



LASERBOND[®]
PRODUCTIVITY | INNOVATION | CONSERVATION



Investor Presentation

March 2025

ASX: LBL

Wayne Hooper, CEO
Matthew Twist, CFO



Business Overview

Half-Year Results

Strategy

Investment
Rationale

Appendices

SURFACE ENGINEERING LEADERS

- *Specialists in advanced surface engineering with over 32 years experience in R&D and application of high-performance wear and corrosion resistant materials, including 24 years in laser cladding.*
- *Manufactures, repairs, reclaims and enhances the performance of high-wear, critical metal components in a range of capital-intensive industries with a global footprint.*

Features and benefits of surface engineering:

- *Prolonged wear life;*
- *Greater productivity with fewer maintenance shuts;*
- *Reduced maintenance costs to repair and refurbish components;*
- *Lower risk of an unplanned maintenance event; and*
- *A smaller carbon footprint through fewer replacements.*

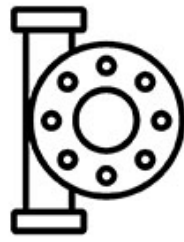


BUSINESS SEGMENTS



Services

The application of a range of surface engineering techniques for reclamation and re-engineering of high wear metal components.



Products

We develop and manufacture an exclusive range of surface engineering products, embedded with our patented technologies, extending wear life.



Technology

Much of our surface engineering technology and processes have been developed in-house, supported by our R&D facilities. We license our modular LaserBond® cladding cell systems globally.



Industries

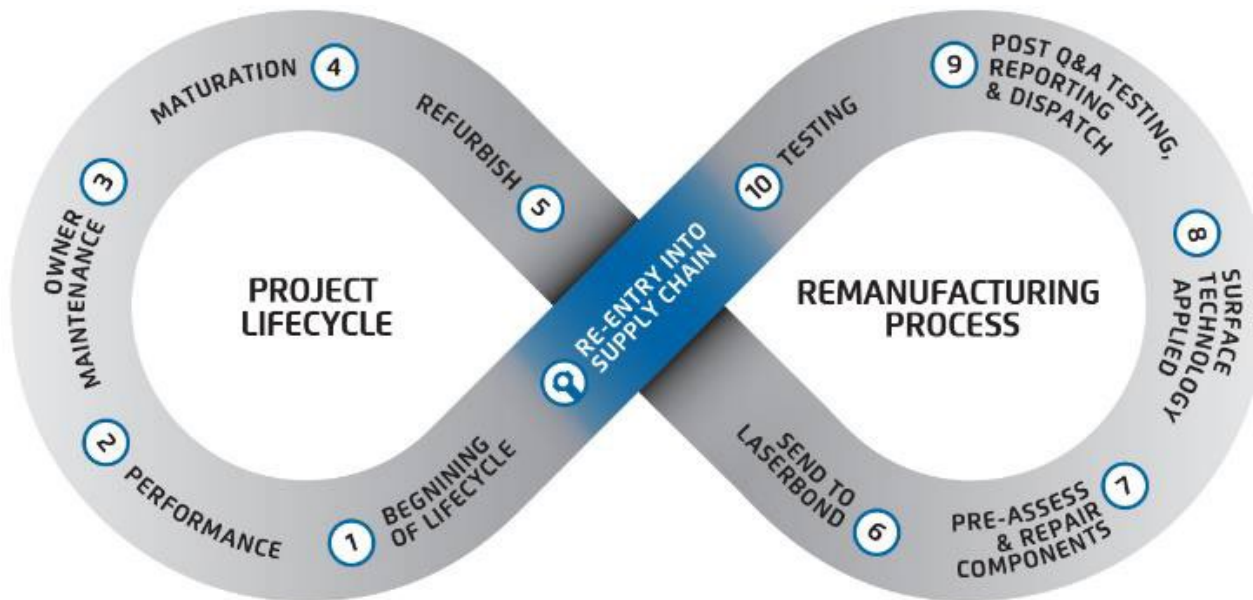
Capital-intensive industries rely on plant and equipment performing at peak efficiency for a longer period.

