Annual Report 2026

LASERBOND
ENGINEERED RESILIENCE

ENGINEERED RESILIENCE.
RELENTLESS INNOVATION THROUGH FEARLESS TEAMWORK.

Annual Report 2026

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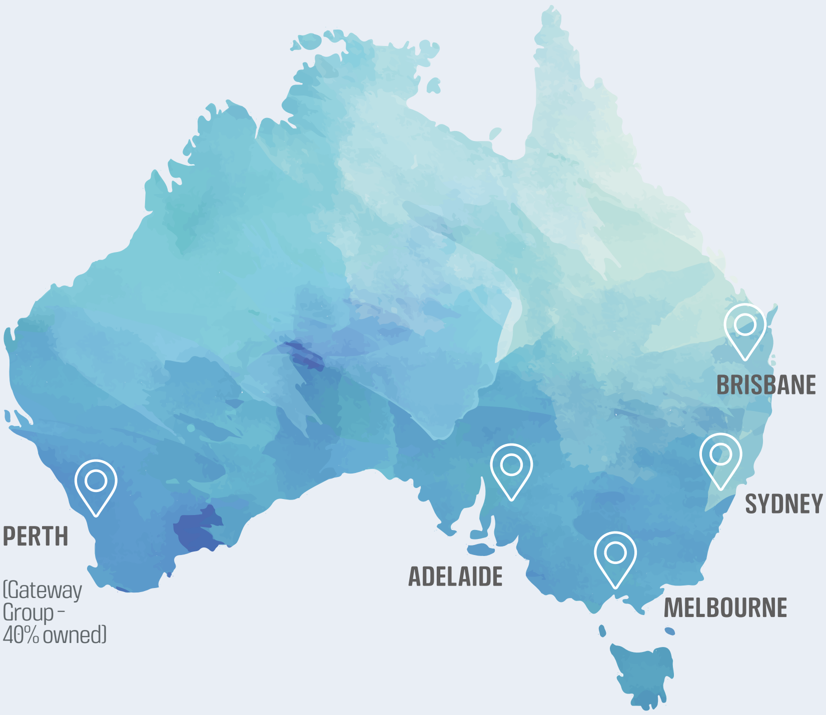
Snapshot

A market-leading specialist in surface engineering, developing and applying advanced technologies to extend the operating life of capital-intensive equipment across heavy industry.

By reducing wear, downtime, and replacement cycles, Laserbond's solutions improve productivity, lower total cost of ownership, and contribute to more sustainable industrial operations through reduced material waste and energy use.



INNOVATION SETS US APART

Proprietary Technologies

A consistent long-term investment in the development of new technologies to address market gaps and anticipate market demand has resulted in a significant and sustained competitive advantage.

Market Leader in Surface Engineering

As proprietary technologies are developed in conjunction with customers and tertiary research institutions, they are further adapted for a wider market and commercialised.

Industry Reputation

A widespread reputation for innovation and excellence based on our willingness and ability to develop solutions to difficult customer issues. We are also the industry partner of choice for several tertiary and research institutions.

Performance

ANNUAL FINANCIAL PERFORMANCE

$48.17m
REVENUE | 10.80% GROWTH ON PCP

$10.36m
EBITDA | 15.10% GROWTH ON PCP

$4.91m
NPAT | 27.67% GROWTH ON PCP

4.17cps
EPS | 27.15% INCREASE ON PCP

FINANCIAL POSITION

13.05%
ROCE FOR FY26

11.02%
ROE FOR FY26

$3.27m
CASH FLOWS FROM OPS
36.11% DECLINE ON PCP

$16.85m
WORKING CAPITAL
11.59% INCREASE

Chair's Message

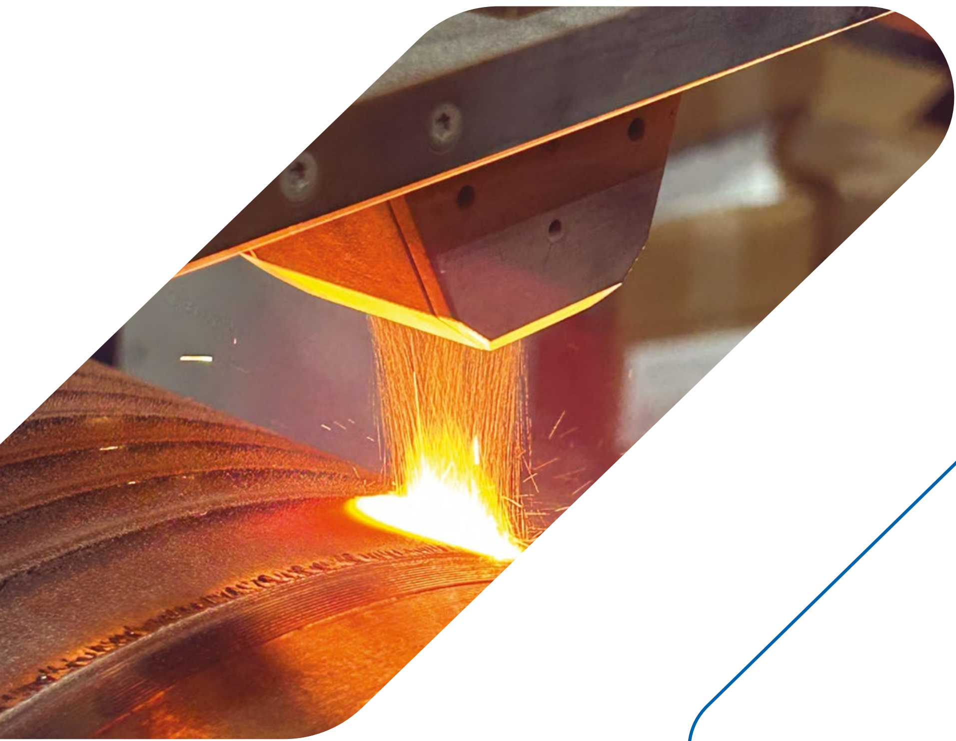
Dear Shareholder,

On behalf of the Board, I am pleased to present Laserbond's Annual Report for the financial year ended 30 June 2026.

FY26 was a year of solid progress for Laserbond, achieved against a backdrop of ongoing global uncertainty. Elevated and volatile tungsten prices, continued softness in the coal mining sector, and a challenging geopolitical environment, including the conflict in Iran and shifting US tariff settings, all tested the Company's resilience during the year. Against this backdrop, our diversified operations, strong customer relationships and disciplined execution allowed the business to continue building on the momentum established over the prior 18 months.

A significant milestone for the year was the appointment of Chief Executive Officer Rob Freeman 12 months ago. On behalf of the Board, I want to acknowledge Rob's drive, discipline and clear strategic direction. Under his leadership, the Company has continued to strengthen its operational foundations while sharpening its focus on the markets and geographies in which it intends to compete, a discipline the Board considers essential to delivering sustainable shareholder value over the years ahead.

"The Board remains firmly committed to Laserbond's long-term growth strategy and has taken particular confidence this year, from the underlying strength of the Company's technology and intellectual property position."



We believe this position, built over many years through internal capability rather than acquired or outsourced technology, represents one of Laserbond's strongest sources of shareholder value, and continues to receive support from the Board in the form of ongoing investment.

The Board has also overseen the introduction of a refreshed brand identity during the year. From a governance perspective, we were particularly pleased that this was approached not simply as a cosmetic exercise, but as an opportunity to engage staff across the organisation in shaping a shared purpose and set of values, an approach the Board believes will support stronger engagement and retention over time.

Safety remains a fundamental priority, and the Board was pleased to see continued evolution in the Company's approach to safety and quality during the year. We receive regular reporting on safety performance and remain focused on ensuring the Company's culture continues to mature in this area as operations expand.

Dividend

After another solid year, the Board has resolved to pay a fully franked final dividend of 0.8 cents per share, bringing the full year's dividend to 1.6 cents per share. With forecasted continued growth, the Board expects to be able to continue to pay dividends into the future. As the Board resolution regarding dividends was made after 30 June 2026, the dividend will be paid from retained earnings.

Dividend Reinvestment Plan

Laserbond Limited had a Dividend Reinvestment Plan (DRP) in operation during the period. Under the DRP, shareholders may elect to have dividends on some or all their ordinary shares automatically reinvested in additional Laserbond shares. Full details of the operation of the DRP are contained in the Terms and Conditions available on the Laserbond website: www.laserbond.com.au. The Board has resolved to offer the DRP for the FY26 final dividend.

LOOKING AHEAD

We remain confident in Laserbond's long-term strategic direction, which is focused on strengthening the core of the business in the near term, scaling proven solutions across new markets and geographies over the medium term, and ultimately positioning Laserbond as a globally relevant technology and solutions leader over the longer term. The Board views this as a measured and disciplined pathway to growth, appropriately balanced against the realities of the current operating environment, and one that positions the Company to create long-term value for shareholders.

We continue to closely monitor the external factors affecting the Company's markets, including tungsten pricing and availability, global trade policy, and conditions across the sectors in which Laserbond operates.

"We are confident in management's ability to navigate these challenges, supported by the Company's diversified customer base, disciplined cost management, and ongoing investment in innovation."

The Board will also continue to assess the Company's capital allocation priorities carefully, ensuring a disciplined balance between investment in future growth and delivering appropriate returns to shareholders.

On behalf of the Board, I would like to thank our shareholders for their continued support and confidence in Laserbond. I would also like to thank my fellow Directors for their contribution and counsel throughout the year, and Rob and the broader Laserbond team for their commitment and hard work in delivering another year of progress for the Company. I look forward to updating shareholders further as Laserbond continues to execute on its strategy in FY27 and beyond.

Yours sincerely

PHILIP SURIANO
Chairman

CEO's Review of Operations

Dear Shareholder,

I am pleased to present my first full-year address to shareholders as CEO of Laserbond, following my appointment in September 2025.

REVENUE

↑10.80%

YEAR ON YEAR TO $48.17 MILLION

Financial and Operational Performance

The Company delivered revenue of $48.17 million for FY26, an increase of 10.8% on the prior year ($43.5 million), with second-half revenue of $25.17 million representing continued momentum built through FY25 and into the first half of FY26.

Gross profit increased to $24.6 million, from $22.8 million in the prior year, with gross margin of 51.0% modestly lower than the prior year's 52.4%, due to the impact of sustained high tungsten price levels during the year. Net profit before tax increased 30.0% to $6.5 million ($5.0 million pcp), while net profit after tax increased 27.67% to $4.9 million ($3.8 million pcp). These results demonstrate a resilient performance in a more difficult operating environment than anticipated at the time of the 1H FY26 results, with continued tungsten price volatility, a slower-than-expected recovery in coal mining, and the broader impact of the conflict in Iran all weighing on the second half. The Company's diversified operations and disciplined execution ensured the business continued to perform well across a challenging landscape.

Services delivered a further increase in revenue for the year, supported by a diverse customer base spanning a broad range of sectors. While the coal mining industry did not recover to the extent expected, this was offset by continued demand for Laserbond's premium product offering and ongoing business development into new markets, particularly in the development of alternate coating solutions to reduce reliance on tungsten carbide.

Products delivered strong growth from global original equipment manufacturer (OEM) partners during the year, particularly in the first half. Sales into the United States were strong for much of the year, however, one major US customer deliberately reduced inventory levels in the second half in response to elevated tungsten prices, which softened order volumes over that period, notwithstanding some recent easing in tungsten pricing. Changes to US tariff settings also made trading conditions in that market more difficult during the year, though this environment strengthens the case for Laserbond's long-term ambitions around a more direct US presence.

Encouragingly, research and development (R&D) continues to progress promising lower-cost alternatives to tungsten carbide, including the X-Clad coating platform, which, while not yet generating material revenue, is now progressing through customer testing.

Technology achieved a significant milestone during the year with the completion, on time and on budget, of the modular laser cell for Komatsu, Laserbond's global licensing partner in the earthmoving and mining equipment sector.

This achievement further validates the commercial credibility of Laserbond's proprietary technology with a blue-chip global customer, and the Company continues to progress further licensing opportunities in other parts of the world.

Gateway, Laserbond's 40%-owned associate, also performed strongly during the year, with continued diversification into laser cladding and other services further strengthening its position.

Strategy and competitive position

FY26 was a year in which Laserbond continued to build the foundations for long-term growth. The Company has become more disciplined in its approach to the markets and geographies in which it chooses to operate, ensuring resources are directed where Laserbond can compete most effectively.

Key achievements during the year included a significant investment in legacy laser cell infrastructure, the introduction of a digitised preventative maintenance system to improve productivity and reduce unplanned downtime, and a thorough end-to-end review of processes and people development, designed to drive capability and efficiency across the business. Progress also continued on Laserbond's new Queensland facility, which remains on track to transition from the current site in the third quarter of FY27.

Laserbond's competitive position is underpinned by four capabilities that are difficult for competitors to replicate. First, its research and development, including powder formulations and laser systems, is developed entirely in-house, with no reliance on outsourced intellectual property. Second, its materials and process methodologies have taken years to develop and refine. Third, its integrated platform, spanning Services, Products and Technology Licensing, provides multiple pathways to generate value from its innovation. Fourth, the Komatsu licensing agreement, valued at $2.4 million, provides independent validation of this technology from a blue-chip global customer, giving the Company confidence in pursuing further licensing opportunities.

The Company also introduced a refreshed brand during the year, positioning Laserbond as a modern, technology-driven business. The new purpose and values underpinning this rebrand were generated with input from staff across the organisation, and I have been pleased with the positive feedback received on the new look and feel to date.

Our team

None of the progress made in FY26 would have been possible without the dedication of everyone across Laserbond. I have been genuinely impressed by the capability, resilience and commitment shown by our people throughout the year, particularly in navigating a more difficult operating environment than anticipated in the second half. The Company's evolving safety and quality culture, with a greater focus on identifying hazards and root causes, has led to meaningful improvements in both safety outcomes and quality performance during the year, a reflection of the mindset and professionalism our people bring to their work every day. I would like to thank every member of the Laserbond team for their contribution to what has been another year of progress for the Company.

OUTLOOK

Looking ahead to FY27, Laserbond is well positioned to continue building on the foundations established over the past year. The Company expects continued progress in developing tungsten carbide alternatives, with further validation of the X-Clad platform and other R&D initiatives expected as customer trials advance. Technology is expected to benefit from further licensing opportunities as Laserbond's laser cell network expands globally, while the completion of the new Queensland facility is expected to support improved efficiency into FY28. The Company remains mindful of ongoing volatility in tungsten pricing, evolving US tariff settings, and the pace of recovery across key mining sectors, and will continue to manage these factors with the same discipline shown throughout FY26.

"With a clearer strategic focus, a strengthening competitive position, and continued investment in innovation, Laserbond is well placed to pursue sustainable, long-term growth."

I would like to thank the Board for its support and guidance throughout my first year in this role and thank shareholders for their continued confidence in Laserbond.

Yours sincerely

ROB FREEMAN
Chief Executive Officer

Strategic Update

STRATEGY UPDATE

Laserbond's purpose is centred on engineered resilience: helping industrial businesses get more value, performance and life out of their critical equipment through world-class surface wear solutions and specialised endurance coatings.

