



1 MARCH 2023

Full Year 2022 Results & Outlook

World leaders in water remediation



Disclaimer

Statements contained in this presentation, particularly those regarding possible or assumed future performance, estimated company earnings, potential growth of the company, industry growth or other trend projections are or may be forward looking statements. Such statements relate to future events and expectations and therefore involve unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by these forward looking statements.



Today's topics



2022 in review

- Financials
- Key business and financial impacts
- Legacy issues
- Distribution-led business model
- Projects summary
- Phosflow opportunity
- R&D and manufacturing update

2023 outlook



2022 Full Year Results

- Audited



Key Impacts On Full Year Financials

Project delays continue to impact sales

Gross margin lower on increased freight costs

Expenses associated with ongoing legal matters

Restructuring costs to support growth plans and ensure improved risk management and governance standards



Key financial results	12 months to 31 December 2022	12 months to 31 December 2021
Revenues	\$3.0 million	\$6.3 million
Gross Profit	\$1.4 million	\$3.6 million
Underlying EBIT ¹	(\$9.1 million)	(\$7.9 million)
NPAT ²	(\$11.2 million)	(\$3.9 million)
Net Operating Cash Flow	(\$7.1 million)	(\$6.9 million)

Key balance sheet metrics

Cash at bank	\$14.5 million	\$23.0 million
Receivables	\$0.7 million	\$2.8 million
Inventory	\$2.4 million	\$3.3 million

1. Underlying EBIT (Earnings before interest and tax) is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for the add back of income tax, finance costs and certain non-cash income and expense items that are deemed to not have an ongoing affect to the underlying performance of the business. The Company believes that presenting Underlying EBIT provides a better understanding of its financial performance by facilitating a more representative comparison of financial performance between financial periods.

2. Net Operating Profit/(Loss) after Tax

Key issues impacting business in FY22



Challenges

- Slow sales as global economies recover and turn attention back to addressing environmental issues
 - COVID impacts, China
- Company rebuilding on new distribution model and additional product platforms
- Legacy issues still costing time and money, although reducing

Positives

- Brazil performed strongly with growth trend continuing
- Launch of Phosflow opens new market segments
- Distribution platforms in place
- Key personnel appointments strengthen team
- New segments identified
- Project pipeline continues to build
- Re-listing on ASX



Update on legacy issues



Internal reviews completed and staff training undertaken

New systems and processes implemented to strengthen risk management and governance

Outstanding receivables pursued; KQB receivable secured in full; Xingyun Lake receivable being pursued;

Restructure of China operations, distribution focused sales model

ASX re-listing achieved, September 2022

Continued cooperation with regulators

Legal proceedings against certain individuals to be reviewed after regulatory investigations completed



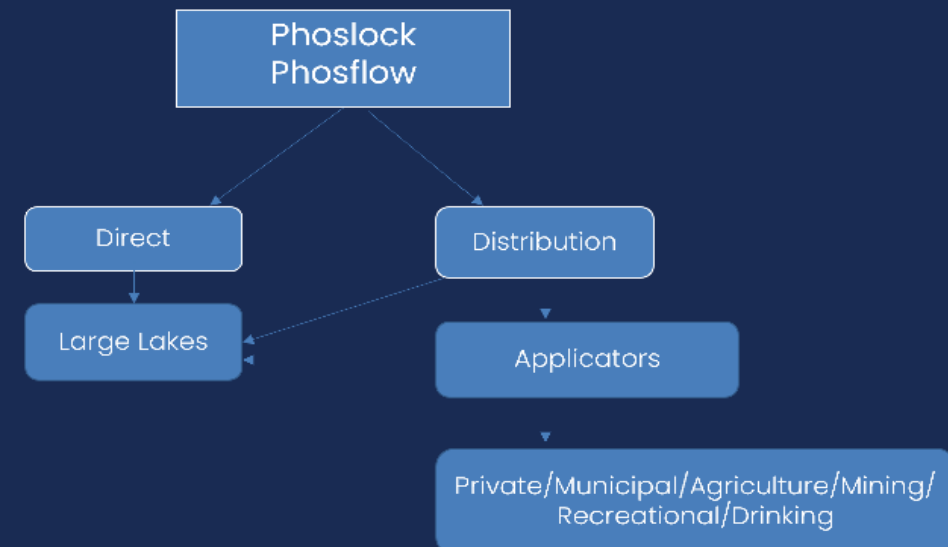
Distribution-led business model

Targeting market segments that generate more accessible, reliable and repeatable business

- Previous focus on large lake projects has proven to be unpredictable, 'lumpy', business which has been disproportionately impacted by funding delays and constraints relating to COVID;
- Securing the rights to Phosflow opens up a large new market segment for PET – flowable remediation and nutrient control projects;
- Larger lake projects will remain a target for PET, but these are likely to continue to be difficult to forecast from a timing perspective

We have transitioned to a 'distribution-led' go-to-market model in all regions, complemented by 'direct' sales to the 'large lakes and waterbodies' segment.

The new distribution network is focused on smaller, but more accessible, reliable and repeatable projects involving nutrient control in smaller drinking water catchments / reservoirs, private waterways, golf courses, recreational water, treatment plants and operations, mining and water reclamation.



Distribution network



PET has appointed distribution partners to lead the in-country, smaller, repeatable applications of both Phosflow and Phoslock.

