SCIDEV

ASX Announcement

24 November 2026

Chair's Address 2026 AGM

Good morning, ladies and gentlemen. I'm Mike Utsler, Chair of SciDev, and on behalf of the Board, welcome to our 2026 Annual General Meeting.

Before we begin, I would like to acknowledge the Gadigal people of the Eora Nation, the Traditional Custodians of the land on which we meet today here in Sydney, and pay my respects to their Elders past and present. SciDev's work takes us across many lands and waters, from mine sites in Western Australia and Queensland to the Northern Territory and New South Wales, and we acknowledge the Traditional Custodians of each of them and their continuing connection to land, water and community. Water is at the heart of what we do, and we recognise the knowledge First Nations peoples have held in caring for it for tens of thousands of years. I extend that respect to any Aboriginal and Torres Strait Islander people with us today.

With me today are my fellow directors, Jon Gourlay, Dan O'Toole and Johannes Risseeuw; our Chief Executive Officer, Todd Scott; our Interim Chief Financial Officer, John Gardiner; and our Company Secretary, Heath Roberts. Representatives of our auditor, BDO, are also here and available to take questions on the conduct of the audit.

A year of change

When I stood before you in November last year, I described FY25 as a year of disciplined reset. I told you SciDev was better positioned than at any time in recent years, and the Board reaffirmed revenue guidance for FY26 of $120 million to $140 million.

We delivered $85.5 million. I want to begin today by owning that gap, because a great deal has changed in the twelve months since, both in the world around us and in SciDev itself.

Last year I spoke about a volatile environment. It became more so. Conflict in the Middle East disrupted shipping and supply chains and pushed energy prices sharply higher, and activity in the US oilfields our Energy business serves slowed for much of the year. Yet the point I made then still holds: the forces shaping our markets, from tighter water regulation to the need for mines and industry to manage water responsibly, are structural, not cyclical. If anything they have strengthened, with the rapid growth of data centres adding a new source of demand for water solutions.

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SciDev has changed too. We have new leadership, a new auditor, a sharper strategy and a smaller, more focused footprint. The company you own today is not the one I described to you a year ago, and I want to explain why we believe it is a better one.

An honest account of FY26

The reset I described last year was not deep enough. FY26 fell well short of what we told you to expect. Revenue fell 17 per cent, underlying EBITDA fell to $3.6 million, and we revised our guidance more than once. Each revision cost us credibility with you. The share price fell from 36 cents to 14.5 cents over the year, and many of you have carried that loss personally. As your Chair, I take responsibility for that, together with my fellow directors.

Two lessons stand out. In Energy Services, our reliance on a single major contract was one of the risks we watched most closely, but in a market where customers can switch products quickly, that contract fell away faster than we could replace it. The answer is a broader customer base built on differentiated products, which is why CatChek, our field-validated clay control chemistry, now makes up more than half of Energy revenue. And in water, we were too patient with an international expansion that never earned its keep.

What we did about it

Last year I set out the Board's priorities: stronger leadership, capital discipline, investment aligned to proven opportunities, robust risk and safety frameworks, a performance culture focused on execution and cash, and clear management accountability. This year those words had to become actions, and they did. We exited our loss-making operations in the United States and the United Kingdom, took around $4 million out of the annual cost base, and completed a full strategic review that has refocused SciDev on the markets where it has a right to win.

We also renewed our leadership in both of the company's top two roles. In October, Todd Scott became our Chief Financial Officer, and in May he succeeded Seán Halpin as Chief Executive Officer. I want to thank Seán for building the Water Solutions platform that is now the core of this company. Todd has led the reset from the front, and the Board backs him and his team fully.

Most of this was done inside a single half-year. At the half-year we made you three promises: stronger second-half earnings, positive second-half operating cash flow, and no equity raising. We kept all three, and we finished the year with net cash of $6.8 million. I don't present that as a victory. It is a first step, and an important one, because it shows the business responding to the decisions we have made.

Aligned with you

Our pay outcomes reflect the year you experienced. No short-term or long-term incentives were earned by executives for FY26, because the financial gateway was not met. For FY27, the measures that drive executive reward are tied to earnings quality and cash, not simply to revenue.

Your directors and your CEO have also put their own money into this company, as disclosed to the ASX. We are shareholders alongside you, and we feel the past year exactly as you do.

Today's resolutions

You'll be asked today to consider the adoption of the Remuneration Report, the re-election of directors, additional 10 per cent placement capacity, and the other resolutions set out in the Notice of Meeting.

On that last resolution, let me be direct. Last year you did not support it, and we listened. We are seeking this authority to give the Company flexibility to respond to opportunities that may create value for shareholders, as set out in the Notice of Meeting. It is not a signal of a capital raising in prospect. Any use of that capacity would be considered carefully by the Board, and if we ever use it, we will explain why, on what terms, and for what return.

What you can expect from us

The Board has set itself three commitments for FY27.

First, transparency. We will report our progress at every result, the wins and, just as promptly, anything that falls short.

Second, discipline. Every contract we take on must earn its place on margin and convert to cash, not just add revenue, and we will keep our overheads lean.

Third, value. We recognise that rebuilding shareholder value requires more than articulating the potential of our business. It requires consistent delivery, improved earnings quality and stronger cash generation. Our market value today sits close to our net tangible assets, and the only way to close that gap is to execute.

Why I am optimistic

I am optimistic about SciDev, and I want to be careful to say why. It is not because the hard work is done. It is because the foundations are now right: proven technology, long-standing relationships with some of Australia's most demanding mining and infrastructure customers, recurring revenue that grew from 30 to 38 per cent of the group in a single year, and a team that has gone two years without a lost-time injury.

Since our Investor Day in June, the strategy has begun to show up with customers, and Todd will take you through those contracts. Wins are only the start. They create value when they become revenue, earnings and cash, and that is the test we have set ourselves for this year.

So I won't ask you to take our word for it. I'll ask you to judge us on delivery, starting with our half-year result in February.

I want to thank our people for an extraordinarily demanding year, including those affected by the international restructure; my fellow directors for their counsel and challenge; and you, our shareholders, for your patience, your questions and your continued support.

For Further Information

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About SciDev Ltd
SciDev is a leading water treatment technology company providing innovative solutions to the mining, utilities & infrastructure, data centre, and energy industries.