Building on this, the Company's ambition is to become:

The globally trusted brand of choice in this field, recognised as a technology-driven industry leader for its innovation, reliability, sustainability and the outcomes it delivers for customers.

PRIORITIES TO DRIVE GROWTH

Laserbond has identified three priorities central to its long-term strategy:

01

Advancing premium performance coatings based on advantaged materials, including tungsten alternatives.

02

Delivering cost competitive replacements across a broader range of applications for hard chrome.

03

Establishing a global original equipment manufacturing (OEM) offering of turnkey, comprehensively supported 'smart' laser cells.

What sets us apart

Laserbond's position is supported by its ability to do more of the value chain itself: it designs and builds its own laser cladding systems, manufactures its own coatings and products, and provides the ongoing service and support customers need. This is backed by local service capability across Australia, alongside manufacturing that is scaled to serve global markets. Continued investment in research and development helps Laserbond bring new solutions to market ahead of competitors.

Focus areas

Key areas of focus include growing the market for its hard chrome replacement technology through innovation and faster commercialisation, prioritising research into new coatings, processes and automation, and expanding into new sectors including mining, power generation, oil and gas, and defence, where the Company's technology can displace older, less efficient alternatives. This growth is supported by a business model designed to scale efficiently, with a continued focus on cost discipline.

THE OUTCOME

This strategy is expected to result in a modern, digitally enabled organisation with a strong global reputation, supported by long-term competitive advantages and healthy margins. Growth is expected across all three of Laserbond's revenue-generating divisions – Services, Products and Technology – with an expanding global network of laser cladding systems helping to grow licensing revenue over time.

ROADMAP

Laserbond's strategy is being delivered in three phases:

LONGER TERM:

Global leadership

Positioning Laserbond as a globally relevant technology and solutions leader.

MEDIUM TERM:

Scale what works

Leading cost-competitive positioning and replicating proven solutions across geographies, markets, customers, sites and channels.

NEAR TERM:

Strengthen the core

Solidifying the fundamentals of the business, improving the competitiveness of its products, aligning its sales approach to strategy, and focussing on R&D speed to build options for future growth.

Operating and Financial Review

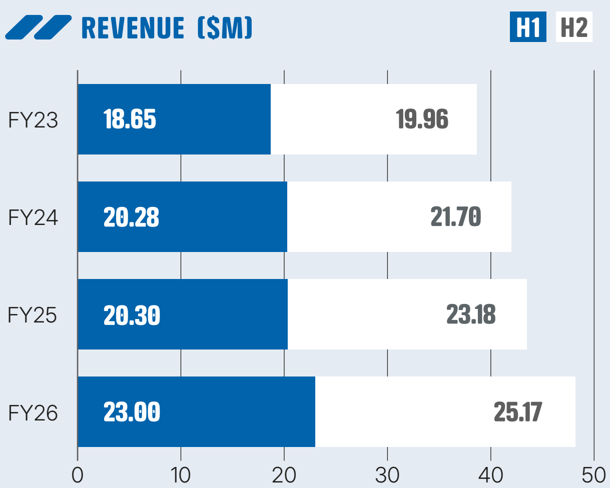
GROUP FINANCIAL PERFORMANCE

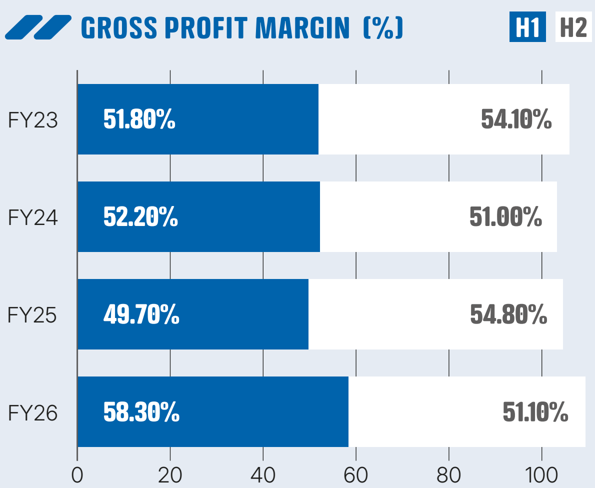
FY26 marked a further step forward in Laserbond's financial performance, building on the strategic investments made over the prior two years. Growth in Products and continued margin strength in Services were complemented by a significant milestone in the Technology division, with the completion of the modular laser cell for Komatsu further confirming the commercial potential of the Company's proprietary technology. Continued discipline in cost management and proactive management of tungsten carbide supply constraints also supported performance across the year, with the Company generating growth in both revenue and profitability despite a more challenging operating environment in the second half.

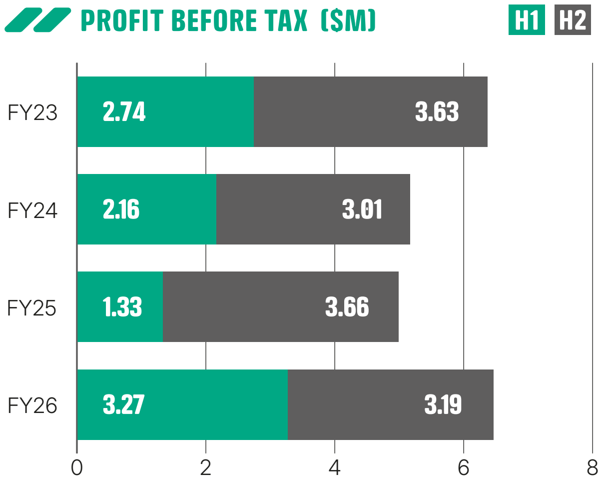
Operational Success

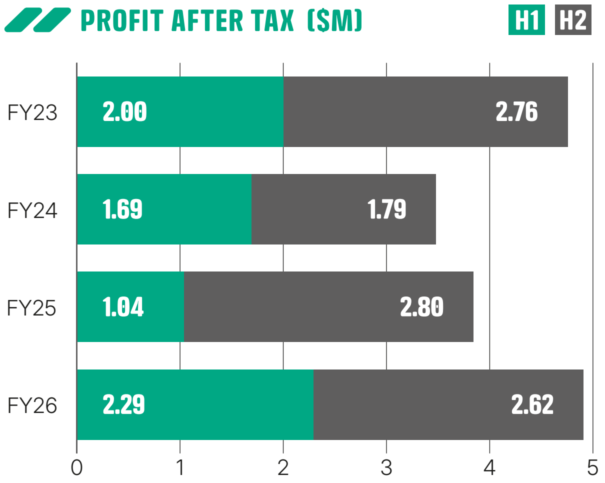
- On-time, on-budget completion of the modular laser cell for Komatsu following site acceptance in July 2026
- Continued strong growth in Gateway's laser cladding revenue
- Introduction of a digitised preventative maintenance system, improving productivity and reducing unplanned downtime across facilities
- Completion of a significant investment program across legacy laser cladding cells
- Development of a new recycling process through magnetic separation, materially improving powder yield in the laser cladding process

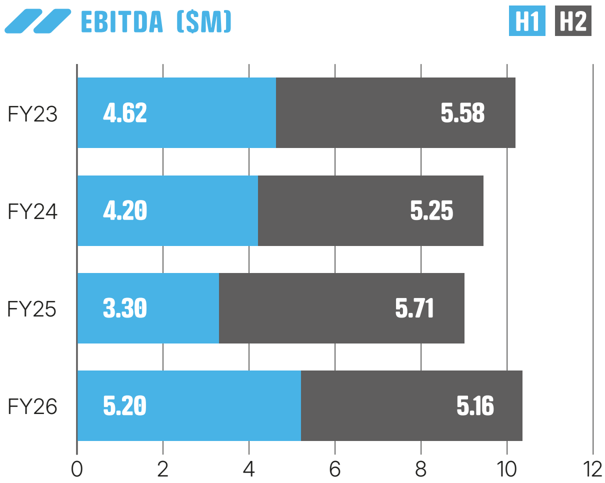
FY26 RESULTS	2026	% CHANGE	2025
Revenue from continuing operations	$48.17m	Up 10.80% from	$43.50m
EBITDA	$10.36m	Up 15.10% from	$9.00m
EBIT	$7.20m	Up 24.10% from	$5.80m
Net profit before tax	$6.46m	Up 29.20% from	$5.00m
Net profit after tax	$4.91m	Up 27.67% from	$3.80m

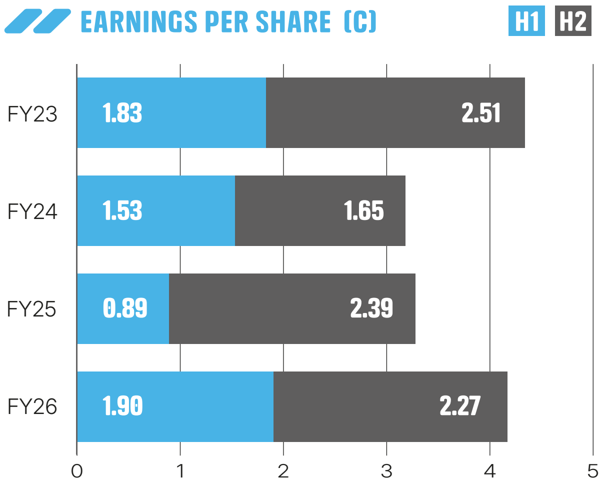





PROFIT BEFORE TAX ($M)
H1
H2
FY23
2.74
3.63
FY24
2.16
3.01
FY25
1.33
3.66
FY26
3.27
3.19
0
2
4
6
8


PROFIT AFTER TAX ($M)
H1
H2
FY23
2.00
2.76
FY24
1.69
1.79
FY25
1.04
2.80
FY26
2.29
2.62
0
1
2
3
4
5


EBITDA ($M)
H1
H2
FY23
4.62
5.58
FY24
4.20
5.25
FY25
3.30
5.71
FY26
5.20
5.16
0
2
4
6
8
10
12


EARNINGS PER SHARE (C)
H1
H2
FY23
1.83
2.51
FY24
1.53
1.65
FY25
0.89
2.39
FY26
1.90
2.27
0
1
2
3
4
5

Operation and Financial Review (cont.)

GROUP FINANCIAL POSITION

The balance sheet strengthened, with low gearing and a growing equity base supporting the Company's growth strategy.

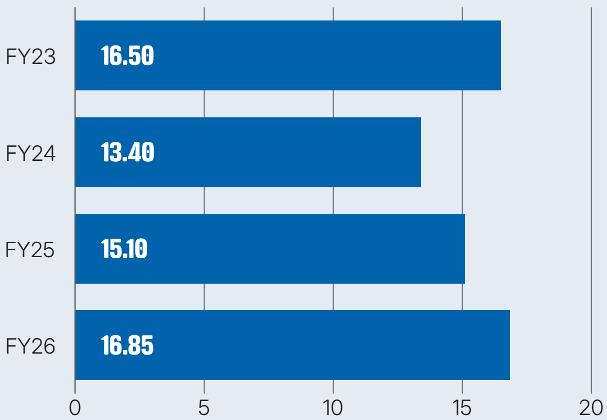
Total assets increased to $64.1 million, up 1.9% on the prior corresponding period (pcp), driven by a 3.6% increase in current assets to $25.4 million.

The modest growth in total assets reflected solid revenue growth and progress made with OEM collections, resulting in reduced trade receivables of $9.3 million (trade receivables pcp was $13.5 million) when normalised for Komatsu revenue of $2.4 million, offset by high inventory holdings, reflecting the ongoing strategic inventory investment in tungsten carbide powders.

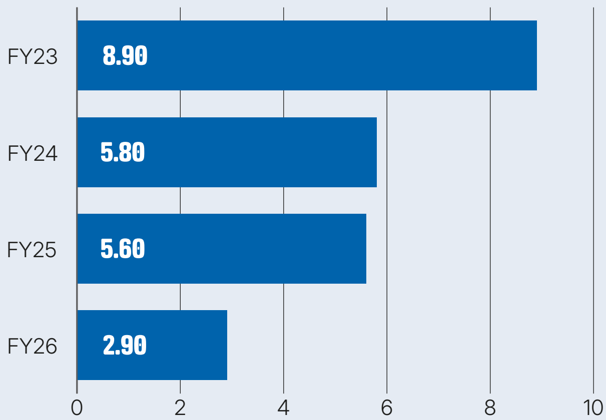
Total liabilities decreased by 10.5% to $19.5 million, predominantly due to reducing financial liabilities and reduced creditor balances outstanding. Working capital grew by 11.6% to $16.8 million, reflecting the benefits of the Company's strategic investments that provides Laserbond with the flexibility to continue to invest in capability, equipment and business opportunities both domestically and abroad.

Return on capital employed (ROCE) remained steady at around 16% between FY21 and FY23 before easing in FY24 and FY25 as capital was employed into growth initiatives and new machinery. On an annualised basis, the FY26 ROCE recovered to 13.05%, reflecting stronger profitability and more efficient use of capital. Return on equity (ROE) followed a similar trend, with the annualised FY26 ROE rising to 11.02%, signalling improved shareholder returns as recent investments began to generate earnings.

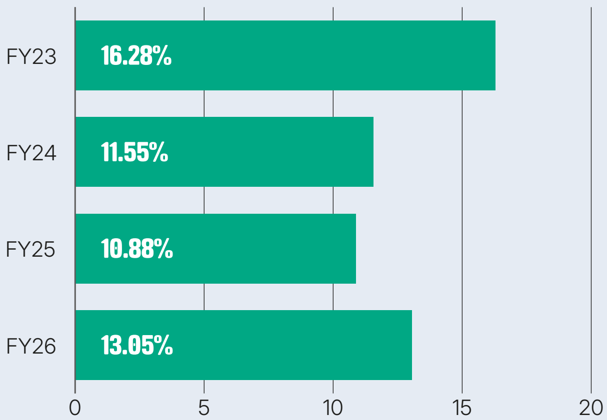
WORKING CAPITAL ($M)



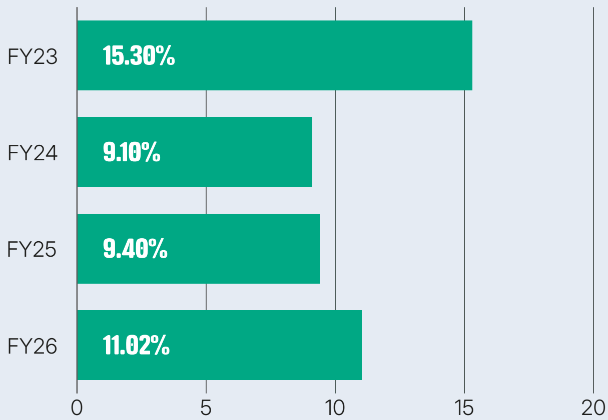
CASH ON HAND ($M)



ROCE (%)



ROE (%)



SERVICES PERFORMANCE

Revenue from Services reached $27.30 million in FY26, modestly lower than $27.70 million from the prior year, with margins significantly higher at a healthy 58.00%, compared with 53.60% in the pcp.

