(878)	(878)
Other comprehensive income for the year, net of tax	-	206	-	206
Total comprehensive income for the year	-	206	(878)	(672)
Contributions of equity, net of transaction costs (note 10)	117	-	-	117
Share based payments	-	368	-	368
Balance at 30 June 2025	119,606	(183)	(69,373)	50,050

	Issued capital $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2025	119,606	(183)	(69,373)	50,050
Loss after income tax benefit for the year	-	-	(5,767)	(5,767)
Other comprehensive income for the year, net of tax	-	(1,083)	-	(1,083)
Total comprehensive income for the year	-	(1,083)	(5,767)	(6,850)
Share-based payments recognised during the year	-	63	-	63
Reversal of share-based payments on forfeiture	-	(313)	-	(313)
Transfer from reserves to accumulated losses	-	(415)	415	-
Balance at 30 June 2026	119,606	(1,931)	(74,725)	42,950

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

SciDev Limited
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		96,293	104,221
Payments to suppliers and employees (inclusive of GST)		(93,160)	(97,895)
		3,133	6,326
Interest received		168	59
Interest and other finance costs paid		(601)	(509)
Income taxes refunded/(paid)		907	(3,010)
Net cash from operating activities		3,607	2,866
Cash flows from investing activities			
Loan to joint venture		(119)	(152)
Payments for property, plant and equipment	7	(567)	(2,081)
Payments for intangibles	8	(25)	(40)
Payments for security deposits		(687)	(151)
Proceeds from release of security deposits		(158)	-
Proceeds from disposal of property, plant and equipment		137	78
Net cash used in investing activities		(1,419)	(2,346)
Cash flows from financing activities			
Proceeds from bank loans		-	3,000
Repayment of bank loans		(600)	(500)
Net repayment of/(proceeds from) revolving bank loan		(1,000)	1,000
Transaction costs related to bank loans		-	(219)
Principal elements of lease payments		(1,353)	(1,292)
Repayment of related party loans		-	(2,379)
Net cash used in financing activities		(2,953)	(390)
Net (decrease)/increase in cash and cash equivalents		(765)	130
Cash and cash equivalents at the beginning of the financial year		9,683	9,425
Effects of exchange rate changes on cash and cash equivalents		(353)	128
Cash and cash equivalents at the end of the financial year	4	8,565	9,683

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Statement of significant accounting policies

Statement of compliance
This preliminary final report (the Report) is to be read in conjunction with any public announcements made by SciDev Limited during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Australian Securities Exchange Listing Rules.

The preliminary final report has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board and the Corporations Act 2001.

The Report is presented in Australian dollars, which is the functional currency of SciDev Limited and its controlled entities and has been prepared on the basis of historical cost except in accordance with relevant accounting policies where assets and liabilities are stated at their fair values.

Note 2. Operating segments

Identification of reportable operating segments
During the year, the Group revised the presentation of its operating segments. The segment previously reported as Chemical Services, which combined the Energy Services and Process Chemistry businesses, has been split. Energy Services now stands alone as a segment, while Process Chemistry has been integrated with Water Technologies to form the new Water Solutions segment.

In addition, the Group revised its allocation of corporate costs, with costs previously allocated to operating segments now presented within the Corporate segment. Comparative segment information has been restated on a consistent basis, separately presenting amounts that were previously combined across more than one segment.

Operating and business 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 the performance of the operating segments, has been identified as the Board of Directors.

Types of products and services
The principal products and services of each of these operating segments are as follows:

Energy Services	Develop, manufacture and supply specialty oilfield and production chemistries and performance solutions that improve operational efficiencies, reduce waste and minimise water consumption across the energy industry.
Water Solutions	Specialised water treatment and remediation technologies, together with process chemistries for the mining and construction industries, that remove harmful contaminants from groundwater, surface water and industrial liquid waste to improve operational efficiencies and allowing water to be recycled or safely discharged to the environment.
Corporate	Includes Head Office and Group services

Note 2. Operating segments (continued)

