ASX Announcement – 27th November 2026

TRADING UPDATE

Highlights

- Q2 performance improved on Q1, though not sufficiently to offset the first-quarter shortfall.
- 1H FY27 revenue expected to be between $19.0 million to $20.0 million, following a soft start to the year.
- Materially stronger 2H FY27 expected (in-line with 2H FY26), with forward orders already tracking ahead of expectations.
- New hard chrome replacement coating brought to market ahead of the planned 3Q FY27 launch, with first commercial sale now delivered.
- Steady progress on strategy strengthened the core business by reducing customer concentration risk, streamlining the production network and adding capacity closer to customers.
- Cash of $4.8 million at 31 October 2026, up from $2.9 million at 30 June 2026.

Laserbond Limited (ASX: LBL) ("Laserbond" or the "Company"), a specialist advanced surface engineering company, provides an update on trading for the half year ending 31 December 2026 (1H FY27). As advised at the Annual General Meeting, first-quarter activity was softer than anticipated, and the Company advised an improvement in the second quarter to recover the shortfall. Q2 activity has since returned to normal levels, though not enough to fully offset the first-quarter shortfall. The Company expects 1H FY27 revenue and earnings to be below the prior corresponding period, with material improvement in the second half (2H FY27), supported by recovering orders, new OEM customers and the commercialisation of its new hard chrome replacement coating.

Chief Executive Officer, Rob Freeman, said, "As we noted previously, the year started softly, and we have not made up the ground lost in July and August as quickly as we had expected. We see the first-half shortfall as temporary rather than structural, with orders continue to strengthen during the second quarter and expected to flow through in the second half. The actions we are taking, including streamlining our production network to grow capacity closer to our customers, are part of a deliberate strategy to strengthen the core of the business now, scale proven solutions into new markets and geographies over the medium term, and position Laserbond as a globally relevant technology and solutions leader over the longer term. We are confident this process will deliver a much stronger second half and a better business well beyond it."

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1H FY27 trading

While sales orders have improved since the first quarter, trading in both the Products and Services businesses has remained softer than anticipated at the Company's Annual General Meeting in October 2026, and Laserbond expects 1H FY27 revenue of between $19.0 million and $20.0 million.

In Products, a major OEM customer has continued to draw down inventory it built up in 2025 in anticipation of tungsten carbide shortages and price increases. Customers' orders have remained below historical levels and irregular from month to month, although they have settled and lifted in recent weeks.

Services has faced a similar slowdown across mining and related sectors, particularly among East Coast customers, as sustained high diesel prices have led miners to defer scheduled services and reduce maintenance spend.

Gateway, the Perth-based business in which Laserbond holds a 40% interest, has continued to perform strongly, and Laserbond's share of its earnings will partly offset the softer performance in Products and Services.

Outlook for 2H FY27

Several drivers already under way underpin the Company's expectation of a materially stronger second half in line with the 2H of FY26. Orders from customers continue to recover, with mining activity on the East Coast picking up, and Laserbond expects further laser cell orders.

Development of the new hard chrome replacement coating, which brings the cost of laser cladding close to that of hard chrome plating, is running ahead of schedule. Laserbond has produced its first commercial product using the new process and is pursuing revenue in this adjacent market ahead of the formal launch in the third quarter of FY27. The Company estimates that hard chrome replacement work could increase its addressable market by 10 to 12 times.

The new Yatala facility in Queensland remains on track to begin production in the fourth quarter of FY27, doubling capacity, with efficiency and network utilisation benefits expected from FY28.

Broadening the customer base

Dependence on two major OEM customers has been the biggest source of volatility in Laserbond's results in recent years. Broadening our OEM relationships is a key part of the Company's strategy, and Laserbond has already reduced this concentration considerably in FY27. It now has four OEM customers following the addition of Komatsu and Metal7 and expects to bring on a fifth OEM partner in the third quarter of FY27.

Komatsu's first laser cladding cell, delivered on time and on budget, is now in operation, and Laserbond expects to sign further licensing contracts during FY27, both in Australia and internationally. The collaboration agreement with Metal7 gives the Company a faster path into markets including the Americas, Europe, the Middle East, North Africa and India, and Laserbond expects Metal7 to become a major OEM customer within

one to two years. Other than Komatsu, the Company expects most revenue from its new OEM relationships to flow from FY28 onwards.

Approved for release by the Board of Laserbond Limited.

FOR FURTHER INFORMATION

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ABOUT LASERBOND

Laserbond is a specialist surface engineering company that was founded in 1992. The Company focuses on the development and application of materials, technologies and methodologies to increase operating performance and wear life of capital-intensive machinery components.

Within these industries, the wear of components can have a profound effect on the productivity and total cost of ownership of their capital equipment. As almost all components fail at the surface, due to material removal through abrasion, erosion, corrosion, cavitation, heat and impact, and any combinations of these wear mechanisms, tailored surface metallurgy will extend its life and enhance its performance.