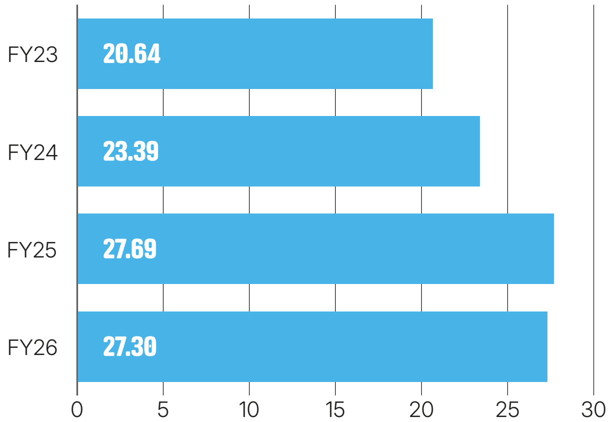
Performance across the Australian business was consistent, albeit variable at times, a reflection of the diverse range of sectors served rather than reliance on any single customer base. This diversification proved a clear advantage during a period in which the coal mining industry did not recover to the extent anticipated, with customers continuing to be attracted to Laserbond's premium product offering despite broader sector headwinds.

Tungsten prices remained elevated and volatile throughout the year, compounded by Chinese trade barriers that drove further price rises and supply challenges for tungsten carbide. In response, business development efforts, supported by the R&D and product management teams, focused on alternate coating solutions to service heavy wear customers and reduce reliance on tungsten carbide. This work is progressing well, with a new partnership moving from trial into commercial application expected in FY27.

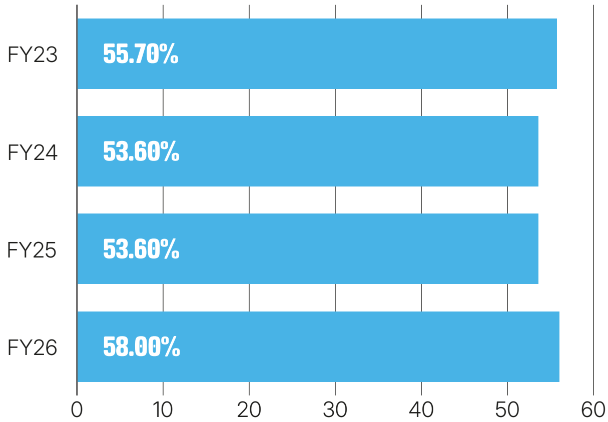
Expansion into Western Australia continued, with complex component work now performed by both Laserbond's east coast operations and the Gateway Group in Perth. Investment in capability and capacity also enabled the return of component work from a large global oil and gas supplier back to Australia, work traditionally coated in Asia or the Middle East given its complexity. Turnaround of these components ramped up through FY26, with repeat growth anticipated into FY27.

Field trials with a large Australian OEM, providing coatings for vital performance products into the mining industry, are in their final stages. Separately, new R&D capability was developed for an Australian OEM operating in the H2 Electrolyzer market, with coating and product trials underway to standardise on a preferred application ahead of production trials planned for FY27.

SERVICES REVENUE BY YEAR ($M)



SERVICES GROSS PROFIT MARGINS (%)



Operation and Financial Review (cont.)

PRODUCTS PERFORMANCE

Revenue from Products achieved further growth in FY26, reaching $17.50 million, an increase of 18.80% ($14.73 million pcp) on the prior year, supported by strong performance from global OEM products customers, particularly in the first half.

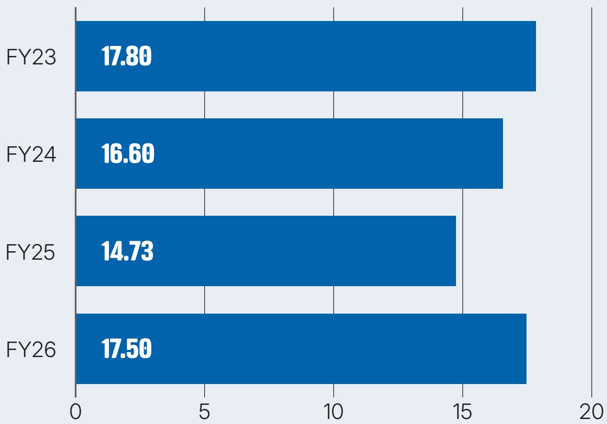
Continued work to overcome tungsten carbide supply challenges and rising global logistics costs led to stronger customer alignment and mutual planning for growth, reinforcing the long-standing relationships built with OEM partners over more than three decades.

US sales were strong in the first half, with one large global OEM undertaking significant stocking activity amid concerns around tungsten carbide supply. This contributed to a slowing of orders in the second half as the customer worked down this stock globally. Tungsten pricing and availability more broadly constrained growth across the division during the year, with margins of 36.9% reflecting this ongoing volatility.

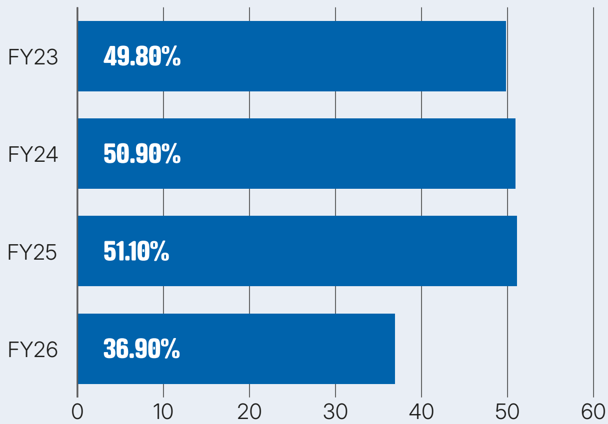
Despite these supply-side pressures, R&D development of new X-Clad coatings progressed well, offering a lower cost tungsten carbide alternative for global OEM partners. These coatings are now in trials within OEM testing facilities globally, with field trials underway to validate X-Clad for the market in FY27. In parallel, alternate coatings for tungsten carbide, developed jointly by the R&D and Product Management teams, are being trialled alongside X-Clad with global partners, providing a new class of hard-wearing performance surface coatings unaffected by trade restrictions imposed by China.

With long-standing OEM partnerships continuing to provide a stable foundation, and a strengthening pipeline of new coating technologies moving through global trials, the Products division remains well positioned for continued growth in revenue and margins for FY27 as customers work through current stock positions and international opportunities continue to build.

PRODUCTS REVENUE BY YEAR ($M)



PRODUCTS GROSS PROFIT MARGIN (%)



TECHNOLOGY PERFORMANCE

Technology continued to build momentum during FY26, following the delivery of the first modular Laserbond laser-cladding cell to the Gateway Group in FY25.

The licensing agreement with Komatsu, for earthmoving and mining equipment manufacturing, advanced through the year, with the first modular laser cell for Komatsu passing factory acceptance in June 2026. Commissioning of the cell has since been completed, with site operation to commence in Australia during Q1 FY27. This milestone validates the commercial appeal of Laserbond's proprietary technology and continues to support the Company's expectation of further licensing opportunities to follow.

Further laser cell projects moved through development stages during the year, working toward additional contracts expected in FY27, alongside ongoing discussions regarding further cells in other parts of the world.

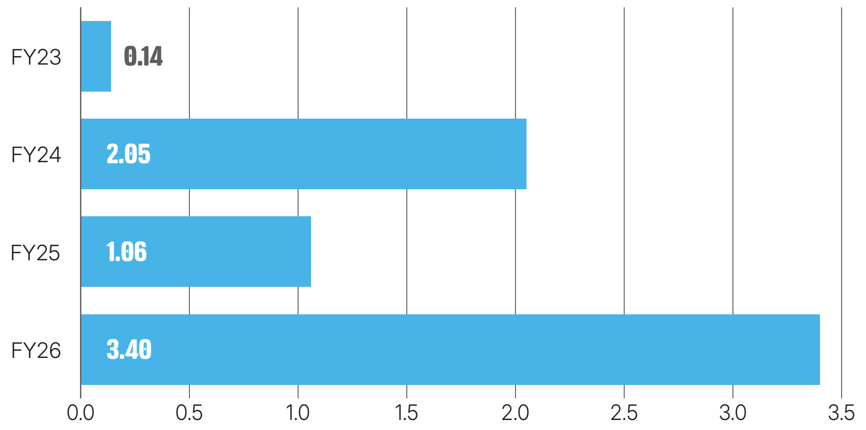
Continued R&D investment focused on advancing systems toward smart laser cell capability, with additional technological enhancements integrated into cell designs to provide greater capability for customer applications while streamlining internal build costs.

This positions the Company to pursue opportunities in markets where Laserbond does not currently have an established presence.

Phase 1 of a two-phase project to relocate a global OEM partner's laser cell to a production facility on another continent was completed during the year, with final site turn-key restart and training scheduled for Q1 FY27.

Investment in legacy laser cell infrastructure continued, with a significant program of works undertaken across the network. Upgrades to the Victorian Cell and new Queensland Yatala Cell (currently in Sydney) were completed during the year, while work on Laser 1 at Smeaton Grange remains on track for completion in FY27. The modular cell system continues to deliver benefits across the business, supporting the Company's continued focus on developing and commercialising its proprietary laser cladding technology.

TECHNOLOGY REVENUE BY YEAR ($M)



Operation and Financial Review (cont.)

RESEARCH AND DEVELOPMENT UPDATE

FY26 reaffirmed Laserbond's position as a technology-led company, with R&D remaining at the core of the business.

Technology leadership across the division remains strong, with agile methodology adopted during the year to improve focus and efficiency across R&D initiatives.

Investment in R&D increased significantly during FY26, reflecting a continued commitment to innovation and future growth. A substantial portion of this investment was directed toward developing tungsten carbide alternatives and new formulations in response to ongoing global supply constraints, building on the strategic focus of developing two unique coating solutions per year. This work supported the Products and Services divisions in maintaining performance for customers while reducing dependency on constrained resources and continued to feed into major projects in wind turbine expected to support future revenue growth.

A new replacement technology for hard chrome, through a new coating portfolio across laser and HVOF spray, is expected to reach the market in FY27, representing a further step in broadening the range of coating solutions available to customers. A unique recycling process, developed through magnetic separation, was also introduced during the year, significantly improving the yield of powders used in the laser cladding process.

While increased R&D investment impacted near-term profitability, this activity remains essential to maintaining Laserbond's competitive advantage and ensuring continued delivery of innovative solutions to customers, regardless of global supply chain dynamics.

"With strong technology leadership, an agile approach to development, and a focus on converting R&D outcomes into commercial solutions, the division remains well positioned to strengthen Laserbond's competitive position and support the growth of the Products, Services, and Technology divisions into FY27."

GATEWAY GROUP

Momentum within Gateway continued from the first half of FY26, resulting in a period of strong growth for the business.

↑$1.03m

NET PROFIT AFTER TAX

Gateway's contribution to Laserbond's FY26 results (versus $737k pcp)

The order book remained steady through 2H FY26, supported by a healthy pipeline of work and growing confidence compared to 12 months ago.

Based on Laserbond's ownership of 40% of the equity in Gateway, Gateway contributed net profit after tax of $1.03m to Laserbond's FY26 results.

Parts and Services growth was particularly strong during the year, a notable turnaround from 12 months ago when the parts side of the business was impacted by reduced work. This improvement was supported by an increase in rebuild work through the larger facility, delivering a meaningful contribution to overall performance.

Hydraulics growth was more moderate, with continued investment and diversification across the business supporting performance in this area. Laser cladding revenue grew significantly following the Laserbond cell's commissioning in May 2025, complemented by a new boring machine introduced shortly after, with an additional HVOF spray booth added in early 1H FY26 expected to replicate this growth over the next 12 months.

Gateway's investment continues to deliver, with other services diversifying the business and additional revenue streams expected to come online over the next 12 months, opening Gateway into other areas beyond its traditional base.

Market conditions remain mixed but broadly supportive. The gold price remains elevated, creating new opportunities, although the full benefits of new mines coming online are not expected to be realised until FY28 and beyond. Iron ore conditions remain solid, with continued investment across the Pilbara. Lithium prices have also rebounded, supporting renewed customer confidence and contributing to the strong Parts performance.

Investment in machinery and expanded facility capacity attracted a new tier one client recently, adding to Gateway's existing tier one customer base. These businesses provide a steadier, more consistent pipeline than Gateway has historically experienced.

"With expanded facilities operating well below capacity, continued investment in machinery, laser capability and stores, and a stronger, more diversified customer base, Gateway is well positioned to sustain its growth trajectory into FY27."

Sustainability Report

SUSTAINABILITY STRATEGY

Laserbond's sustainability strategy is founded on extending the operating life of industrial equipment through advanced surface engineering and remanufacturing technologies.

By restoring and enhancing high-value industrial components, the Company helps customers reduce material consumption, improve resource efficiency and maximise the productivity of capital-intensive assets.

During FY26, Laserbond completed its inaugural strategic environmental, social and governance (ESG) assessment to identify the sustainability issues most material to the business and establish a practical roadmap for integrating ESG into long-term business planning, governance and decision-making.

Rather than establishing sustainability as a standalone function, Laserbond will progressively embed ESG considerations into existing business planning, operational improvement and governance processes while strengthening capability ahead of future Australian sustainability reporting requirements. Under the Sustainable Industry Classification System, the Company is classified within the Industrial Machinery & Goods sector.

Materiality Assessment

As part of the strategic ESG assessment, Laserbond undertook a materiality assessment to identify the environmental, social and governance issues most significant to the Company's long-term success.

Six material priorities were identified, which will continue to guide the prioritisation of future initiatives and reporting.

- **Customer Sustainability Enablement** – supporting customers through technologies that improve equipment life, productivity and resource efficiency.
- **Energy Use and Decarbonisation** – improving energy performance while strengthening emissions measurement and reporting capability.
- **Resource Efficiency and Material Recovery** – reducing waste, improving material utilisation and supporting circular manufacturing principles.
- **Supply Chain Integrity and Responsible Procurement** – strengthening resilience, supplier transparency and responsible sourcing practices.
- **Innovation, Capability and Safe Operations** – continuing investment in research, technology, workforce capability and workplace safety.
- **Governance and Sustainability Reporting** – strengthening governance, accountability, transparency and sustainability reporting capability.

ENVIRONMENT

Laserbond's greatest environmental contribution comes through extending the service life of industrial equipment, reducing demand for new materials and supporting more efficient use of industrial assets.

During FY26, the Company established environmental performance baselines and commenced work to strengthen environmental data, reporting capability and operational efficiency.

Energy Management

Energy is an essential input to Laserbond's manufacturing processes. During FY26, total electricity consumption remained broadly consistent with the previous year at 7,483.4 GJ (FY24: 7,527.6 GJ). The Smeaton Grange facility accounted for approximately 66% of total electricity consumption, with the remaining operations at Bethania, QLD, Cavan, SA and Altona, VIC representing 34%, providing an important baseline for future energy efficiency initiatives and sustainability reporting.