COMMITMENT TO SUSTAINABILITY



Don't Scrap It; LaserBond It!

Through surface engineering, we remanufacture worn components to deliver performance and longer life, in most cases better than that of the original equipment component and usually at a fraction of the cost of replacement. This assists the industries we serve to meet their sustainability goals, as well as reduce costs



Certifications

- LaserBond has JAS-ANZ Certification for its accredited quality, environmental and safety programs under international standards:
 - ISO 9001
 - ISO 14001
 - ISO 45001
- ISO 14001 certification demonstrates our commitment to sound and sustainable environmental practices
- ISO 45001 certification shows commitment to ensure all staff work safely at all times.

INNOVATION

- *Research, design and manufacture specialised technology, products and solutions to provide improved surface life in challenging conditions, including:*
 - *Resistance to corrosion, erosion, abrasion and impact conditions.*
- *In-house R&D capabilities allow us to:*
 - *Determine the characteristics of wear affecting the surface*
 - *Define the best surface engineering material and process.*
- *Collaborative R&D relationships supporting the development and validation of technologies, materials and solutions, including:*
 - *Future Industries Institute (UniSA)*
 - *Institute of Rail Technology (Monash Uni)*
 - *The Australian Nuclear Science and Technology Organisation (ANSTO)*
 - *Surface Engineering of Advanced Materials (SEAM) through the Australian Research Centre)*
 - *Swinburne Uni, University of NSW & Curtin University*



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**Investment
Rationale**

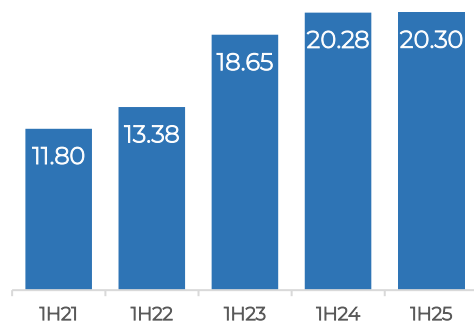
Appendices

GROUP FINANCIAL PERFORMANCE

Note: Investment Costs (People & Capabilities) account for \$1.78 M additional costs in 1H25

Half year ended 31 Dec	1H25	% change	1H24
Revenue from continuing operations	\$20.30M	Up 0.0% from	\$20.28M
EBITDA	\$3.30M	Down 21.4% from	\$4.20m
EBIT	\$1.74M	Down 30.5% from	\$2.50M
Net profit before tax	\$1.33M	Down 38.6% from	\$2.16M
Net profit after tax	\$1.04M	Down 38.4% from	\$1.69M

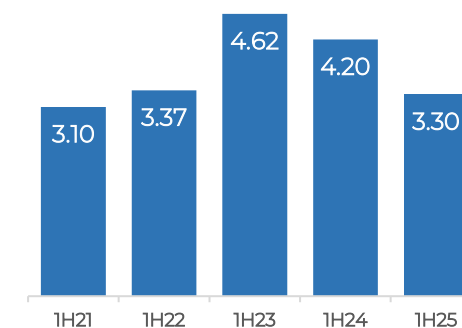
Revenue (\$m)



Foundational Investment for Sustainable Growth

- Strengthening Operations
- Strengthening Sales & Business Development
 - Strengthening Senior Leadership
- Commercialising R&D and Technology

