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ASX Announcement

28 August 2026

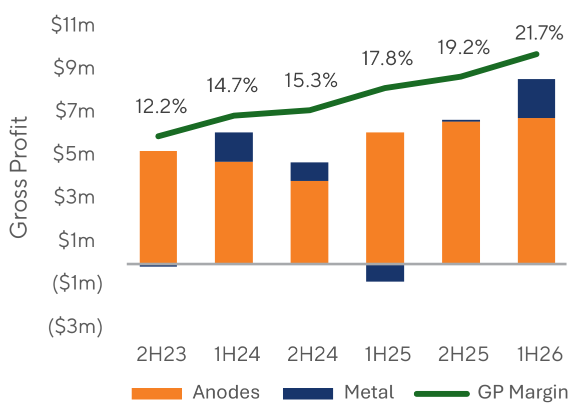
Magontec delivers Half Year 2026 Gross Profit of $8.5m, up 63% on the prior year

Magontec Limited (ASX: MGL, 'Magontec,' 'the Group'), a global manufacturer of specialist magnesium products and electronic anodes, today announced financial results for the half year ended 30 June 2026.

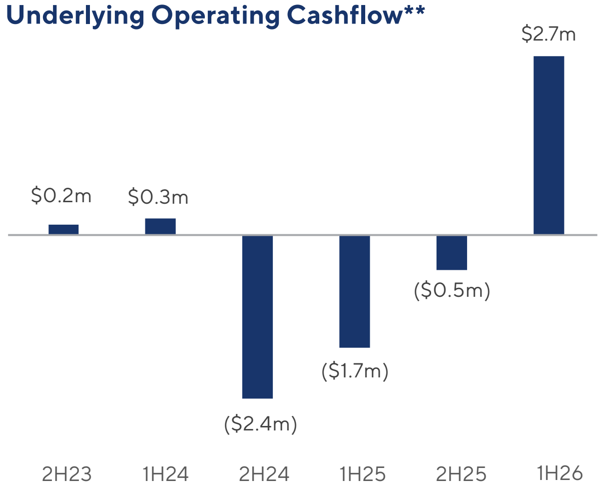
Highlights

- 1H26 Gross Profit of $8.5m, up 63% on the prior corresponding period
- 1H26 Reported Net Profit After Tax of $1.1 million
- 1H26 Underlying Operating Cashflow** was $2.7 million
- Net debt of $0.8m (borrowings less cash) and net debt to net debt + equity ratio of 1.8% as of 30 June 2026
- Net Assets of $45.2 million as of 30 June 2026

Gross Profit by Segment and GP margin



Underlying Operating Cashflow**



** Underlying Operating Cashflow = Operating Cashflow excluding working capital movements, interest and tax paid

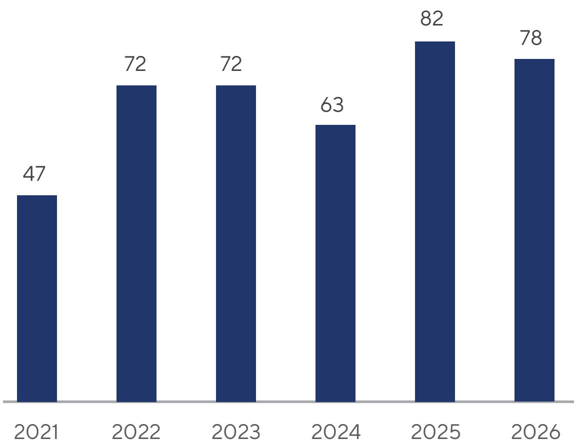
Key Financial Highlights

'$000 unless specified

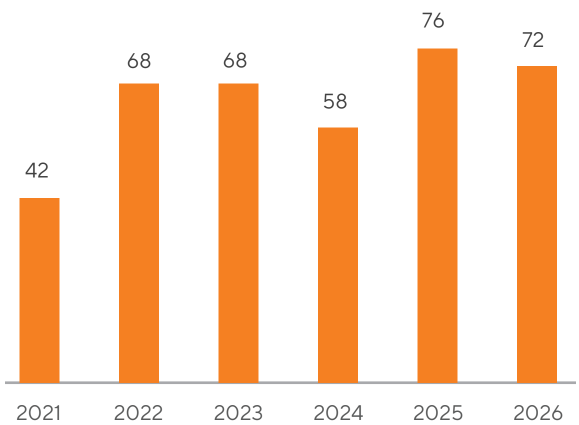
	As at 30 Jun 2026	As at 31 Dec 2025
Net assets and balance sheet		
Net Assets per share (cents)	78	82
Net Debt / (Net Cash)	831	1,049
Net debt to net debt + equity (%)	1.8%	2.2%
	6 months to 30 Jun 2026	6 months to 30 Jun 2025
Earnings		
Anodes Segment Gross Profit	6,748	6,065
Metals Segment Gross Profit	1,790	(815)
Gross Profit	**8,538**	**5,250**
Gross Profit Margin (%)	*21.7%*	*17.8%*
Reported EBITDA	**3,198**	**(3,108)**
Underlying NPAT*	196	(2,250)

* NPAT is defined as Reported Net Profit After Tax Excluding unrealised FX gains and losses