Circular Economy and Operational Efficiency

Laserbond's core business is inherently aligned with circular economy principles through the repair, reclamation and enhancement of industrial components that would otherwise require replacement.

In FY26, reclamation activities represented 59% of total reported revenue (FY25: 50%). The Company continued investing in research, engineering capability and process innovation while commencing work to quantify the avoided emissions and broader environmental benefits delivered through remanufacturing and asset life extension.

WE BACK OUR PEOPLE TO GROW.

Sustainability Report (cont.)

PEOPLE & CULTURE

Laserbond's success since its inception in 1992 has been built on the knowledge, experience and commitment of its people.

During FY2026, the Company invested significantly in strengthening its culture, introducing and embedding a new set of core values – Integrity, Respect, Personal Growth and Having Fun – into its operations and the everyday working lives of its people. Laserbond also introduced a new leadership framework built around these values, clearly defining the behaviours and standards expected of leaders across the Company.

Diversity and Inclusion

Laserbond is an equal opportunity employer committed to merit-based recruitment, professional development, equitable remuneration and flexible work practices. While the skilled metals engineering sector has traditionally attracted relatively few female applicants, the Company continues to encourage greater workforce diversity and inclusion .

During FY2026, Laserbond introduced a formal Diversity and Inclusion program focused on strengthening workforce pathways, improving representation and embedding more inclusive employment practices. The program seeks to identify and remove barriers to employment and advancement while maintaining the integrity of Laserbond's merit-based selection processes. It also aims to broaden opportunities for people from under-represented backgrounds through expanded school outreach, work experience and apprenticeship pathways, supported by partnerships with schools serving diverse student communities.

Within the program's first six months, female workforce representation increased from 11.4% to 13.0%, female representation in leadership increased from 0% to 16.7%, and known Aboriginal and Torres Strait Islander representation increased from 0.6% to 2.5%.

These results represent encouraging early progress and provide a strong foundation for further improvement in workforce diversity and inclusion.

Workplace Health and Safety

The Company is committed to maintaining the highest standards of workplace health and safety, including the management of psychosocial risks and the promotion of mentally healthy workplaces. Given the nature of its manufacturing operations, maintaining safe systems of work remains a core operational priority. Since its inception in 1992, Laserbond has recorded zero serious injuries.

"During FY2026, Laserbond strengthened its approach to workplace health and safety through increased leadership accountability, more active employee participation and substantial improvements in the identification, assessment and control of workplace hazards."

Sustainability Report (cont.)

PEOPLE & CULTURE (CONT.)

Workplace inspections, safety observations and the verification of hazard controls were strengthened across the Company's operations. These efforts were accompanied by a significant improvement in injury outcomes, with no lost-time injuries recorded during the year. Lost Time Injury Frequency Rate (LTIFR) improved from 8.6 in FY2025 to 0.0 in FY2026, while Total Recordable Injury Frequency Rate (TRIFR) improved from 10.8 to 6.0.

Laserbond also strengthened its safety capability during the year by transitioning its Safety and Quality function towards a prevention and assurance model while adding additional, specialist safety resources at most sites. Key initiatives included the implementation of a Hand Safety Program, stronger PPE standards and compliance, and psychological safety program. The Company also commenced significant investment in occupational hygiene assessments and continuous environmental monitoring to improve the identification and management of exposure to dust, fumes and noise. Laserbond's approach extends beyond physical safety to include psychosocial health, with all employees completing Respectful Workplace training during FY2026 as well as training on our company values and leadership framework to support a respectful and mentally healthy workplace.

METRIC	FY26	FY25
Fatality Rate	0.00	0.00
Lost Time Injury Frequency Rate (LTIFR)	0.00	8.60
Total Recordable Incident Rate (TRIR)	6.00	10.80

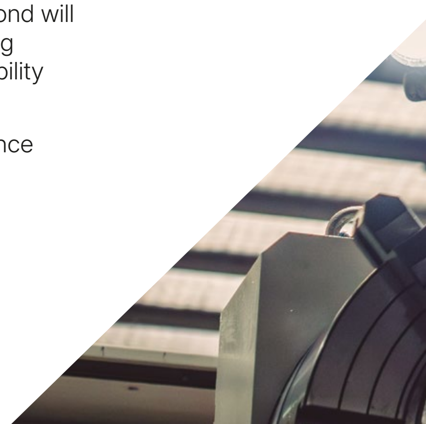
GOVERNANCE

Laserbond is committed to maintaining an effective governance framework that supports accountability, ethical conduct and long-term value creation.

The Company operates within the ASX Corporate Governance Principles and Recommendations through clearly defined governance structures, delegated authorities, strategic oversight and a culture of continuous improvement.

As sustainability expectations continue to evolve, Laserbond will progressively strengthen governance processes, reporting capability and Board oversight to support future sustainability reporting obligations.

Further information is provided in the Corporate Governance Statement available on the Company's website.



SUSTAINABILITY OUTLOOK

Building on the strategic ESG assessment completed during FY26, Laserbond has established a phased sustainability roadmap extending through FY29.

Initial priorities focus on strengthening governance, establishing environmental performance baselines, improving data management capability and embedding sustainability into business planning and operational decision-making.

Key priorities include:

- Establishing baseline environmental metrics and governance processes.
- Undertaking energy, water and waste assessments to identify efficiency opportunities.
- Strengthening sustainability expectations across supplier and customer relationships.
- Continuing development of environmental data management and climate reporting capability.
- Expanding methodologies to quantify the environmental value delivered through remanufacturing, asset life extension and future chrome replacement initiatives.
- Further embedding sustainability into strategic planning and operational improvement.

Medium-term sustainability objectives include:

- Reduce energy intensity by 15% by FY28.
- Reduce water intensity by 10% by FY28.
- Achieve 75% diversion of operational waste from landfill and develop a Zero Landfill Roadmap by FY29.
- Integrate sustainability data, including avoided emissions methodologies, into approximately 80% of customer engagements by FY28.
- Implement supplier ESG screening and governance processes to strengthen responsible sourcing and supply chain resilience.

Laserbond remains committed to a practical, commercially focused approach to sustainability that supports innovation, operational excellence, responsible governance and long-term value creation for shareholders, customers, employees and the communities in which it operates.

Directors' Report

The directors present their report together with the financial statements of Laserbond Limited for the financial year ended 30th June 2026.

Principal Activity

Laserbond is a specialist surface engineering company that focuses on developing and applying 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.

Laserbond operates from facilities in New South Wales, Queensland, South Australia, and Victoria.

Review of Operations and Financial Results, Explanation of Results and Outlook

Please refer to the CEO's Review of Operations from page 8.

Directors and Company Secretary

Details of the Company's directors who have held office during the current financial year are:

Information on Directors & Company Secretary

NAME	POSITION HELD	IN OFFICE SINCE
Philip Suriano	Chairman / Non-Executive Director	6 May 2008
Ian Neal	Non-Executive Director	9 May 2022
Dagmar Parson	Non-Executive Director	30 January 2023
Wayne Hooper	Executive Director	21 April 1994
Matthew Twist	Company Secretary	30 March 2009 – 23 January 2026
Peter Arambatzis	Company Secretary	3 February 2026

Philip Suriano BBus GAICD
Chairman / Non-Executive Director, Audit, Risk, Nomination and Remuneration Committee member

Philip's professional career spans corporate banking, finance and media. He commenced his career in corporate banking with the Commonwealth Bank (formerly the State Bank of Victoria). Philip then moved across into the Australian media industry, working in roles spanning operations, sales and marketing with Network Ten in Melbourne, followed by an in-house marketing / sales role within the Victor Smorgon Group before moving to Sydney as the National Sales Director at MCN (the sales and marketing arm of Foxtel). Since then, Philip has held various board roles for the last 17 years in corporate advisory/finance.

Ian Neal BCom Sf Fin
Non-Executive Director, Audit, Risk, Nomination and Remuneration Committee member

Ian specialises in working with medium sized businesses as a Director or advisor helping them design and implement growth strategies. His professional background is in financial markets, commencing as an equities analyst and moving to various banking positions until establishing Nanyang Ventures. Ian was a Chairman for The Executive Connection (Vistage) from 2006-2024, where he mentored CEOs and business owners on the challenges of growth. He is a life member of the Financial Services Institute of Australia, a previous National President of the Securities Institute of Australia, and a member of the first Corporate Governance Council that established the Corporate Governance Guidelines. Ian was a director of Prime Media Group Ltd from July 2008 to May 2021. He holds a Bachelor of Commerce and a Graduate Diploma from the Securities Institute of Australia.

Dagmar Parsons Dipl-Ing (TH), MBA, GAICD
Non-Executive Director, Audit, Risk, Nomination and Remuneration Committee member

Dagmar has worked with major national and multinational entities in senior executive and non-executive director positions, driving critical market success by providing strategic direction, visionary leadership, and innovative thinking. As a mechanical engineer, she has an in-depth knowledge of engineering, manufacturing, construction and service industry environments in the infrastructure, oil and gas, power, paper and steel sectors. Dagmar has considerable experience in transforming and growing complex businesses across diverse corporate, operational, and entrepreneurial roles in Australia, Asia and Europe. Ms Parsons is the Non-Executive Chairman of Advanced Braking Technology Limited [ASX:ABV] and a Non-Executive Director of Gateway Equipment Parts & Services Pty Ltd. She holds a Masters Degrees in Mechanical Engineering and Environmental Engineering Technologies, and a Masters in Business Administration.

Wayne Hooper GAICD
Executive Director

Wayne is a professional engineer with more than 40 years of diverse management and technical experience. His background spans engineering design, maintenance, contracts, large engineering project management and financial analysis, beginning in the electricity generation sector and extending to FMCG production and high-volume manufacturing. Prior to joining the Company in 1994, Wayne held senior marketing roles in the building products manufacturing industry. Since the company's infancy, Wayne has had a hands-on role in driving its growth and adoption of technology. He is a graduate of the Australian Institute of Company Directors and holds degrees in science, engineering (Honours Class 1), and an MBA.

Matthew Twist GIA (Cert)
Executive Director, Chief Financial Officer and Company Secretary

Matthew Twist studied Commerce, becoming a highly experienced management accountant who provides financial expertise and insights at all business levels to support best practice decision-making, strategic formulation, and financial and operational control systems development in manufacturing. He believes in the power of information, focusing on data integrity and availability to proactively influence business performance. Matthew has been the Company's Chief Financial Officer since March 2007, was appointed Company Secretary in March 2009 and an Executive Director in June 2022. Matthew has a Certificate in Governance Practice and is an affiliated member of the Governance Institute of Australia. He is also a Justice of the Peace in New South Wales.

Peter Arambatzis BBus, FCPA, MBA
Chief Financial Officer and Company Secretary

Peter is a senior executive with more than 30 years of commercial, financial and operational leadership experience across defence, healthcare, industrials, government, FMCG, consulting and financial services, with extensive experience as a CFO, COO, Managing Director, Company Secretary and Board executive. He has a strong track record in strategy execution, business transformation, financial management, governance, M&A, capital investment, ERP and digital transformation, shared services, procurement and supply chain. He has successfully led complex organisations and large-scale change programs. His experience is complemented by an Executive MBA, CPA Fellowship, AICD membership, Six Sigma certification and executive education in strategy, M&A and Scenario Planning.

Directors' Report (cont.)

REMUNERATION REPORT

The directors present the Laserbond Limited 2026 remuneration report, outlining key aspects of our remuneration policy, framework, and remuneration awarded this year.

The report is structured as follows:

a. Key management personnel (KMP) covered in this report.

b. Conflicts of Interests or Duties.

c. Director Independence.

d. Remuneration policy and link to performance.

e. Elements of Remuneration.

f. Link between remuneration and performance.

g. KMP remuneration.

h. Contractual arrangements for executive KMP's.

i. Non-executive director arrangements.

(a) Key management personnel (KMP) covered in this report

All directors of the Company, the CEO, COO, CFO are considered key management personnel (KMPs) for the management of its affairs and are covered by this report.

(b) Conflicts of Interest or Duties

No directors have external interests that place that person in a position to be influenced or appear to be influenced by their private or other interests when conducting their duties for Laserbond. This ensures all directors always:

a. Exercise their powers and discharge their duties with reasonable care and diligence.

b. Act in good faith in the Company's best interest or for a proper purpose.

c. Not use their position to obtain an advantage for either themselves or a third party or cause detriment to the Company.

d. Not improperly use information gained through their position as a director to obtain an advantage for either themselves or a third party or to cause detriment to the Company.

(c) Director Independence

The Board has adopted a definition of independence that sets out the interests and relationships to be considered when assessing each director's independence. Each Director assesses this independence upon appointment and annually through a testimonial.

The Company is committed to maintaining an appropriate level of independent and executive directors, ensuring a majority of independent directors. The value of executive directors for the company is their deep understanding of the business, ensuring the Board is informed of important issues. The current executive directors have:

a. A deep knowledge of the business, its strategy and direction.

b. A deep knowledge of the industry and competitive pressures.

c. Critical technical expertise.

d. Greater access to company information than the non-executive directors.

The independence assessment guidelines are set based on the ASX Corporate Governance Principles and Recommendations:

a. Is, or has been, employed in an executive capacity by the business, and there has not been a period of at least three years between ceasing such employment and serving on the board, receives performance-based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the business.

b. Is or has been within the last three years a principal of a material customer, supplier, subcontractor, professional adviser, or consultant to the Company, or has an indirect association with same.

c. Is, represents, or has been a substantial shareholder within the last three years or associated directly with a substantial shareholder.

d. Has close personal ties with any person who falls within any of the categories described above, or

e. Has been a director of the entity for such a period that their independence from management and substantial shareholders may have been compromised.

The existing non-executive directors, based on this assessment, continue to be deemed independent.

(d) Remuneration policy and link to performance

Remuneration levels are reviewed annually by the Board through the Remuneration Committee aiming to ensure that remuneration practices are:

a. Competitive and reasonable, enabling the Company to attract and retain key talent,

b. Aligned to the Company's strategic and business objectives and the creation of shareholder value,

c. Transparent and easily understood, and

d. Acceptable to shareholders.

The remuneration committee assesses performance against KPIs and has adopted STI polices from 2025 and LTI policies from 2026. To assist in this assessment, the committee reviews detailed reports on performance from management and external market trends.

(e) Elements of Remuneration

a. Fixed Remuneration

Key management personnel receive their fixed remuneration in cash or cash allowances. This is reviewed annually, benchmarking against market data for comparable roles of companies in a similar industry and/or similar market capitalisation.