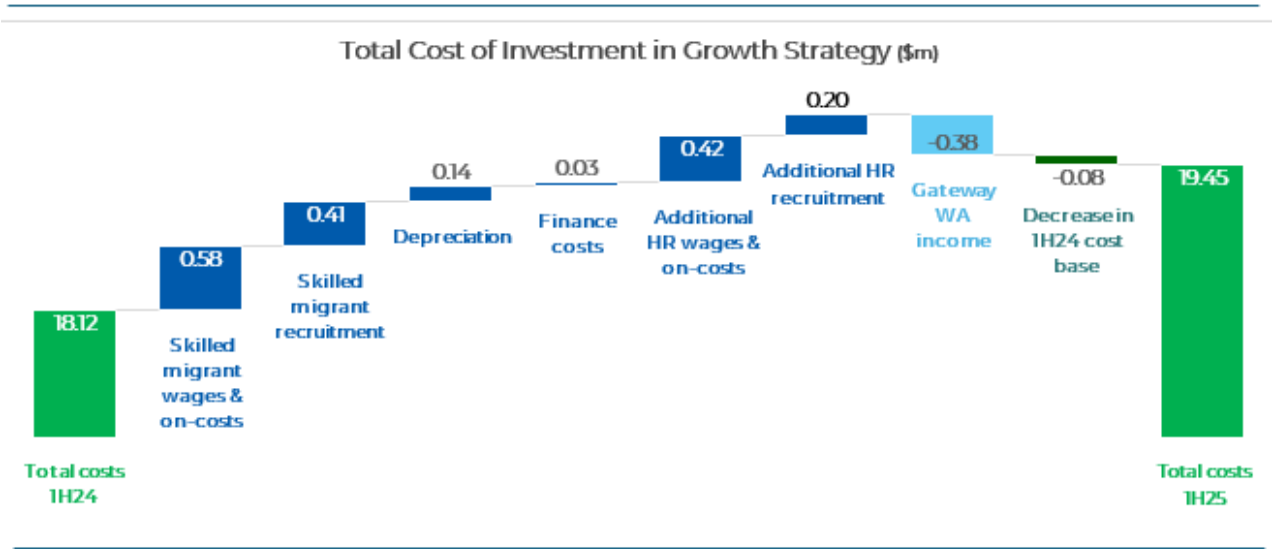
EBITDA (\$m)



To Drive Future Growth and Greater Returns for Shareholders

KEY POINTS

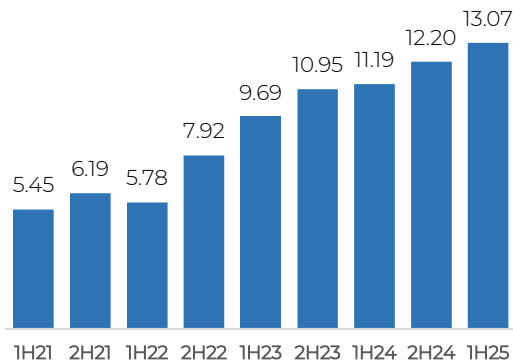
- **Revenue Performance:** in line with AGM guidance.
- **Strategic Investments:** increased costs by **\$1.78 million**, focused on:
 - Expanded senior leadership, under guidance from and **supporting the CEO**, transforming the business to deliver on strategic objectives;
 - Driving industry and customer spending through **targeted business development** and sales efforts;
 - **Increasing capabilities** via capital investment; and
 - **Reducing lead times** through recruitment, training and improved capacity utilisation.



- **Operational Successes:**
 - 16.8% **revenue growth** in the Services.
 - Launched the **Quick Response Team** in Queensland, supporting reducing lead times.
 - Manufactured the **first modular LaserBond® laser-cladding cell**, reinforcing strategic investment in the Gateway Group.
 - Reintroducing business development activities for modular laser-cladding **cells under license**.
 - Dedicated time in the **US market** to refine business strategy, expand opportunities and assess potential acquisitions.

