

Trading Update

Forecast record quarterly revenue of \$4.3m in 4Q19, up 23% on 3Q19, and up 115% on 4Q18
Forecast cash operating profit of approximately \$400k in 4Q19

Hydrix Limited (ASX: HYD) (**‘Hydrix’** or **‘the Company’**) is pleased to provide the following trading update for the fourth quarter and year ended 30 June 2019*.

The Company expects to deliver:

- Maiden cash operating profit of around \$0.4 million for the fourth quarter of FY19;
- Record quarterly revenue of approximately \$4.3 million for the final quarter of FY19, up 23% on the previous quarter and up 115% on the same quarter of FY18; and
- Revenue of approximately \$13.25 million for the full year, having reported five consecutive quarters of strong revenue growth.

In addition, Hydrix expects to exceed all of its previously stated 2H19 milestones, including:

Milestone	Outcome
Minimum 15% revenue growth compared to 1H19	✔ Exceeded – 2H19 achieved 35% growth on 1H19
Solidify global leadership position engineering cardiac assistance control devices	✔ Exceeded – Four development projects secured, and multiple other opportunities under development
Secure three significant and high-dollar value projects	✔ Exceeded – Commenced initial stages of four major projects
Targeting break-even in 4Q19	✔ Exceeded – Forecast around \$0.4 million cash operating profit to be achieved over 4Q19
Identify our next acquisition or equity investment opportunity	✔ Exceeded – Multiple opportunities under current analysis

* All figures in this announcement are preliminary and unaudited.

Hydrix’s Chief Executive Officer, Peter Lewis, said: *“I am delighted with the growth in revenue and the ongoing improvement in the business operations over the past year that has resulted in the forecast operating cash profit during the fourth quarter. Importantly, we expect to exceed all of our second half milestones, which provide solid momentum leading into FY20”.*

“The Company has now reported five consecutive quarters of quarterly revenue growth, which is testament to the strength of our business. The capability and quality of our engineering team combined with our structured approach to commercialising new technologies underpin these results”, Mr Lewis said.

Mr Lewis also said that, *“Our Buy, Build, Invest Strategy is progressing and we are currently analysing a number of global opportunities across our Medtech and Critical Systems markets.”*

Hydrix’s Appendix 4C and Year End Update will be released to the market in July 2019.

-ENDS

For more information, contact info@hydrix.com

About Hydrix Limited

Hydrix (ASX: HYD) is a product design and engineering company, specializing in complex, regulated and safety-critical projects. We partner with clients to help design, develop and commercialize transformative technologies in MedTech, consumer and industrial products and safety critical applications.