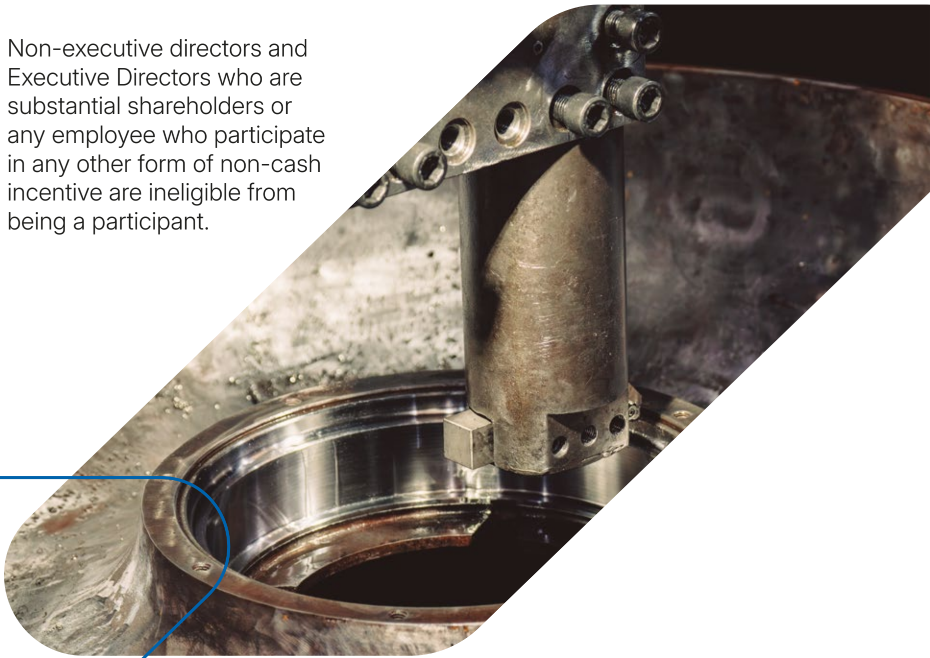
b. Tax-Exempt Employee Share Plan (ESP)

The Company has an existing ESP, which was last approved by shareholders at the 2024 Annual General Meeting. Eligible persons are entitled to up to $1,000 of fully paid ordinary shares annually. Eligible persons are full- or part-time employees of the Company, Australian residents for tax purposes, and have been directly employed for at least 36 continuous months.

Non-executive directors and Executive Directors who are substantial shareholders or any employee who participate in any other form of non-cash incentive are ineligible from being a participant.

c. Short-Term Incentives (STI)

The remuneration committee introduced STIs for KMP for 2026. The STI policy's purpose is to reward eligible employees for their contributions to the Company's financial, safety, and individual performance goals, whilst ensuring remuneration remains competitive, market-driven, with appropriate fixed annual remuneration supported by incentives. By aligning efforts with the Company's success and growth, the policy ensures that participants' interests are tied to the organisation's long-term vision.



Directors' Report (cont.)

STI PLAN	
OBJECTIVE	To provide appropriate annual remuneration that is competitive, market-driven and supported by incentives for individual and group outcomes aligned to annual strategic objectives.
PARTICIPATION	All Key Management Personnel and members of the broader leadership team.
PERFORMANCE PERIOD	The performance period is the relevant Financial Year. KPIs and weightings are set and reviewed each year by the Remuneration Committee to ensure STI targets are relevant for the current period, and participants are focused on clear goals and objectives for the period.
PERFORMANCE HURDLE	Before any executive is entitled to any STI payment, the company must achieve two performance hurdles: - Revenue: Minimum revenue target achieved as per internal financial forecasts, and - NPBT: Minimum 15.00% net profit before tax margin (before Investment in Associates).
LINK BETWEEN PERFORMANCE AND REWARD	The Company must meet or exceed the STI performance hurdles, and the STI payment is structured such that it is paid from profits earned in excess of the 15.00% pre-tax profit hurdle. KPI targets for each participating executive are selected based on the objectives for each financial performance period to deliver the business strategy over the long term. The STI target will be allocated to 50.00% Financial Objectives, 25.00% to Safety Objectives, and 25.00% to individual Strategic Objectives. A minimum threshold target is set for each KPI measure before any payment is made in respect of that measure.
ASSESSMENT OF PERFORMANCE	The Board reviews and approves the performance assessment and STI payments.
PAYMENT METHODS	STI payments are cash remuneration.

FY26 STI Remuneration Outcomes

The combined maximum cash bonus pool available to STI eligible participants for on target performance in FY26 was a flat 25% of total fixed remuneration (including superannuation) or $710,404. For FY26, the STI hurdle was set for the achievement of both minimum guidance revenue and maximum guidance profits before tax (prior to the allocation of our profit share for investments in associates). These hurdles were not met; therefore, the STI cash bonus pool is not available and our FY26 financial statements do not include a provision for this liability. The payment amounts based on performance to STI Measures are detailed below.

	PROPORTION OF STI	POOL AVAILABLE	TARGET ACHIEVED	PAYMENT EXPECTED
Net Profits Before Tax	50.00%	$355,202	0.00%	$0.00
Lost Time Injury Frequency Rate	25.00%	$177,601	0.00%	$0.00
Individual Strategic Objective	25.00%	$177,601	0.00%	$0.00
TOTAL PAYMENT	**100.00%**	**$710,404**	**0.00%**	**$0.00**

The FY26 STI remuneration for Key Management Personnel is:

TARGET	TARGET STI OPPORTUNITY	% TO FIXED REMUNERATION	STI OUTCOME	ACHIEVED	FORFEITED
Michael Tyler (COO)	$100,940	25.00%	$0.00	0.00%	100.00%
Matthew Twist (CFO)	$66,620	25.00%	$0.00	0.00%	100.00%
Rob Freeman (CEO)	$110,600	25.00%	$0.00	0.00%	100.00%
TOTAL PAYMENT	**$278,160**	**25.00%**	**$0.00**	**0.00%**	**100.00%**

FY27 STI Remuneration Opportunity

Offers to participate in STIs for the 2027 financial year are being made to all Key Management Personnel and members of the broader leadership team. The combined maximum cash bonus pool available for FY27 is a flat 25% of total fixed remuneration (including superannuation), or an estimated $802,874. This incentive is only payable after the company meets or exceeds its revenue target for the year and earns a pre-tax profit of at least 15% of revenue. Rewards to individual executives remain subject to achieving the company's target financial objectives, safety objective, and individual strategic objectives.

Directors' Report (cont.)

d. Long-Term Incentives (LTI)

The remuneration committee introduced an LTI from FY26 that is focused on achieving long-term goals and supporting the retention of participants based on performance metrics, including earnings per share (EPS) growth and return on capital employed (ROCE) measures. This policy is based on a three-year performance period. Shareholder approval of this equity-based scheme was approved at the 2024 Annual General Meeting.

Offers to participate in the LTI Plan are being made to Key Management Personnel and members of the broader leadership team. The Performance Rights available are capped at a maximum of 25% of total fixed remuneration (including superannuation and allowances) calculated at Grant Date.

LTI PLAN	
OBJECTIVE	To align the interests of eligible participants and shareholders over the longer term, assisting with the achievement of longer-term goals and the retention of key talent.
PARTICIPATION	All Key Management Personnel and members of the broader leadership team.
INSTRUMENT	Performance rights to acquire ordinary LBL shares.
VESTING	50.00% of a participant's LTI entitlements will vest upon the company achieving an EPS target growth over the three-year vesting period. 50.00% of a participant's LTI entitlements will vest upon the company achieving a ROCE target over the three-year vesting period.
HURDLE PERFORMANCE MEASURE	**EPS:** 15.00% minimum CAGR over the three-year vesting period. **ROCE**: 18.00% minimum over the three-year vesting period.
LINK BETWEEN PERFORMANCE AND REWARD	**EPS:** Long-term EPS growth targets are set at levels achievable in a sustainable manner. EPS directly links the creation of shareholder wealth to the delivery of strategic goals over a long-term period. **ROCE:** Long-term ROCE targets are set at levels achievable in a sustainable manner. ROCE directly links to the creation of shareholder wealth by delivering the most efficient use of the company's resources.
ASSESSMENT OF PERFORMANCE	An EPS compound annual growth rate over the performance period of 15.00% provides 50.00% vesting of the EPS linked component of the Performance Rights. At 1.2x the EPS performance hurdle, 100.00% of the EPS-linked component will vest. A minimum ROCE over the performance period of 18.00% provides 5.00% vesting of the ROCE-linked component of The Performance Rights. At 1.2x the ROCE performance hurdle, 100.00% of the ROCE linked component will vest. The Board will assess performance based on advice from the remuneration committee upon completion of the audited annual accounts and reserves the right to use its commercial judgement in relation to vesting. Prior to finalising the vesting result for Performance Rights, the Board considers whether the outcomes are fair and reasonable rather than simply formulaic. Further, the Board has discretion to adjust the performance conditions in appropriate circumstances, so that participants are not unfairly advantaged or disadvantaged.
GRANT DATE	The first Board meeting post lodgment of the Annual Report for the period ending before each Performance Period.

LTI PLAN	
GRANT DATE FAIR VALUE	A 5-day volume weighted average share price post lodgment of the Annual Report for the period ending before each Performance Period.
PERFORMANCE PERIOD	Three Fiscal Years from Grant Date
PERFORMANCE ASSESSMENT	30th June of the 3rd Year
CESSATION OF EMPLOYMENT	If an eligible participant ceases employment for any reason prior to the Performance Assessment date, unless the Board determines otherwise, any unvested Performance Rights will automatically lapse. The Board retains the discretion to determine that some of their rights (up to a pro-rata portion based on how much of the Performance Period remains).
DIVIDENDS & VOTING	The Performance Rights do not carry dividend or voting rights prior to vesting.
CHANGE OF CONTROL	In a situation where there is a change of control of the Company, the Board has the discretion to accelerate vesting of some (or all of) the Performance rights.

(f) Link between remuneration and performance

The Company only pays remuneration to non-executive directors through fixed cash fees. The following table shows the company's gross revenue, profits, earnings per share, return on capital employed, and dividends paid during the financial year for the last five years, as well as the share prices at the end of the respective financial years. The Board and remuneration committee consider financial and non-financial issues when making remuneration decisions.

FY26 RESULTS	2026	2025	2024	2023
Revenue ($)	48,169,970	43,475,645	41,983,590	38,612,404
Net Profit Before Tax ($)	6,464,421	4,987,441	5,164,817	6,367,115
Net Profit After Tax ($)	4,908,821	3,844,784	3,482,323	4,758,549
Earnings Per Share (Cents)	4.17	3.28	3.10	4.34
Return on Capital Employed (%)	13.05%	10.90%	11.60%	16.30%
Share Price at year-end (Cents)	50.50	37.00	71.00	75.00
Dividends paid (Cents)	1.60	1.20	1.60	1.60

Directors' Report (cont.)

(g) KMP Remuneration

The following table shows details of the remuneration expense recognised for the Company's key management personnel (KMP) for the current and previous financial years. KMPs received a fixed remuneration during the year ended 30 June 2026 and 30 June 2025.

		SHORT-TERM BENEFITS		BENEFITS	LONG-TERM BENEFITS			TOTAL
		SALARIES & FEES	STI	SUPER	ESP	LTI	LONG SERVICE	
NON-EXECUTIVE DIRECTORS								
Philip Suriano[1]	2026	60,000	-	-	-	-	-	60,000
	2025	60,000	-	-	-	-	-	60,000
Ian Neal[1]	2026	60,000	-	-	-	-	-	60,000
	2025	60,000	-	-	-	-	-	60,000
Dagmar Parsons[1 & 2]	2026	87,000	-	-	-	-	-	87,000
	2025	87,000	-	-	-	-	-	87,000
TOTAL NED	**2026**	**207,000**	-	-	-	-	-	**207,000**
	2025	**207,000**	-	-	-	-	-	**207,000**
EXECUTIVE DIRECTORS								
Wayne Hooper	2026	388,457	-	50,201	-	-	-	438,658
	2025	366,352	44,787	42,045	-	-	-	453,184
Matthew Twist	2026	310,454	-	20,117	-	-	-	330,571
	2025	230,751	28,038	26,322	1,000	-	-	286,111
OTHER KEY MANAGEMENT PERSONNEL								
Rob Freeman (CEO)	2026	317,861	-	37,920	-	-	-	355,781
	2025	-	-	-	-	-	-	-
Michael Tyler (COO)	2026	381,796	-	48,175	-	-	-	429,971
	2025	364,464	47,681	39,166	-	-	-	451,311
TOTAL EXECUTIVE & OTHER KMPS	**2026**	**1,398,568**	-	**156,413**	-	-	-	**1,554,981**
	2025	**961,567**	**120,506**	**107,533**	1,000	-	-	**1,190,606**
TOTAL	**2026**	**1,605,568**	-	**156,413**	-	-	-	**1,761,981**
	2025	**1,168,567**	**120,506**	**107,533**	**1,000**	-	-	**1,397,606**

[1] Non-Executive Director remuneration includes only fees related to their non-executive director remuneration. Any additional consulting fees related to the support of executive functions are reported in Note 18 (b).

[2] Dagmar Parson's remuneration includes additional fees in her position on the Gateway Group's Board, acting as Laserbond's representative.

(h) Contractual arrangements for executive KMPs

KMPs who are active employees of the Company are hired following current human resources policies and procedures. Each is required to have employment contracts, job descriptions, and key performance indicators relevant to their roles and responsibilities.

NAME	POSITION	CONTRACT DURATION	NOTICE PERIOD	FIXED REMUNERATION (FOR THE YEAR ENDED 30 JUNE 2026)
Rob Freeman	Chief Executive Officer	Unspecified	6 months by either party	$395,000 per annum, plus superannuation
Wayne Hooper	Executive Director	Unspecified	12 months by either party	$380,055 per annum, plus superannuation

(i) Non-executive director arrangements

For the year ended 30 June 2026, each non-executive director received a Board fee of $60,000 per annum for their roles on the Laserbond Board. Dagmar Parsons also receives a nominal amount based on her time spent acting as Laserbond's representative on the Gateway Groups Board. They do not receive performance-based pay or other benefits such as superannuation. These fees include responsibilities as members of the Board or any Board Committees. Fees are reviewed annually against comparable roles and market data.

All non-executives enter into a service agreement in the form of a Letter of Appointment and Remuneration Agreement. The letter summarises the terms of the appointment relevant to the office of Director, including remuneration. There is no notice period for termination stipulated in the letter.

Non-executive director arrangements support the Company's commitment to maintaining a Board with the right mix of skills, experience and attributes to oversee the business and support its strategic objectives.

(j) Shares held by key management personnel

The number of ordinary shares in the Company during the 30 June 2026 financial year held by each of the Company's key management personnel, including their related parties, is set out below:

NAME	BALANCE 30 JUNE 2025	GRANTED AS REMUNERATION	BOUGHT / (SOLD)	DIVIDEND REINVESTMENT	BALANCE 30 JUNE 2026
Wayne Hooper	11,399,295	-	-	-	11,399,295
Philip Suriano	975,516	-	5,408	23,347	1,004,271
Ian Neal	100,000	-	65,000	-	165,000
Dagmar Parsons	-	-	18,000	242	18,242
Matthew Twist (CFO)	118,092	-	(1,583)	-	116,509
Michael Tyler (COO)	10,100	-	(8,100)	-	2,000

Directors' Report (cont.)

k) Loans to key management personnel

The company can allow its employees to take short-term loans of limited amounts for specific purposes, and this facility is also available to key management personnel. The Company's loans to key management personnel during the year were $Nil (2025: $Nil). If approved loans to key management personnel are generally short-term, unsecured and interest-free.

l) Use of Remuneration Consultants

No remuneration consultants were employed during 2026.