2026	Energy Services $'000	Water Solutions $'000	Corporate $'000	Eliminations and adjustments $'000	Total $'000
Revenue					
Sales to external clients	36,611	48,770	-	-	85,381
Intersegment sales	11	44	-	(55)	-
Total sales revenue	36,622	48,814	-	(55)	85,381
Other revenue	-	-	149	-	149
Total revenue	36,622	48,814	149	(55)	85,530
Underlying EBITDA*	4,761	2,055	(3,214)	-	3,602
Depreciation and amortisation					(4,213)
Finance costs					(506)
Restructuring including redundancies					(1,030)
ISO asset rectification					(637)
UK subsidiary wind-down costs					(190)
Impairment of intangible assets					(2,845)
Loss before income tax benefit					(5,819)
Income tax benefit					52
Loss after income tax benefit					(5,767)
Material items include:					
Changes in inventories, and raw materials and consumables used	25,569	32,683	-	(55)	58,197
Assets					
Segment assets	18,463	36,181	7,144	-	61,788
Total assets					61,788
Liabilities					
Segment liabilities	3,686	12,295	2,857	-	18,838
Total liabilities					18,838

* Underlying EBITDA is a non-IFRS measure and excludes the effects of significant items of expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events.

Note 2. Operating segments (continued)

2025	Energy Services $'000	Water Solutions $'000	Corporate $'000	Eliminations and adjustments $'000	Total $'000
Revenue					
Sales to external clients	60,243	42,987	-	-	103,230
Intersegment sales	12	22	-	(34)	-
Total sales revenue	60,255	43,009	-	(34)	103,230
Other revenue	-	-	156	-	156
Total revenue	60,255	43,009	156	(34)	103,386
Underlying EBITDA*	13,337	(1,410)	(4,797)	-	7,130
Depreciation and amortisation					(4,168)
Finance costs					(568)
Transaction costs including due diligence					(938)
Profit before income tax expense					1,456
Income tax expense					(2,334)
Loss after income tax expense					(878)
Material items include:					
Changes in inventories, and raw materials and consumables used	39,215	29,661	-	(34)	68,842
Assets					
Segment assets	30,778	34,922	9,526	-	75,226
Total assets					75,226
Liabilities					
Segment liabilities	12,353	7,308	5,515	-	25,176
Total liabilities					25,176

* Underlying EBITDA is a non-IFRS measure and excludes the effects of significant items of expenditure which may have an impact on the quality of earnings because of isolated or non-recurring events.

Note 3. Revenue

	2026 $'000	2025 $'000
Revenue from contracts with customers		
Integrated Solutions, Services and Product revenue	85,381	103,230
Other revenue		
Rent	149	156
Revenue	85,530	103,386

Note 3. Revenue (continued)

Disaggregation of revenue
The disaggregation of revenue from contracts with clients is based on the location of the clients as follows:

	2026 $'000	2025 $'000
Geographical regions		
Australia	46,024	41,668
United States	37,124	60,681
Asia	827	387
Other	1,406	494
	85,381	103,230
Timing of revenue recognition		
Goods transferred at a point in time	63,487	85,550
Services transferred over time	21,894	17,680
	85,381	103,230

Note 4. Cash and cash equivalents

	2026 $'000	2025 $'000
Current assets		
Cash at bank	8,515	9,633
Cash on deposit	50	50
	8,565	9,683

Note 5. Trade and other receivables

	2026 $'000	2025 $'000
Current assets		
Trade receivables	11,843	15,058
Less: Allowance for expected credit losses	-	(141)
	11,843	14,917
Receivable from joint venture	261	152
Less: Allowance for expected credit losses	(59)	(69)
	202	83
	12,045	15,000

Note 6. Inventories

	2026 $'000	2025 $'000
Current assets		
Stock in transit	734	2,041
Stock on hand	5,189	5,376
	5,923	7,417

Note 7. Property, plant and equipment

	2026 $'000	2025 $'000
Non-current assets		
Office buildings and warehouses - at cost	2,841	3,026
Less: Accumulated depreciation	(2,563)	(2,091)
	278	935
Plant and equipment - at cost	17,769	18,074
Less: Accumulated depreciation	(10,706)	(8,826)
	7,063	9,248
Motor vehicles - at cost	1,949	2,032
Less: Accumulated depreciation	(1,430)	(1,139)
	519	893
Office equipment - at cost	511	508
Less: Accumulated depreciation	(442)	(309)
	69	199
	7,929	11,275