SERVICES SEGMENT

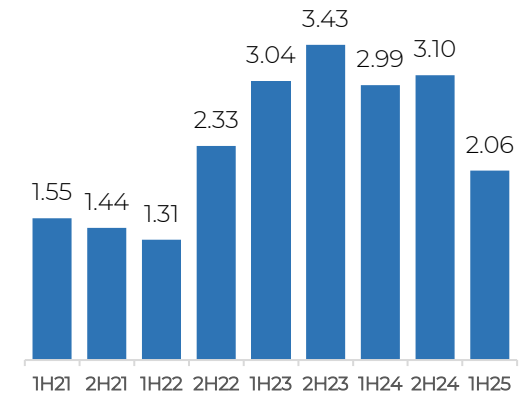
Services Revenue (\$m)



While group profitability has dropped due to foundational investment, our core services division remains strong.

- **16.8% revenue growth on p.c.p.**
 - Smeaton Grange, NSW: + 18.0%
 - Bethania, Qld: + 26.7%
 - Cavan, SA: + 0.0%
 - Altona, Vic: + 4.5%

Services EBITDA (\$m)



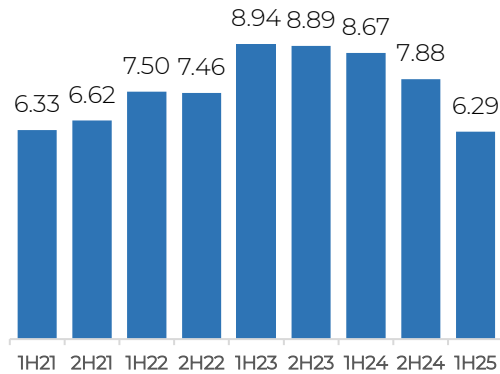
- Influenced by increased capabilities, capacity utilisation and strengthening business development activities.
- Supported by the success of the Quick Response Team (QRT) in Qld to support reducing lead times. Phase 2 of the QRT program commences 2H25, rolling-out to other facilities.

- Profitability impacted by foundational investments, and the Services division sharing resources with the Products division. General overhead costs are proportioned between segments after direct costs are allocated to the segments.

PRODUCTS SEGMENT

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

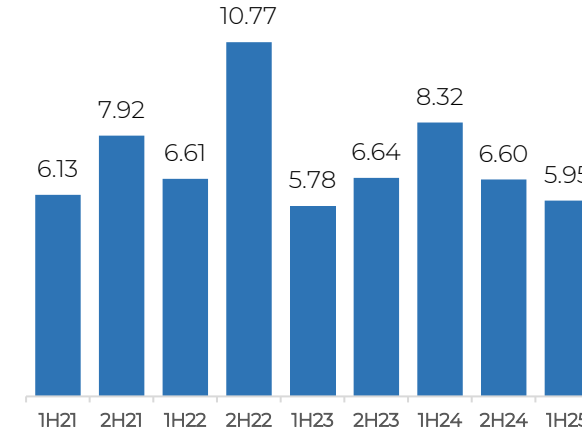
Products Revenue (\$m)



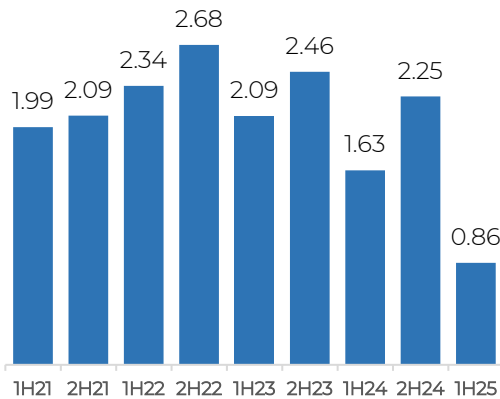
The Products division has been impacted by external market conditions (with our customers or their end users).

- **27.5% revenue decline on p.c.p.**
- OEMs reporting impacts from:
 - Increasing operating costs.
 - Competitive pressures.
 - Internal leadership changes.