These distribution partners are already networked in their regions and provide faster access to opportunities relating to drinking catchments/ reservoirs, private waterways, water treatment plants and mining operations requiring wastewater treatment.

This model allows PET's direct sales team to focus on large and more substantial lake projects.





Canada

Significant interest in Phoslock treatments continues, pending resolution of regulatory issues – progress is being made but slow.

USA

Distribution expansion well progressed with orders occurring in back half of 2022

Enhanced commercial structure with additional resources.

Several larger lake projects engaged and being developed – NJ, WS, Florida

Regional & project status

Europe

Kralingse Plas (Rotterdam) monitoring and 2 further smaller applications completed – very positive results

A number of projects being finalised for treatment Spring'23 (UK,NL,FN) with potential to roll out across other lakes in those geographies

Distribution and applicator agreements progressing well

Trials underway across 3 regions to test Phosflow technologies as a media to adsorb nutrients from waste water (utility, dairy, domestic)

China

Business restructured and reset

Overhaul of manufacturing and channel to markets

Multiple distribution partners identified in 5 key regions

3 years Covid-19 control ended in later part of 2022; Economy is expected to ramp up which has a strong link with our business

South America

Consistent business in Brazil, with multiple ongoing projects and new opportunities

Opportunities being developed in other South American countries, particularly Uruguay and Ecuador (Shrimp farming)

Australia & NZ

Completed works in Western Australia and Queensland

City of Auckland application completed in October 2022, outstanding results

Potential projects developing in both countries, with NZ distributor, sales agent, applicators and marketing support in place

New web page for Open Projects across the globe



To provide stakeholders a greater transparency and better insight into PET's pre-contracted and in-progress projects a new web page was developed:

- The Open Projects are displayed using an interactive map interface
- A clear and simple way of presenting the projects with the idea to provide an insight into the work PET has underway or is currently targeting globally
- Regular updates on each project's progress and information on type, size, technology and first engagement is available





A “total water solutions” provider

Phosflow™

A solution to help reduce the amount of nutrients before entering waterbodies and waterways.

It can be used across a number of both diffuse and point sources, such as:

Agricultural
Run-off



Waterway
Restoration

Livestock
Run-off



Aquaculture

Stormwater
Management



Wastewater
Treatment



- Significant potential as another measure in global water remediation, particularly flowing water applications
- Allows for restoration within new sectors previously not engaged
- Potential to be re-generated and the phosphorus recycled to be used as a slow release fertiliser



Phosflow opportunity

Europe

- Waste water from domestic and commercial developments, and municipal treatment plants
- Waste water from agricultural activities such as dairy multiple smaller water applications – farms
- Recreational water bodies, swimming pond applications (reducing chemicals and energy used)
- Landfill leaching

USA

- Similar to the EU for wastewater, stormwater and agricultural runoff
- Larger lake watersheds and in flows
- External loading for phosphorus into surface waters where source point pollution is identifiable and can be accessed

ANZ

- Mining
- Municipal waterways and inflows
- Land fill leaching
- Fish farming



First sales achieved in FY22 and opportunities pursued in multiple sectors and geographies – completes Phosphorus capturing cycle

Manufacturing and supply



- **China factory**
Wastewater treatment plant upgraded to facilitate an increase in annual production capacity to 6,000 tonnes (spent \$360K to date , expected \$640K in total)
- **Xingyun Lake Project**
Stock (1,088.75T) returned
- **Casper, Wyoming**
Site identified for the potential development of a second production plant and initial design work undertaken.
- Discussions underway between Wyoming Business Council and State government for support packages
- The project has been paused pending development of an acceptable business case based on increased volume demand and sales
- A sales and operations process has been implemented to improve demand forecasting and supply chain efficiencies



Changxing factory, China



R&D and new product update



- Investigation of nitrogen pollution removal via collaborations with US based Water Warriors and the US EPA, and a PhD Project with Monash University (commencing 1H FY23)
- Assessing the potential to optimise Phoslock treatment via flocculant combinations and other application methods
- ZEEP project discontinued after performance assessment not meeting requirements
- Trials underway across 3 regions to test technologies as a media to adsorb nutrients from waste water (utility, dairy, domestic)

Phosflow™

- Major focus on commercialisation of Phosflow in all regions
- Laboratory validation and field trials for new segments are ongoing, including subsequent use as slow release soil amendment material
- Commercial sales commenced in both the US and ANZ



Outlook

FY 23 expectations

- Another challenging year as we rebuild sales pipeline and continue execution of growth and diversification strategy
- Positive sales growth expected ,with EU and USA as major drivers
- Some legacy issue costs to continue
- Loss and continued cash burn for FY23 which may potentially continue into FY24

Key focus areas

- Commercial enhancement and execution of strategy
- Conversion of projects into sales
- Engaged Corp Advisor to look at options to realise shareholder value
- Canada regulatory work
- R&D – development in identified areas
- Secure manufacturing and supply chain efficiencies
- Litigation and legacy issues managed and, where possible, concluded

Confidence basis

- Large and growing market opportunity
- Large pipeline of opportunities
- Distribution strategy working
- Successful recent applications with positive customer feedback
- The Company has cash reserves of \$14.5m as at 31 Dec 22.





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