End of the Remuneration Report

Director's Meetings

During the financial year ending 30th June 2026, the number of meetings held, and attended, by each director were as follows:

NAME	BOARD MEETINGS		AUDIT AND RISK COMMITTEE		NOMINATION AND REMUNERATION	
	ELIGIBLE	ATTENDED	ELIGIBLE	ATTENDED	ELIGIBLE	ATTENDED
Philip Suriano	13	12	3	3	6	5
Ian Neal	13	13	3	3	6	6
Dagmar Parsons	13	13	3	3	6	6
Wayne Hooper	13	13	3	2	6	6
Matthew Twist	7	7	1	1	1	1

Significant Changes in State of Affairs

During the financial year there was no significant change in the company's state of affairs other than that referred to in the financial statements of notes thereto.

Future Developments

Any future developments required to be disclosed as per the ASX Listings Rules have either been disclosed previously or are included in commentary or notes to this report. Any future items required to be disclosed will be done according to current listing rule requirements.

Matters Subsequent to the End of the Financial Year

The final dividend has been recommended and will be paid as detailed below.

No other matters or circumstances have arisen that have affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years that have not already been reflected in the financial report.

Dividends

During the year, a 2025 final dividends of 0.8 cents per share and a 2026 interim dividends of 0.8 cents per share was paid. The directors have recommended the payment of a final dividend for FY2026 of 0.8 cents per fully paid ordinary share (FY2025: 0.8c), fully franked based on the tax paid at 30.0%. The dividend will be paid on September 25th, 2026.

The Board expects to continue to maintain future dividends, subject to the Company continuing to develop in accordance with its future plans.

Insurance of Directors' and Auditors'

In accordance with the provisions of the Corporations Act 2001, the Company has insured the directors and officers against liabilities incurred in their role as directors and officers of the Company. The terms of the insurance policy, including the premium, are subject to confidentiality clauses, and therefore, the Company is prohibited from disclosing the nature of the liabilities covered and the premium paid.

No insurance premiums have been paid or indemnities have been provided in respect of the auditors.

Proceedings on Behalf of the Company

No person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave from the court under section 237 of the Corporations Act 2001.

Audit and Non-Audit Services

The Audit and Risk Committee is satisfied that LNP Audit and Assurance, the Company's auditor, did not provide non-audit services for the financial year ending 30 June 2026, and therefore, the auditor's independence requirements of the Corporations Act 2001 have not been compromised.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 40.

Signed in accordance with a resolution of the Board of Directors.

PHILIP SURIANO
Director

Dated this 20th day of August 2026

Directors' Report (cont.)

CORPORATE GOVERNANCE

The directors of the Company support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability.

A review of the Company's corporate governance practices was undertaken during the year. As a result, new practices were adopted, and existing practices were optimised to reflect industry best practice. In compliance with the "if not, why not" reporting regime, where the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

A description of the Company's current corporate governance practices is set in the Company's Corporate Governance Statement which can be viewed at:

http://www.laserbond.com.au/investor-relations/governance-statement.html.

Directors' Declaration

THE DIRECTORS OF THE COMPANY DECLARE THAT:

1. The financial statements and notes, as set out on pages 46 to 65 are in accordance with the Corporations Act 2001 and:
   a. Comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
   b. Comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements; and
   c. Give a true and fair view of the financial position as of 30th June 2026 and of the performance for the financial year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. Laserbond Limited is not required by Australian Accounting Standards to prepare consolidated financial statements and as a result subsection 295(3A)(a) of the Corporations Act 2001 to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

PHILIP SURIANO
Director

Dated this 20th day of August 2026

Auditor's Independence Declaration

LNP AUDIT & ASSURANCE
ABN 65 155 188 837
L8 309 Kent Street Sydney NSW 2000
L24 570 Bourke Street Melbourne VIC 3000
L14 167 Eagle Street Brisbane QLD 4000
L28 140 St Georges Terrace Perth WA 6000
1300 551 266
www.lnpaudit.com

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF LASERBOND LIMITED

As lead auditor of LaserBond Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd

David Sinclair
Director
Sydney

19 August 2026

LIABILITY LIMITED BY A SCHEME APPROVED UNDER PROFESSIONAL STANDARDS LEGISLATION

Independent Auditor's Report

LNP AUDIT & ASSURANCE

ABN 65 155 188 837
L8 309 Kent Street Sydney NSW 2000
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LASERBOND LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of LaserBond Limited (the Company) which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
b) complying with Australian Accounting Standards and the *Corporations Regulations* 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	How our audit addressed the matter
Revenue recognition The majority of the Company's revenue is attributable to rendering services and selling goods pursuant to contracts with customers. Revenue is a key audit matter due to its significant value in the Company's financial report and certain management judgements applied in the process for recognising revenue from contracts with customers.	Our procedures included: • Evaluating the Company's revenue recognition policies for contracts with customers; • Understanding the Company's processes and internal controls for accounting for revenue, considering terms in customer contracts; • Testing satisfaction of performance obligations for a sample of transactions by inspecting related documentation; • Testing revenue recognised both before and after year end to underlying documentation and a sample of post year end credit notes, to determine if revenue has been recognised in the correct accounting period; and • Assessing the adequacy of the related financial statement disclosures.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

for such internal control as the Directors determine is necessary to enable the preparation of:

- the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 28 to 36 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of LaserBond Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

LNP Audit and Assurance Pty Ltd

David Sinclair
Director
Sydney

19 August 2026

Financial Report

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30th June 2026

	Note	2026 $	2025 $
Revenue	3	48,169,970	43,475,645
Cost of sales		(23,574,018)	(20,688,794)
Gross Profit from continuing operations		**24,595,952**	**22,786,851**
Other income	3	234,961	174,497
Share of Profit of associate	7	1,027,415	737,292
Administration expenses		(5,459,538)	(5,225,221)
Depreciation & amortisation		(3,117,049)	(3,196,387)
Employment expenses		(8,701,158)	(8,242,291)
Finance Costs		(800,493)	(890,920)
Research & development		(1,186,999)	(591,019)
Other expenses		(128,670)	(565,361)
Profit before income tax expense		**6,464,421**	**4,987,441**
Income tax expense	5	(1,555,600)	(1,142,657)
Profit after income tax expense		**4,908,821**	**3,844,784**
Other comprehensive income		-	-
Total comprehensive income attributable to members of LaserBond Limited		**4,908,821**	**3,844,784**
Earnings per share for profit attributable to members:			
Basic and diluted earnings per share (cents)	6	**4.17**	**3.28**

This Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position
As of 30th June 2026

	Note	2026 $	2025 $
CURRENT ASSETS			
Cash and cash equivalents		2,931,838	5,634,854
Trade and other receivables	8	12,610,431	13,213,587
Inventories	9	9,880,443	5,698,030
Total current assets		**25,422,712**	**24,546,471**
NON-CURRENT ASSETS			
Property, plant, and equipment	10	18,172,631	19,165,593
Deferred tax assets	12a	1,694,826	1,591,170
Rental bond		47,600	45,600
Investment in associate	7	12,053,233	11,004,897
Intangible assets	11	6,684,100	6,523,822
Total non-current assets		**38,652,390**	**38,331,082**
TOTAL ASSETS		**64,075,102**	**62,877,553**
CURRENT LIABILITIES			
Trade and other payables	13	3,824,725	4,038,497
Current tax liabilities		474,383	920,065
Employee benefits		2,438,947	2,598,513
Financial liabilities	15	1,838,937	1,875,784
Total current liabilities		**8,576,992**	**9,432,859**
NON-CURRENT LIABILITIES			
Financial liabilities	15	8,903,476	10,154,944
Deferred tax liabilities	12b	1,353,131	1,574,035
Employee benefits		296,949	274,164
Make good provision		385,749	363,913
Total non-current liabilities		**10,939,305**	**12,367,056**
TOTAL LIABILITIES		**19,516,297**	**21,799,915**
NET ASSETS		**44,558,805**	**41,077,638**
EQUITY			
Issued capital	14	25,282,931	24,823,861
Retained earnings		19,275,874	16,253,777
TOTAL EQUITY		**44,558,805**	**41,077,638**

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Cash Flows
for the Year Ended 30th June 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		52,449,517	44,045,799
Payments to suppliers and employees		(46,595,982)	(36,392,783)
Interest paid		(264,739)	(253,655)
Interest received		22,956	48,930
Income taxes paid, net		(2,337,924)	(2,323,731)
Net cash inflow from operating activities	20	**3,273,828**	**5,124,560**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(1,366,291)	(977,728)
Payment for acquisition		-	-
Loans to employees		(2,571)	(14,050)
Net cash outflow from investing activities		**(1,368,862)**	**(991,778)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for share issue costs		(9,197)	(13,006)
Payments for hire purchase assets and finance leases		(3,154,398)	(3,195,175)
Dividends paid		(1,444,387)	(1,048,900)
Net cash outflow from financing activities		**(4,607,982)**	**(4,257,081)**
DECREASE IN CASH AND CASH EQUIVALENTS		(2,703,016)	(124,299)
Cash and cash equivalents at the beginning of the year		5,634,854	5,759,153
		-	
CASH AND CASH EQUIVALENTS AT END OF YEAR		**2,931,838**	**5,634,854**

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
for the Year Ended 30th June 2026

	Issued capital $	Retained earnings $	Total equity $
Opening Balance at 1st July 2024	**24,434,722**	**13,812,335**	**38,247,057**
Profit for the year as previously reported	-	3,844,784	3,844,784
Issue of Share Capital, net of cost	389,139	-	389,139
Dividends paid/payable during the year	-	(1,403,342)	(1,403,342)
Adjusted Closing Balance at 30th June 2025	**24,823,861**	**16,253,777**	**41,077,638**
Profit for the year	-	4,908,821	4,908,821
Issue of Share Capital, net of cost	459,070	-	459,070
Dividends paid/payable during the year	-	(1,886,724)	(1,886,724)
Closing Balance at 30th June 2026	**25,282,931**	**19,275,874**	**44,558,805**

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2026

Corporate Information

LaserBond Limited is a for-profit listed public Company, incorporated and domiciled in Australia. The nature of the operations and principal activities of the Company are described in the Directors' Report.

General Information and Statement of Compliance

The financial report was authorised for issue in accordance with a resolution of the directors on 19th August 2026. These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations and the Corporations Act 2001 and comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). The financial report has been prepared on accruals basis.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

a) Revenue and other income

Revenue from the sale of goods and services
Revenue from the sale of goods and services to customers is recognised when control of the products or components being serviced has been transferred to the customer, which is the point in time when the goods are received or ready for the customer to pick up.

b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers, who have been identified as the board. These decision-makers are responsible for allocating resources and assessing the performance of the operating segments. The segments reported are Products, Services, Technology, and Research and Development.

c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rates enacted or substantively enacted at the end of the reporting period, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

d) Foreign Currency Translation

The functional and presentation currency of the Company is Australian dollars. Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

e) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

NOTE 1 : STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

f) Investments in Associates

Investments in associates are accounted for using the equity method.

g) Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort and is based on the Company's historical experience and informed credit assessment and including forward-looking information.

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract assets and multiplied this by the amount of the expected loss arising from default.

Significant judgements

The ECL allowance is an accounting estimate that requires the Company to make a number of judgements and assumptions about future events that are subject to estimation uncertainty. Refer to Note 8 for further details.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables and finance lease liabilities.

h) Inventory

Raw materials, finished goods and work in progress are stated at the lower of cost and net realisable value. The cost of work in progress comprises direct materials, direct labour, and any external sub-contract costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

i) Property, Plant and Equipment

Property, plant and equipment are measured at cost, including internal costs related to commissioning, less depreciation and any impairment losses.

NOTE 1 : STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

i) Property, Plant and Equipment (continued)

Depreciation on property, plant and equipment is calculated on a reducing balance basis using the following rates:

- Plant and equipment 4.5% - 75%
- Motor Vehicles 18.75% - 30%
- Development equipment 20% - 50%

j) Intangible assets

Patents

Patents are recognised and amortised from the date at which the patent was granted. Patent expenditures are amortised at 10% per annum.

Goodwill

Goodwill on acquisitions of a business is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Significant estimates and assumptions have been made concerning the carrying value, based on historical experience and various other factors they believe to be reasonable under the circumstances but which are inherently uncertain and unpredictable. As a result, actual results could differ from those estimates.

k) Leases

Financed assets are capitalised at their inception at the fair value of the leased equipment or, if lower, the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance costs. The finance cost is charged to the income statement over the lease period to produce a constant periodic rate of interest on the remaining liability balance for each period.

Right of use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the value of the lease liability recognised. The recognised right-of-use assets are depreciated on a straight-line basis over the relevant lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the relevant lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Significant judgements

The Company has made the following significant judgements with respect to its leases as lessee:

NOTE 1 : STATEMENT OF MATERIAL ACCOUNTING POLICIES (continued)

k) Leases (continued)

Determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

Under its facility premises leases, the Company can exercise the option to extend the term of the lease. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term specifically if there is a significant event or change in circumstances that are within its control and affect its ability to exercise (or not to exercise) the option to renew (i.e., a change in business strategy).

Determining the incremental borrowing rate

The Company has applied judgement to determine the incremental borrowing rate, which affects the amount of lease liabilities or right-of-use assets recognised. The Company reassesses and applies the incremental borrowing rate on a lease-by-lease basis at the relevant lease commencement date based on the term of the lease (or the remaining term of the lease at the initial date of application). The Company's equipment financing rate is used as a base rate in the Company's judgment.

l) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and long service leave is recognised in the provision for employee benefits. Long service leave covers all unconditional entitlements where employees have completed the required period of service and those where employees are entitled to pro-rata payments in certain circumstances.

All other short-term employee benefit obligations are presented as payables.

The liability for employee entitlements that are not expected to be settled within 12 months after the end of the period are measured as the present value of expected future payments, using discount rates based on the market yield on Commonwealth Government Securities.

m) Dividends

Provision is made for any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at the reporting date.

NOTE 2: SEGMENT REPORTING

The Company has identified its operating segments based on the internal reports reviewed and used by the executive directors (chief decision-makers) to assess performance and determine resource allocation.

Segment Definitions:

Services – the reclamation or repair of worn components for end users or the manufacture of products that do not incorporate LaserBond® cladding applications.

Products – the manufacture of products incorporating LaserBond® cladding applications.

Technology – the sale of LaserBond® cladding technology, associated licensing fees, and consumables supply.

Research & Development – costs related to the ongoing development of new or improved technology, applications, and products.

Note: The Products and Services division share resources. General overhead costs are proportioned between segments after direct costs allocations.