Orders Received – OEM 1 & 2 (\$m)



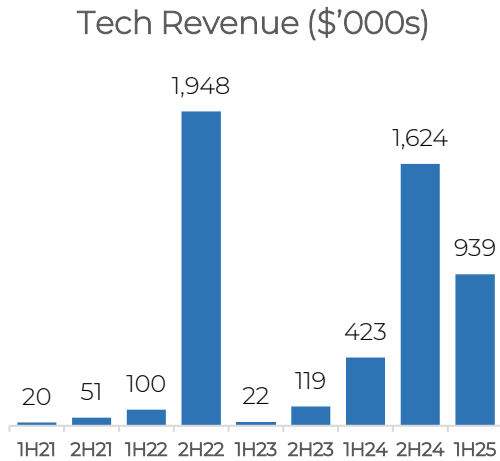
Products EBITDA (\$m)



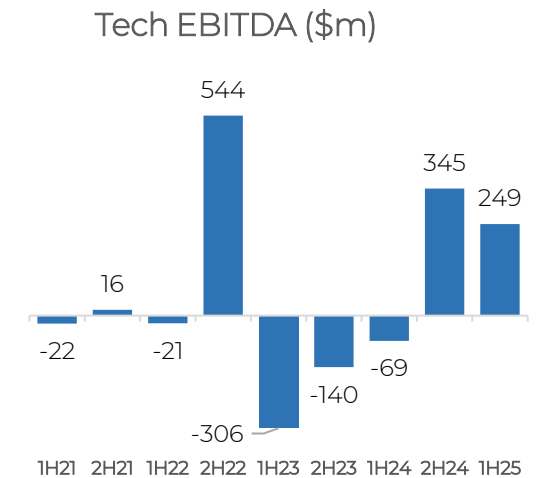
- OEMs in the process of implementing strategies to increase recent ordering levels and expand market share.
- Ordering fluctuations from these OEMs have always existed. However, a strong backlog and pipeline previously ensured consistent revenue recognition.
- LaserBond’s period of investment included a focus on increasing Services division revenue, to mitigate the risk of economic dependency with our OEMs.
- International expansion plans will accelerate Products division growth through reduced lead times and freight costs.
- In the short term, the Products division expects stable revenue (*as a minimum*), for the next two halves.

TECHNOLOGY SEGMENT

Market-Ready Modular Designs



- With the LaserBond® modular cladding cell designs completed in 2H24, our first cell was built and tested during 1H25.
- This first cell will become productive 4Q25 with the Gateway Group, Perth.
- With market-ready modular designs, business development has been ramped up.
- Several discussions with potential licensees are underway, targeting two licensing agreements annually.



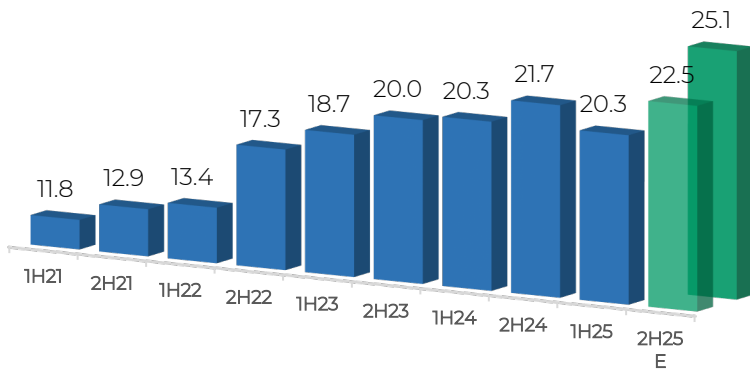
Sale to Gateway Group – Accounting Treatment

- In December 2024, we sold a LaserBond® cladding system to Gateway Group at normal market prices.
- LaserBond owns 40% of Gateway Group, so accounting rules require adjusting the financial statements to reflect this relationship.
- Under these rules, 40% of the revenue and cost of sales from this transaction are removed (since it's essentially a sale within a partly owned business).
- The impact of this adjustment is temporary. LaserBond will recover the full financial benefit over time as Gateway Group uses the asset.

2H25 GUIDANCE

Note: Revenue estimates exclude Gateway Group (40% stake acquired 1H24), as its accounts are not consolidated.