Note 7. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office buildings and warehouses $'000	Plant and equipment $'000	Motor vehicles $'000	Office equipment $'000	Total $'000
Balance at 1 July 2024	1,685	8,426	1,131	272	11,514
Additions	-	2,029	-	52	2,081
Disposals	-	(57)	-	-	(57)
Exchange differences	12	13	10	1	36
Transfer to inventory	-	(38)	-	-	(38)
Remeasurement	40	-	-	-	40
Recognition of right-of-use assets	-	1,216	138	-	1,354
Depreciation expense	(802)	(2,341)	(386)	(126)	(3,655)
Balance at 30 June 2025	935	9,248	893	199	11,275
Additions	-	560	-	7	567
Disposals	-	(283)	(35)	-	(318)
Exchange differences	(17)	(167)	(21)	(3)	(208)
Remeasurement	29	-	-	-	29
Recognition of right-of-use assets	91	111	74	-	276
Depreciation expense	(760)	(2,406)	(392)	(134)	(3,692)
Balance at 30 June 2026	278	7,063	519	69	7,929

Included in the above line items are right-of-use assets over the following:

	Office buildings and warehouses $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Balance at 1 July 2024	1,685	121	860	2,666
Recognition of right-of-use asset	-	1,216	138	1,354
Exchange differences	12	3	10	25
Rent adjustments	40	-	-	40
Depreciation expense	(802)	(152)	(264)	(1,218)
Balance at 30 June 2025	935	1,188	744	2,867
Recognition of right-of-use asset	91	111	74	276
Exchange differences	(17)	(57)	(21)	(95)
Disposals	-	-	(23)	(23)
Rent adjustments	29	-	-	29
Depreciation expense	(760)	(255)	(271)	(1,286)
Balance at 30 June 2026	278	987	503	1,768

Note 8. Intangibles

	2026 $'000	2025 $'000
Non-current assets		
Goodwill - at cost	20,587	20,995
Trademarks and intellectual property - at cost	3,780	3,768
Less: Accumulated amortisation	(1,461)	(1,270)
Less: Impairment	(1,923)	-
	396	2,498
Customer contracts - at cost	2,600	2,600
Less: Accumulated amortisation	(1,678)	(1,353)
Less: Impairment	(922)	-
	-	1,247
	20,983	24,740

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill $'000	Trademarks and intellectual property $'000	Customer contracts $'000	Total $'000
Balance at 1 July 2024	20,833	2,642	1,572	25,047
Additions	-	40	-	40
Exchange differences	162	4	-	166
Amortisation expense	-	(188)	(325)	(513)
Balance at 30 June 2025	20,995	2,498	1,247	24,740
Additions	-	25	-	25
Exchange differences	(408)	(8)	-	(416)
Impairment of assets (a)	-	(1,923)	(922)	(2,845)
Amortisation expense	-	(196)	(325)	(521)
Balance at 30 June 2026	20,587	396	-	20,983

(a) Impairment of assets
During the year, the Group recognised an impairment expense of $2,845,000 against intangible assets arising from the 2021 acquisition of Haldon Industries. The impairment comprised the remaining carrying values of customer contracts ($922,000) and trademarks and intellectual property ($1,923,000), which relate to the Water Technologies CGU.

The impairment assessment was undertaken in the context of the Group's strategic review completed during the year and announced to the market in June 2026. The review refined the Group's focus on its core Mining, Energy and Data Centre segments and highlighted that future value creation within the Water Technologies business is increasingly derived from the Group's current technologies and capabilities, rather than the acquired customer contracts, trademarks and intellectual property recognised as part of the Haldon Industries acquisition. Together with shifting customer mix and evolving technologies, this resulted in future economic benefits no longer being considered specifically attributable to the acquired customer contracts, trademarks and intellectual property.