	30-Jun-26				
	Services	**Products**	**Technology**	**All Other**	**Total**
Revenue	27,312,724	17,459,098	3,398,148	-	48,169,970
Gross Profit Margin	58.0%	37.0%	68.3%	-	51.1%
EBITDA	6,452,897	2,291,762	1,799,735	(185,387)	10,359,007
Interest	(538,484)	(239,053)	-	-	(777,537)
Depreciation & Amortisation	(2,163,801)	(922,381)	-	(30,867)	(3,117,049)
Profit Before Income Tax	3,750,612	1,130,328	1,799,735	(216,254)	6,464,421
Assets					64,075,102
Liabilities					(19,516,297)

	30-Jun-25				
	Services	**Products**	**Technology**	**All Other**	**Total**
Revenue	27,687,680	14,733,362	1,054,603	-	43,475,645
Gross Profit Margin	53.6%	51.1%	39.7%	-	52.4%
EBITDA	5,965,575	2,832,652	202,998	24,593	9,025,818
Interest	(538,298)	(303,692)	-	-	(841,990)
Depreciation & Amortisation	(2,060,469)	(1,096,431)	-	(39,487)	(3,196,387)
Profit Before Income Tax	3,366,808	1,432,529	202,998	(14,894)	4,987,441
Assets					62,877,553
Liabilities					(21,799,915)

NOTE 3: OTHER INCOME

	2026 $	2025 $
Revenue	48,169,970	43,475,645

All revenue is recognised at a point in time. Refer Note 1(a).

Other Income:		
Government Rebates	115,860	20,071
Other	119,101	154,426
	234,961	174,497

NOTE 4: AUDITOR REMUNERATION

Auditors Remuneration

Audit Services – audit and review of Financial Reports	139,227	125,685
	139,227	125,685

NOTE 5: INCOME TAX

	2026 $	2025 $
Reconciliation of Income Tax Expense from continuing operations		
Profit before Income Tax expense	6,464,421	4,987,441
Prima Facie Tax at the Australian tax rate of 30.0% (2025: 30.0%)	1,939,326	1,496,232
R&D Tax Concession	(92,657)	(46,719)
Share of Profit in Associate's Tax	(245,098)	(150,735)
Net Non-Deductible Expenses	63,555	47,740
Other Deductible Expenses	2,758	(3,902)
Net adjustment relating to prior year income tax provisions (a)	(112,284)	(199,959)
Total income tax expenses	1,555,600	1,142,657

Pursuant to the aggregated turnover rules, direct control of an entity is deemed to occur with at least 40% of the voting power for tax purposes. The purchase of 40% equity in the Gateway Group now requires the Company to apply the 30% company tax rate. Under accounting standards, control is generally deemed to occur at greater than 50% of the voting power. Therefore, Gateway's financial position and performance are not consolidated with the Company's for reporting purposes.

NOTE 6: EARNINGS PER SHARE

	2026 $	2025 $
Profit after tax	4,908,821	3,844,784
Basic and diluted earnings per share (cents)	4.17	3.28

There are no current options to affect diluted earnings per share.

(a) Weighted Average Shares on Issue	No. of Shares	Weighted No.
Opening Balance as of 1st July 2025	117,651,994	117,248,144
Shares issued on 26th September 2025	433,194	328,753
Shares issued 19th December 2025	115,448	61,045
Shares issued on 27th March 2026	377,032	98,132
Closing Balance as of 30th June 2026	118,577,668	117,736,074

NOTE 7: INVESTMENT IN ASSOCIATES

On 5th March 2024, LaserBond completed the 40% equity purchase of Gateway Equipment Parts & Services Pty Ltd (Gateway) as part of its strategic domestic expansion, following Victoria in 2020 and Queensland in 2022. The purchase was settled in cash and shares, escrowed for twelve months.

Gateway provides refurbished components, including hydraulics, powertrain parts and attachments. LaserBond's surface engineering technology enhances Gateway's offerings by extending the wear life of these components.

LaserBond's 40% interest in Gateway is equity accounted per Australian Accounting Standards, with only its share of net profit after tax reported. The Company has recognised $1,027,415 share of profits of associates in the financial statements (four months in 2025: $737,292).

As per the purchase agreement between LaserBond and Gateway:

a) LaserBond has a right to obtain 51% equity in Gateway on or after the third anniversary of purchase at the same 4.5 times multiple of EBITDA.

b) The original Gateway shareholders have a right to provide LaserBond with any additional level of equity at any time, at the same 4.5 times multiple of EBITDA.

a) Principal Place of Business

110 Nardine Close, High Wycombe, Western Australia 6057

	2026	2025
	$	$
b) Summarised financial information for associates		
Statement of Profit or Loss		
Revenue	45,699,008	37,952,785
Cost of Sales	(34,212,803)	(28,903,498)
Gross Profit	11,486,205	9,049,287
Expenses	(7,818,575)	(6,415,902)
Profit before income tax expense	3,667,630	2,633,385
Income Tax Expense	(1,100,289)	(791,642)
Profit after income tax expense	2,567,341	1,841,743
Statement of Financial Position		
Current Assets	22,436,485	20,161,025
Non-Current Assets	22,771,541	17,542,969
Total Assets	45,208,026	37,703,994
Current Liabilities	5,916,100	6,420,755
Non-Current Liabilities	18,464,897	13,019,252
Total Liabilities	24,380,997	19,440,007
Net Assets	20,827,029	18,263,987
Total Equity	20,827,029	18,263,987
c) Interests in Associates		
Opening Balance 1 July	11,004,897	10,502,448
Investment in Gateway	-	-
Share of Profits from Continuing Operations	1,027,415	737,292
Unrealised Profit on Sale of Asset to Associate	20,921	(234,843)
	12,053,233	11,004,897

NOTE 8: TRADE AND OTHER RECEIVABLES

	2026 $	2025 $
Trade Receivables	11,633,264	12,293,026
Provision for expected credit losses	(50,000)	(128,236)
Loans – Employees	26,670	24,934
Prepayments and other receivables (a)	1,000,497	1,023,863
	12,610,431	13,213,587

(a) Balances include progress payments on raw material supply, patent applications and insurance.

	Gross Amount	Past due (and impaired)	Within Trade Terms (not impaired) <30	31-60	61-90	>90	Total
	$,000	$,000	$,000	$,000	$,000	$,000	$,000
2026							
Trade receivables	11,633		6,763	2,261	1,214	1,394	11,633
Other receivables	977		977				977
	12,610	-	7,740	2,261	1,214	1,394	12,610
2025							
Trade receivables	12,165	128	4,753	3,517	938	2,829	12,165
Other receivables	1,049	-	1,049				1,049
	13,214	128	5,802	3,517	938	2,829	13,214

Standard customer credit terms are 30 to 90 days, depending on the customer. The simplified approach to expected credit losses as prescribed by AASB 9 has been applied. The expected credit loss rate has been estimated and determined based on historic experience of sales and bad debts.

The decrease in trade receivables past 90 days at 30 June 2026 largely reflects strong collections across all amounts outstanding and strong collections from a long-standing global customer, which now accounts for approximately 64% (72% pcp) of balances over 90 days. More than half of the past due invoices date to February 2026, that fell due at June, in line with their 90-day EOM trading term. The Company has no history of non-payment with this customer and considers the outstanding amounts recoverable.

NOTE 9: INVENTORY

	2026 $	2025 $
Stock on Hand – Raw Materials	7,026,822	3,330,301
Stock on Hand – Finished Goods	493,311	882,585
Work in Progress	2,360,310	1,485,144
	9,880,443	5,698,030

NOTE 10: PROPERTY, PLANT & EQUIPMENT

	2026 $	2025 $
Work in Progress	884,779	1,203,019
Prepayments of Plant and Equipment	649,711	329,353
Plant & Equipment		
At Cost	25,040,630	23,635,895
Less Accumulated Depreciation	(15,759,729)	(14,110,460)
	9,280,901	9,525,435
Office Equipment		
At Cost	384,959	336,215
Less Accumulated Depreciation	(254,211)	(233,289)
	130,748	102,926
Motor Vehicles		
At Cost	884,478	870,539
Less Accumulated Depreciation	(586,239)	(544,374)
	298,239	326,165
Right of Use Assets		
At Cost	13,363,273	12,833,776
Less Accumulated Depreciation	(6,435,020)	(5,155,081)
	6,928,253	7,678,695
TOTAL PROPERTY, PLANT & EQUIPMENT	18,172,631	19,165,593

NOTE 10: PROPERTY, PLANT & EQUIPMENT (continued)

(a) Movements in Carrying Amounts	Work in Progress	Plant & Equipment	Office Equipment	Motor Vehicles	Right of Use Assets	Total
2025 Financial Year	$	$	$	$	$	$
Balance at the beginning of the year	1,203,019	9,854,788	102,926	326,165	7,678,695	19,165,593
Additions / Transfer In	(318,240)	1,746,457	82,027	45,755	529,497	2,085,496
Disposal of Asset / Transfer Out	-	(6,862)	(11,253)	(181)	-	(18,296)
Depreciation Expense	-	(1,663,771)	(42,952)	(73,500)	(1,279,940)	(3,060,162)
Carrying Amount at the end of the year	884,779	9,930,612	130,748	298,239	6,928,253	18,172,631
Restated 2025 Financial Year						
Balance at the beginning of the year	551,128	10,650,928	91,738	254,416	8,760,927	20,309,137
Additions / Transfer In	651,891	1,044,735	45,287	138,791	141,825	2,022,529
Disposal of Asset / Transfer Out	-	(12,253)	(2,654)	(7,429)	-	(22,336)
Depreciation Expense	-	(1,828,622)	(31,445)	(59,613)	(1,224,057)	(3,143,737)
Carrying Amount at the end of the year	1,203,019	9,854,788	102,926	326,165	7,678,695	19,165,593

(b) Asset Additions financed	2026	2025
	$	$
The values of assets purchased utilising finance leases or hire purchase agreements during the year:	426,644	-

NOTE 11: INTANGIBLES

	2026	2025
Goodwill	6,260,968	6,260,968
Patents and Trademarks	-	-
At Cost	474,040	302,875
Less Accumulated Amortisation	(122,950)	(84,600)
	351,090	218,275
Software		
At Cost	270,170	224,170
Less Accumulated Amortisation	(198,128)	(179,591)
	72,042	44,579
TOTAL INTANGIBLES	6,684,100	6,523,822

(a) Movements in Carrying Amounts	Goodwill	Patents & Trademarks	Software	Total
2026 Financial Year	$	$	$	$
Balance at the beginning of the year	6,260,968	218,275	44,579	6,523,822
Additions	-	171,165	46,000	217,165
Depreciation Expense	-	(38,350)	(18,537)	(56,887)
Carrying Amount at the end of the year	6,260,968	351,090	72,042	6,684,100
2025 Financial Year	$	$	$	$
Balance at the beginning of the year	6,260,968	207,422	32,816	6,501,206
Additions	-	35,116	40,150	75,266
Depreciation Expense	-	(24,263)	(28,387)	(52,650)
Carrying Amount at the end of the year	6,260,968	218,275	44,579	6,523,822

Significant estimates and judgement – Carrying value of Goodwill

The company determines whether goodwill is impaired at least at each reporting date. Based on management's assessment and impairment modelling as at 30 June 2026, using specific input providing a weighted average cost of capital of 8.6%, the conclusion is that no current impairment risk exists. Some of these inputs include a long-term growth rate of 1.4%, a company tax rate of 30.0% and a cost of equity of 10.0%.

NOTE 12: DEFERRED TAX

a) Deferred Tax Asset

	2026	2025
Deferred tax assets comprise temporary differences attributable to:	$	$
Employee Benefits	820,769	861,803
Accruals	874,057	729,367
	1,694,826	1,591,170

b) Deferred Tax Liability

Deferred tax liabilities comprise temporary differences attributable to:		
Depreciation of fixed assets	1,353,131	1,574,035

NOTE 13: TRADE AND OTHER PAYABLES

Trade Payables	1,412,975	1,421,455
Superannuation	139,742	126,485
Dividends	28,055	28,854
Deferred Income*	898,590	946,090
Other payables and accrued Expenses	1,345,363	1,515,613
	3,824,725	4,038,497

*Sales of equipment under our Technology division where the equipment has not been commissioned by the customer and therefore, revenue cannot be recognised.

NOTE 14: CONTRIBUTED EQUITY

Issued and Paid-Up Capital	2026	2026	2025	2025
	Shares	$	Shares	$
Opening Balance	117,651,994	24,823,861	116,756,333	24,434,722
Issued Shares	925,674	459,070	895,661	389,139
	118,577,668	25,282,931	117,651,994	24,823,861

(a) Ordinary Shares

Date	Details	No. Shares	Issue Price (Cents per Share)	$
30th June 2024	Closing Balance	116,756,333		24,434,722
27th September 2024	Dividend Reinvestment Plan	463,709	51.28	232,500
20th December 2024	Employee Share Plan	111,470	55.00	44,894
28th March 2025	Dividend Reinvestment Plan	320,482	36.21	111,745
30th June 2025	Closing Balance	117,651,994		24,823,861
26th September 2025	Dividend Reinvestment Plan	433,194	50.61	210,137
19th December 2025	Employee Share Plan	115,448	63.00	24,718
27th March 2026	Dividend Reinvestment Plan	377,032	59.45	224,215
30th June 2026	Closing Balance	118,577,668		25,282,931

Issue amounts are presented net of transaction costs arising from the issue

(b) Capital Risk Management

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its financial structure in response to those risks. These responses include the management of debt levels and distributions to shareholders. The Company has no externally imposed capital requirements. In order to maintain or adjust the capital structure, the Company may adjust the dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

NOTE 15: FINANCIAL LIABILITIES

	2026	2025
	$	$
Current Liabilities		
Hire purchase and finance lease	685,186	869,678
Lease Liabilities	1,153,751	1,006,106
	1,838,937	1,875,784
Non-Current Liabilities		
Hire purchase and finance lease	1,656,312	2,226,224
Lease Liabilities	7,247,164	7,928,720
	8,903,476	10,154,944

The lease liabilities balances exclude finance costs of $1,713,428 (2025: $2,490,292).

NOTE 16: CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Apart from security deposit guarantees of $377,500 with CBA for leased premises, the directors are not aware of any contingent liabilities that would require disclosure in these financial statements. (2025: security deposit guarantees $153,704).

As at the reporting date, the Company had committed to $2,338,649 of fixed asset purchases, of which $649,711 has been recognised in Prepayments of Plant and equipment (Note 10) as at 30 June 2026.

The Company had no other contingent liabilities or capital commitments as at 30 June 2026.

NOTE 17: RELATED PARTY TRANSACTIONS

(a) Other Related Parties

	2026	2025
Employment benefits	$	$
Payroll persons related to executive directors	211,373	194,207
Contribution to superannuation funds on behalf of other related parties	24,993	23,652
	236,366	217,859

Note: this is exclusive of executive director remuneration, which is included in the remuneration report within the Directors' Report of this Annual Report.

(b) Key Management Personnel Transactions

Consultant fees are paid to non-executive director-related entities and relate to services those non-executive directors provide to support executive functions. Fees relative to a non-executive director's board fees are included in the remuneration report within the Directors' Report of this Annual Report. Consultancy services were provided by the non-executive directors personally, and not a related party or representative of a related party. The support provided relate to sales, strategy development, recruitment and remuneration framework development support. There were no fees paid in FY2026 (FY2025: NIL).