Revenue: \$22.1 to \$25.1 million

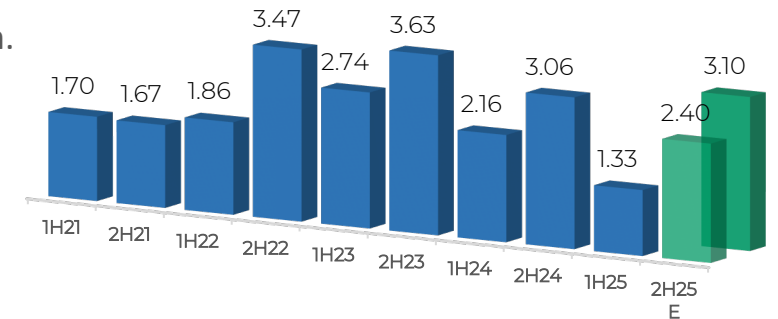


- The benefits of our planned investment has become evident during 1H25, producing the following results:

- Increased production capacity
- Increased sales pipeline
- Expanded customer base through more industry sectors
- Increased activity at all facilities.

- Revenue:** Expected range of **\$22.2M – \$25.1M** (+9.4% to +23.6% vs. 1H25).
 - Low case:** Driven by sustained services division growth, with limited product division expansion.
 - High case:** Supported by new services opportunities and increased OEM product spending.
- Net Profit Before Tax:** Estimated at **\$2.4M – \$3.1M** (+80% to +134% vs. 1H25).
- FY25 Full-Year Projections:**
 - Revenue: \$43.0M – \$46.0M; Net Profit Before Tax: \$4.1M – \$4.7M

NPBT: \$2.4 to \$3.1 million





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CORE STRATEGIC PILLARS

LaserBond has substantial opportunities, driving strategic actions to capture value. Our strategy focuses on global expansion and innovation to sustain market leadership and growth.

1 Geographic Expansion

- Push existing and new products into domestic and offshore markets.

2 Capacity & Capability

- Invest in people and equipment to improve volume, margins and productivity.

3 Innovation

- Drive R&D advancements to maintain market leadership.

4 Technology Division

- A suite of modular technologies designed to increase operational efficiencies and support global expansion.

GEOGRAPHIC EXPANSION

Continued Expansion

- To North America and larger facilities in Queensland to support customer needs.
- 1H25 US visits expanding opportunities with multiple existing customers, with on-site visits to several potential acquisitions, supporting validation of capabilities and capacity for growth and local skill and leadership.
- Expecting to reach a non-binding indicative offer, commencing due diligence shortly.

Product Manufacturing

- As a North American local supplier of our products, we can offer dramatically reduced lead times and freight costs, accelerating Products division growth.

Reclamation Services

- As a North American local provider of our reclamation services, there is great opportunity, leveraging success to date in many industries.

Extend Reach

- Throughout Australia and North America, providing products and reclamation services with proven solutions.



INVESTMENT IN THE GATEWAY GROUP, PERTH WA

Gateway's Strong Management Team, Client Base, Services, & Track Record

+

LaserBond's Proprietary Surface Engineering Tech

=

Growth & Up-Selling Synergies

- Gateway offers refurbished components, including hydraulic cylinders, powertrain components, undercarriage parts, front attachments, hydraulic pumps and valves.
- Our surface engineering solutions enhance these refurbished components by extending the wear-life.
- Further, we will leverage success with reclamation services for many industries Gateway does not currently service:
 - Refineries, Oil & Gas, Alumina, Agriculture and Heavy Transport.
- Gateway is expanding its facility from 15,000m² to 25,000m²

- This allows for new surface engineering capabilities in Perth, including LaserBond's first modular cladding cell, thermal spray and other support equipment required.