Note 8. Intangibles (continued)

Annual impairment testing of goodwill indicated that the Water Technologies CGU continues to have a recoverable amount in excess of its carrying value and therefore no goodwill impairment was recognised as at 30 June 2026.

Impairment testing for goodwill
The recoverable amount of the Group's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by the Directors and extrapolated for a further 4 years (within the Group's 5-year plan) using variable rates, together with a terminal value.

Goodwill is monitored by management at the following level:

	2026 $'000	**2025 $'000**
Energy Services	7,531	7,939
Water Solutions - Process Chemistry	3,002	3,002
Water Solutions - Water Technologies	10,054	10,054
	20,587	20,995

During the year, the Group revised the presentation of its operating segments. The segment previously reported as Chemical Services, which combined the Energy Services and Process Chemistry businesses, has been split. Energy Services now stands alone as a segment, while Process Chemistry has been integrated with Water Technologies to form the new Water Solutions segment.

Key assumptions used for value-in-use calculations

	2026 Growth rate(i) %	**2026 Discount rate (pre-tax) %**	**2025 Growth rate(i) %**	**2025 Discount rate (pre-tax) %**
Energy Services	10.0	13.0	10.0	13.0
Water Solutions - Process Chemistry	10.0	13.0	10.0	13.0
Water Solutions - Water Technologies	10.0	13.0	8.0	14.0

(i) The weighted average revenue growth rate used to extrapolate cash flows beyond the budget or forecast period.

Growth rate assumptions have been determined with reference to historical Group's experience and expectations of long-term operating conditions. The growth rates do not exceed long-term industry growth rates for the industry in which the business operates. Discount rate assumptions above reflect the Group's estimate of the time value of money and specific risks to the relevant segments and the countries in which they operate. In determining appropriate discount rates, consideration has been given to the estimated Weighted Average Cost of Capital for the Group, adjusted for business specific risks to the CGU.

Sensitivity to change in assumptions
Management has assessed the sensitivity of the recoverable amounts of the Energy Services and Water Solutions CGUs to changes in the key assumptions used in the impairment assessment. Based on this analysis, no reasonably possible change in any key assumption would result in the carrying amount of either CGU exceeding its recoverable amount and, therefore, no material impairment would arise.

Note 9. Trade and other payables

	2026 $'000	2025 $'000
Current liabilities		
Trade payables	9,310	12,984
Other payables and accruals	3,188	5,078
	12,498	18,062

Note 10. Issued capital

	2026 Shares	2025 Shares	2026 $'000	2025 $'000
Ordinary shares - fully paid	190,088,581	190,088,581	119,606	119,606

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2024	189,853,077		119,489
Shares issued to Directors in lieu of fees (vesting quarterly)	13 December 2024	284,676	$0.495	141
Cancellation of shares issued to a Director	1 April 2025	(49,172)	$0.495	(24)
Balance	30 June 2025	190,088,581		119,606
Balance	30 June 2026	190,088,581		119,606

Note 11. Interests in subsidiaries and joint ventures

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries and joint ventures:

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Subsidiaries			
Science Developments Pty Ltd	Australia	100%	100%
SciDev Water Services Pty Ltd	Australia	100%	100%
Science Developments (NSW) Pty Ltd	Australia	100%	100%
SciDev (NT Operations) Pty Ltd	Australia	100%	100%
Intec Copper Pty Ltd	Australia	100%	100%
Intec Envirometals Pty Ltd	Australia	100%	100%
SciDev International Holdings Pty Ltd	Australia	100%	100%
SciDev (US) LLC[1]	United States	100%	100%
SciDev Energy Services Inc[2]	United States	100%	100%
SciDev Ltd	United Kingdom	100%	100%
SciDev Canada Ltd	Canada	100%	100%
Joint ventures			
Nuoer SciDev JV Pte. Ltd.	Singapore	50%	50%

Note 11. Interests in subsidiaries and joint ventures (continued)

(1) SciDev (US) LLC is a wholly-owned subsidiary of SciDev International Holdings Pty Ltd.
(2) SciDev Energy Services Inc is a wholly-owned subsidiary of SciDev (US) LLC.

Note 12. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.