NOTE 18: KEY MANAGEMENT PERSONNEL

The key management personnel of the Company for management of its affairs are all executive directors and the Company Secretary.

(a) Remuneration

The remuneration report within the Directors' Report of this Annual Report includes details regarding the remuneration of the Company's key management personnel for managing its affairs.

(b) Options Held

No options were held on 30 June 2026 or 30 June 2025, and no options were issued during the financial year.

(c) Shares Held

Interest		Shares Held as of 30th June 2025	Issued	Purchased (DRP)	Purchased / (Sold)	Shares Held as of 30th June 2026
Wayne Hooper	Direct	9,433,797	-	-	-	9,433,797
Wayne Hooper	Indirect	1,965,498	-	-	-	1,965,498
Philip Suriano	Indirect	975,516	-	23,347	5,408	1,004,271
Ian Neal	Indirect	100,000	-	-	65,000	165,000
Dagmar Parsons	Indirect	-	-	242	18,000	18,242
Matthew Twist	Direct	118,092	-	-	(1,583)	116,509
Michael Tyler	Direct	10,100	-	-	(8,100)	2,000
		12,603,003	-	23,589	78,725	12,705,317

Interest		Shares Held as of 30th June 2024	Issued	Purchased (DRP)	Purchased / (Sold)	Shares Held as of 30th June 2025
Wayne Hooper	Direct	9,433,797	-	-	-	9,433,797
Wayne Hooper	Indirect	1,965,498	-	-	-	1,965,498
Philip Suriano	Indirect	933,136	-	25,480	16,900	975,516
Ian Neal	Indirect	65,000	-	-	35,000	100,000
Dagmar Parsons	Indirect	-	-	-	-	-
Matthew Twist	Direct	116,274	1,818	-	-	118,092
Michael Tyler	Direct	-	-	-	10,100	10,100
		12,513,705	1,818	25,480	62,000	12,603,003

NOTE 19: DIVIDENDS

	2026 $	2025 $
Declared 2026 fully franked interim ordinary dividend of 0.8 (2025: 0.40) cents per share franked at the tax rate of 30.0% (2025: 30.0%)	945,508	469,327
Declared 2025 fully franked interim ordinary dividend of 0.8 (2024: 0.80) cents per share franked at the tax rate of 30.0% (2024: 30.0%)	941,216	934,015
Total dividends per share for the period	1.60 cents	1.20 cents

Dividends paid in cash or satisfied by the issues of shares under the dividend reinvestment plan during the year were as follows:

	2026	2025
Paid in cash	723,669	721,882
Satisfied by the issue of shares	224,953	219,334
	948,622	941,216

Dividends not recognised during the reporting period

Since year-end, the directors have recommended the payment of a final dividend of 0.8 cents per fully paid ordinary share (2025: 0.8) fully franked based on tax paid at 30.0%. The aggregate amount of the proposed dividend expected to be paid on the 25th of September 2026 out of retained earnings as of 30 June 2026 but not recognised as a liability at year-end is $948,621. The debit expected to the franking account arising from this dividend is $284,586.

Franking credits

	2026 $	2025 $
Franking credits available for subsequent periods based on a tax rate of 30.0% (2025: 30.0%)	5,851,016	5,322,985

NOTE 20: CASH FLOW INFORMATION	2026	2025
	$	$
Reconciliation of profit after income tax to net cash flows from operating activities		
Profit after Income Tax for the year	4,908,821	3,844,784
Non-cash flows in operating surplus		
Depreciation, Amortisation & Impairment	3,117,049	3,196,387
(Profit) / loss on disposal of property, plant & equipment	(51,990)	63
Changes in assets and liabilities		
(Increase)/Decrease in trade and other receivables	603,156	(3,556,679)
(Increase)/Decrease in inventories	(4,182,413)	1,102,773
(Increase)/Decrease in deferred tax assets	(103,656)	(359,732)
Increase/(Decrease) in trade and other payables	(213,773)	765,811
Increase / (Decrease) in current provisions	(159,565)	336,458
Increase / (Decrease) in current tax liabilities	(445,682)	(540)
Increase / (Decrease) in non-current provisions	22,785	70,298
Increase / (Decrease) in deferred tax liabilities	(220,904)	(275,063)
Net cash inflow from operating activities	3,273,828	5,124,560

NOTE 21: FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Company's operating activities may expose the Company to credit risk, liquidity risk and interst rate risk. The Company's risk management policies and objectives aim to minimise the potential impacts of these risks on the results of the Company.

The Board of Directors monitors and manages the financial risk exposures of the Company and reviews the effectiveness of internal controls relating to these risks. The overall risk management strategy seeks to assist the Company in meeting its financial targets, while minimising potential adverse effects on financial performance, including the review of credit risk policies and future cash flow requirements.

Maturity of financial liabilities on 30th June 2026	**Within 1 Year**	**Greater than 1 Year**	**Total**
	$	**$**	**$**
Trade and other payables	3,824,725	-	3,824,725
Hire Purchase / Finance Lease	685,186	1,656,312	2,341,498
Lease Liabilities (AASB16)	1,153,751	7,247,164	8,400,915
Total financial liabilities	5,663,662	8,903,476	14,567,138

Maturity of financial liabilities on 30th June 2025	**Within 1 Year**	**Greater than 1 Year**	**Total**
	$	**$**	**$**
Trade and other payables	4,038,497	-	4,038,497
Hire Purchase / Finance Lease	869,679	2,226,224	3,095,903
Lease Liabilities (AASB16)	1,006,106	7,928,720	8,934,826
Total financial liabilities	5,914,282	10,154,944	16,069,226

NOTE 21: FINANCIAL INSTRUMENTS

Credit Risk Exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security, at the balance date to recognise financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulties raising funds to meet commitments. The Company manages this risk by preparing cash flow forecasts.

Net fair value of financial assets and liabilities

The carrying amount of cash, cash equivalents, and non -interest-bearing financial assets and liabilities (e.g., accounts receivable and payable) approximate their fair value.

Sensitivity Analysis

The Company has performed a sensitivity analysis of its interest rate and foreign currency risk exposure. This sensitivity analysis demonstrates the effect on the current year's results and equity, which could result from a change in these risks.

Interest Rate Sensitivity Analysis:

As of 30 June 2026, the company had cash on hand in an interest-bearing bank account. The Directors do not consider that any reasonably possible movement in interest rates would have a material effect on profit or equity.

Foreign Currency Risk Sensitivity Analysis:

The Company purchases certain raw materials from overseas due to non-availability in Australia or savings from bulk buying power overseas. The Company continues to expand its operation and has some overseas customers. The US dollar exchange rate movement affects 100% of overseas customers invoiced in foreign currency and 95% of overseas suppliers paid in foreign currency. The Company has a US dollar bank account to mitigate foreign currency risk for US dollar transactions. Payments made from this US dollar account are from foreign customer deposits or cash transfers at a time the exchange rate is deemed positive (which is reviewed daily). The Directors do not consider that any reasonably possible movement in foreign currency rates would have a material effect on profit or equity.

NOTE 22: SHARE-BASED PAYMENTS

a) Employee Share Plan

A scheme under which shares may be issued by the Company to employees for no cash consideration was approved by shareholders through the prospectus. Eligibility to participate is based on an employee being a full-time or part-time employee of the Company (or any of its 100% owned subsidiaries), the employee is an Australian resident for income tax purposes, and the employee has been directly employed by the Company (or any of its 100% owned subsidiaries) for at least a period of 36 continuous months in a permanent position.

Each eligible employee will be entitled to a maximum of $1,000 of fully paid ordinary shares annually, with the number of shares calculated based on the Company's closing price on the day each issue is formally passed by the Board. Offers under the scheme are at the discretion of the Board. Shares issued are vested for a period of three years from the date of issue, with one-third released annually on each anniversary date of the board-approved issue date. If employment is ceased for any reason, any shares still currently vested and not released will be forfeited by the employee. Shares are issued as fully paid ordinary shares and rank equally with existing shares on issue.

	2026	2025
Number of new shares issued under the plan to participating employees: (refer to Note 14 (a) for details of the issue)	115,448	111,470

b) Non-Executive Director Remuneration (Non-Cash)

Non-Executive Directors were paid fixed cash fees, which are reviewed annually. They do not receive performance-based pay or other non-cash benefits.

NOTE 22: SHARE-BASED PAYMENTS (Continued)

c) Expenses arising from share-based payment transactions

	2026	2025
	$	$
Shares Issued under the employee share plan	24,718	44,894

NOTE 23: MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

a) Dividends

The directors have recommended a final dividend of 0.8 cents per fully paid ordinary share (2025: 0.8) fully franked based on tax paid at 30.0%. The aggregate amount of the proposed dividend is expected to be paid on the 25th of September, 2026.

The Board expects to continue to maintain future dividends, subject to the Company continuing to operate in accordance with its future plans.

No other matters or circumstances have arisen since the end of the financial year that significantly affected or could significantly affect the Company's operations, the results of those operations, or its state of affairs.

b) Facility Lease Commitments

On 25 July 2025, the Company signed an agreement to lease larger facilities in Brisbane, Queensland. This commitment ensures our local facilities are sufficient to support the growth opportunities. As the new facilities have yet to have building works completed, the date of commencement of the lease is not defined, other than falling approximately two years from the execution of the agreement for lease.

This lease commits the Company to a ten year lease term, with two additional five-year options available at an annual rental, at commencement of the lease, of $406,900 per annum. The Company has also committed to a bank guarantee to be provided to the lessor equivalent to six months rent, including GST, or $223,795. No amounts have been recognised for this lease in the financial statements for the year ended 30 June 2026.

NOTE 24: ECONOMIC DEPENDENCY

Revenues of $18,648,268, or 38.7% of reported revenue (2025 - $14,826,555, or 34.1%) that are derived from two independent customers. The Company has established strong relationships with these customers over a period of ten years. Supply agreements include fixed prices that can be adjusted upon providing appropriate supporting evidence for any changes. These agreements have no fixed period.

Shareholder Information

SHAREHOLDER INFORMATION

1. Substantial Shareholders on 31st July 2026

Holder LaserBond Limited	Number of Ordinary Fully Paid Up Shares Held	%
Ms Diane Constance Hooper	9,433,797	7.956%
Mrs Lilian Hooper	9,417,884	7.942%
Mr Wayne Edward Hooper	9,433,797	7.956%
Mr Wayne Edward Hooper (W&D Hooper Investments Pty Limited)	1,295,498	1.093%

2. Distribution of Shareholders on 31st July 2026

Holdings Ranges	Holders	Total Units	%
1-1,000	587	299,704	0.250
1,001-5,000	971	2,439,362	2.060
5,001-10,000	340	2,513,601	2.120
10,001-100,000	632	19,705,727	16.620
100,001-999,999,999	102	93,619,274	78.950
Totals	2632	118,577,668	100.000

2. Twenty Largest Shareholders on 31st July 2026

Holder LaserBond Limited	Number of Ordinary Fully Paid Shares Held	%
J P Morgan Nominees Australia Pty Limited	9,442,526	7.963%
Ms Diane Constance Hooper	9,433,797	7.956%
Mr Wayne Edward Hooper	9,433,797	7.956%
Mrs Lillian Hooper	9,417,884	7.942%
Lornat Pty Ltd (WK & LM Peachey S/Fund A/C)	4,943,344	4.169%
Underwood Capital Limited (Hygrovest Limited A/C)	3,392,086	2.861%
Mr Francis Joseph Maher & Mrs Sharon Jane Maher (Maher Family A/C)	2,495,987	2.105%
Mr Ian Davis	2,375,243	2.003%
BNP Paribas Nominees Pty Ltd (Clearstream)	2,367,068	1.996%
Myall Resources Pty Ltd (Myall Group Super Fund A/C)	1,900,000	1.602%
Mr Brendan Thomas Birthistle	1,839,770	1.552%
Dixson Trust Pty Limitewd	1,814,582	1.530%
HSBC Custody Nominees (Australia) Limited	1,665,383	1.404%
Gemblue Nominees Pty Ltd (G A Baker Investments A/C)	1,331,193	1.123%
W&D Hooper Investments Pty Ltd (W & D Hooper Unit A/C)	1,295,498	1.093%
Mrs Julia Catherine Moore & Mr James Edward Moore (J&J Moore Family A/C)	1,247,993	1.052%
Mr Makram Hanna & Mrs Rita Hanna (Hanna & Co P/L Super A/C)	1,230,400	1.038%
DMX Capital Partners Limited	1,200,000	1.012%
Fortitude Enterprises Pty Ltd (Fortitude Super Fund A/C)	1,146,661	0.967%
Mining and Civil Management Services Pty Ltd (The Edwards Family A/C)	1,117,326	0.942%
Total Securities of Top 20 Holdings	69,090,538	58.266%
Total of Securities	118,577,668	

SHAREHOLDER INFORMATION (Continued)

4. Voting Rights

The voting rights attached to each class of equity securities are:

a) Ordinary Shares - every member present at a meeting in person or by proxy shall have one vote by a poll, and each share shall have one vote

b) Options - no voting rights

5. Restricted Securities

The company has no restricted securities.

Corporate Directory

DIRECTORS:	Mr. Wayne Hooper Executive Director Mr. Philip Suriano Chairman / Non-Executive Director Mr. Ian Neal Non-Executive Director Ms. Dagmar Parsons Non-Executive Director
COMPANY SECRETARY:	Peter Arambatzis
REGISTERED OFFICE, PRINCIPAL PLACE OF BUSINESS:	2 / 57 Anderson Road SMEATON GRANGE NSW 2567 Phone: +61 2 4631 4500
SOUTH AUSTRALIA DIVISION:	112 Levels Road CAVAN SA 5094 Phone: +61 8 8262 2289
VICTORIA DIVISION:	26-32 Aberdeen Road ALTONA VIC 3018 Phone: +61 3 9398 5925
QUEENSLAND DIVISION:	74 High Road BETHANIA QLD 4205 Phone: +61 7 3200 9733
WEBSITE:	www.laserbond.com.au
WESTERN AUSTRALIA:	The Gateway Group 110 Nardine Close HIGH WYCOMBE WA 6057 Phone: +61 8 9209 2700 Website: www.gatewaygroup.net
SHARE REGISTRY:	Boardroom Pty Ltd Level 8, 210 George Street SYDNEY NSW 2000 Phone: 1300 737 760
AUDITOR:	LNP Audit and Assurance Pty Ltd Level 8, 309 Kent Street SYDNEY NSW 2000
SOLICITOR:	HWL Ebsworth Lawyers Level 14, Australia Square 264-278 George Street SYDNEY NSW 2000 Phone: +61 2 9334 8555
BANKERS:	Commonwealth Bank of Australia Major Client Group Level 8, CBP South, 11 Harbour Street SYDNEY NSW 2000
STOCK EXCHANGE LISTING:	Laserbond Ltd shares are listed on the Australian Securities Exchange (ASX) under LBL.

LASERBOND
ENGINEERED RESILIENCE

Annual Report 2026

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