Ownership, Rights & Options

- LBL gained 40% ownership of Gateway in March 2024.
- LBL has the right to 51% ownership in March 2027, at the same multiple of 4.5 times EBITDA as the original purchase consideration.
- The original Gateway shareholders have an option to sell their shares to LBL at any time and any volume at the same 4.5 times EBITDA multiple.

CAPACITY & CAPABILITY

Drive organic growth with quick response teams, training and modular technology. Resulting in reduced lead times for critical customers.

Maximising capacity across sites without compromising quality and price.

Successful Quick Response Team Launch in Queensland

- Customer's prioritise **quick turnaround** to keep equipment running. Many choose **faster lead times** over superior solutions.
- FY25 Strategy: Establish Quick Response Teams (QRT) to reduce lead times for key customers and applications.
- **QRT successfully launched** in Qld, with a second shift driving revenue growth.
- **National growth opportunity** through improved operational performance and lower lead times, there remains a great opportunity for continued organic growth by driving improvement in operational performance to deliver consistently low lead times.
- **2H25 Focus:**
 - Optimise the QRT in Queensland.
 - Plan the nationwide roll-out.
 - Continue the strong services division revenue growth.

WIND TURBINE RECLAMATION

Installed wind turbine capacity in Australia has grown from near zero in 2000 to over 11GW after accelerating over the last 5 years. This acceleration will continue as Australia strives to reach net zero emissions. (Installed capacity is projected to be 3 to 4 times the current capacity by 2030).

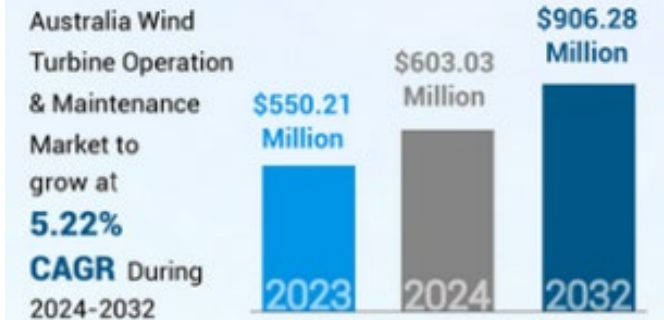
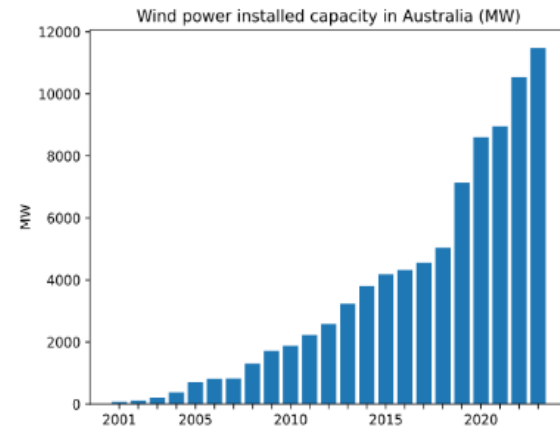
Turbine sizes are increasing with larger components under heavier loads, requiring regular overhaul and reclamation. LaserBond has a growing business in reclamation of wind turbine components which will continue to accelerate with the industry.

LASERBOND PIONEERING INNOVATION

LaserBond is **the only Australian company with the prestigious qualification** of wind turbine shaft repair by General Electric. We also carry out reclamation of gearbox components, housings and rotors as well as provide corrosion protection coatings for external surfaces.



INSTALLED CAPACITY AND PROJECTED GROWTH



COMPOSITE CARBIDE LONG LIFE STEEL MILL ROLLS

PROVEN PERFORMANCE IN LARGE MARKETS

- LaserBond has proven the performance and developed a significant business in rolls for the steel industry in North America and other parts of the world.
- Rolls must be made to order and shipped to each plant creating a lengthy supply chain.
- Our US presence will accelerate adoption in an industry that is 16 times larger than Australia's.