Net assets per share



Net tangible assets** per share



** Net tangible assets = Net assets less intangible assets and right of use lease assets per AASB 16 Leases

Reconciliation of Significant Items in Earnings

'$000 unless specified

	6 months to 30 Jun 2026	6 months to 30 Jun 2025
Reported Net Profit After Tax	**1,104**	**(3,958)**
Add back tax expense	645	(418)
Add back transfer pricing provision	298	–
Reported Net Profit Before Tax	**2,047**	**(4,376)**
Significant items		
Add/(less) back unrealised FX losses/(gains)	(908)	1,708
Add back LTI expense	203	240
Add back PRC Closure Costs, associated depreciation and earnings	–	167
Add back Strategic Review Costs	441	159
Net Profit Before Tax excluding Significant Items	**1,783**	**(2,102)**

Note: Significant items assumed not tax deductible above

Executive Chairman Commentary

Executive Chairman Nicholas Andrews said "The 6 months ended 30 June 2026 saw a strong recovery across Magontec's major business activities compared with the prior corresponding period (PCP). The Group's market leading electronic anodes product (ICAS) was a key driver of higher profitability and positive cash flow. The release of Magontec's new ICAS series and the resumption of growth in the hydronic Heat Pump sector in Europe saw ICAS earnings rise sharply. In the Metals business rising Special Metals volumes, higher primary Mg alloy trading activity and higher recycling volumes all contributed to a much-improved performance.

"The Group continues to benefit from a very strong balance sheet with net debt to net debt + equity at just 1.8% as at 30 June 2026. Net assets per share currently stand at 78 cents per share, slightly lower than the PCP due to a change in issued capital.

"The outlook for the second half of 2026 is expected to show a similar trajectory. The underlying economics for the key Mg alloy die casting and hot water appliance industries both indicate a recovery from lower levels of demand in the prior period. Mg alloy imports to Europe from China have grown steadily over the last 12 months, albeit below the higher numbers of 3 years ago. Similarly in the hot water appliance industry, inventory reduction that lowered volumes for ICAS and Mg Anodes volumes through 2024 and 2025 is now reversing. At the same time overall demand for low energy consumption hydronic Heat Pumps appliances is rising again, in part a reflection of the climate and geopolitical challenges for European consumers."

ENDS

Nicholas Andrews, Executive Chairman of Magontec Limited has authorised the release of this document to the market on 28 August 2026. To view the 2026 Magontec Limited Half Year Report and for more information on Magontec Limited please visit our website at www.magontec.com

APPENDIX – FINANCIAL SUMMARY DATA

Income Statement Overview

'$000 unless specified

	6 months to 30 Jun 2026	6 months to 30 Jun 2025
Revenue	**39,309**	**29,470**
Cost of Sales	(30,771)	(24,220)
Gross Profit	**8,538**	**5,250**
Gross Profit margin (%)	*21.7%*	*17.8%*
Other income	206	375
FX	917	(1,675)
Other operating expenses	(6,463)	(7,058)
EBITDA	**3,198**	**(3,108)**
Depreciation and amortisation	(937)	(1,088)
EBIT	**2,261**	**(4,196)**
Interest	(214)	(180)
Tax	(943)	418
Reported Net Profit After Tax	**1,104**	**(3,958)**
Add back unrealised FX losses	(908)	1,708
NPAT excluding unrealised FX	**196**	**(2,250)**

* In 1H26, other operating expenses included the add back of $0.7m of D&A contained in Cost of Sales (1H25: $0.7m)

Magontec Limited Market Information

ASX Code: MGL	Total	Per Share
Ordinary shares on issue 30 June 2026	57,934,806	
Book value of net assets – 30 June 2026	**$45.2 million**	**78.0c per share**
Market capitalisation[1]	**$11.0 million**	**19.0c per share**

1 Based on closing share price of 19 cents as at 24 August 2026

APPENDIX – FINANCIAL SUMMARY SEGMENT DATA

1H26 Segment P&L by Region

'$000 unless specified

	1H26 EUR	1H26 PRC	1H26 HO	1H26 Total
Gross Profit	**7,790**	**748**	**–**	**8,538**
Other Income	106	83	17	206
Impairment	–	–	–	–
Operating expense	(4,374)	(1,040)	(1,703)	(7,117)
FX	429	33	455	917
Add back D&A in Cost of Sales	392	262	–	654
EBITDA	**4,343**	**86**	**(1,231)**	**3,198**
Depreciation and amortisation	(617)	(277)	(43)	(937)
EBIT	**3,726**	**(191)**	**(1,274)**	**2,261**
Interest	(205)	–	(9)	(214)
Tax	(991)	48	–	(943)
Net Profit After Tax	**2,530**	**(143)**	**(1,283)**	**1,104**

1H25 Segment P&L by Region

'$000 unless specified

	1H25 EUR	1H25 PRC	1H25 HO	1H25 Total
Gross Profit	**4,468**	**782**	**–**	**5,250**
Other Income	90	260	25	375
Impairment	14	–	–	14
Operating expense	(5,152)	(1,325)	(1,336)	(7,813)
FX	(1,921)	207	39	(1,675)
Add back D&A in Cost of Sales	501	240	–	741
EBITDA	**(2,000)**	**164**	**(1,272)**	**(3,108)**
Depreciation and amortisation	(789)	(256)	(43)	(1,088)
EBIT	**(2,789)**	**(92)**	**(1,315)**	**(4,196)**
Interest	(167)	–	(13)	(180)
Tax	296	122	–	418
Net Profit After Tax	**(2,660)**	**30**	**(1,328)**	**(3,958)**