SUPERIOR DURABILITY & PERFORMANCE

Extended Roll Life

- Dramatically reduced roll wear compared to OEM rolls
- Up to 20 times plus longer lifespan with LaserBond® carbide composite rolls

Precision Manufactured

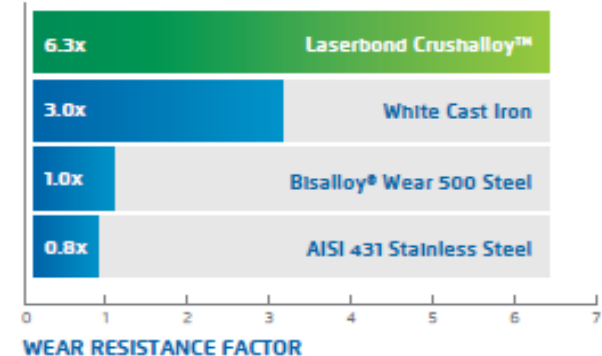
- Engineered to replace OEM shells
- Manufactured to customer specifications

COST BENEFIT ANALYSIS (TABLE ROLLS)

		Original OEM Roll	LaserBond® Clad Roll	Savings Multiplier
Roll Life (Tonnes)		55,000	1,980,000	
Roll Cost (\$)		\$620.00	\$1,140.00	
Cost per Tonne - Full Line	Rolls In Line	\$1.35	\$0.07	19.6
Roll Life Weeks		7	234	
Cost per Week - Full Line	120	\$11,429.00	\$584.00	19.6
Operational Costs per annum		\$594,286.00	\$30,348.00	
Operational Cost Saving per annum				\$563,938.00

ABRASIVE WEAR TEST

ASTM G65-A - ABRASIVE WEAR TEST



WEAR RESISTANCE FACTOR

LASERBOND®

PUMPS IN DESALINATION PLANTS

A HIGHLY CORROSIVE ENVIRONMENT

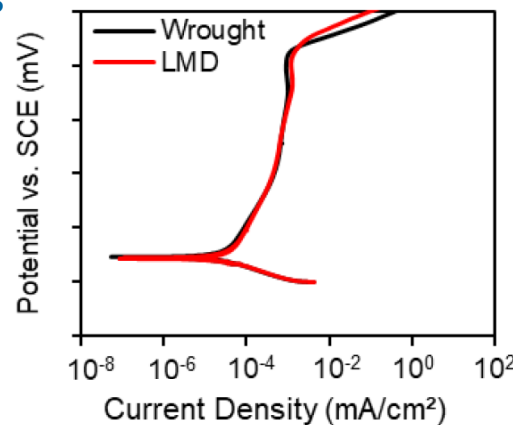
- Moving liquids with high corrosivity requires a highly-alloyed corrosion-resistant materials for all components.
- Super-Duplex stainless steel (SAF 2507) is commonly used for these components. However, under the influence of high pressure with a highly saline environment it still suffers crevice corrosion on critical surfaces requiring regular repair.

Proven through Independent Testing

LaserBond's unique corrosion-resistant cladding of super-duplex stainless steel is equivalent in corrosion performance to wrought 2507 grade steel, allowing cost effective reclamation without the need to replace/scrap.

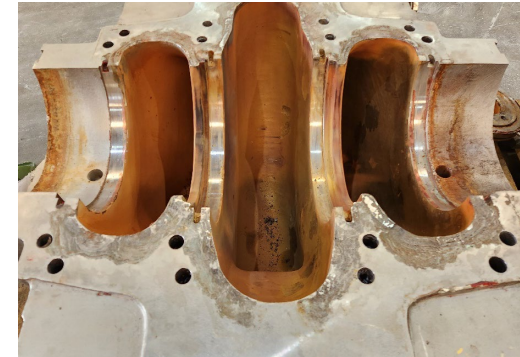
UniSA independent test results: Electrochemical corrosion testing in a saline solution showing identical corrosion resistance of LaserBond® clad SAF 2507 to wrought SAF 2507.

SAF 2507

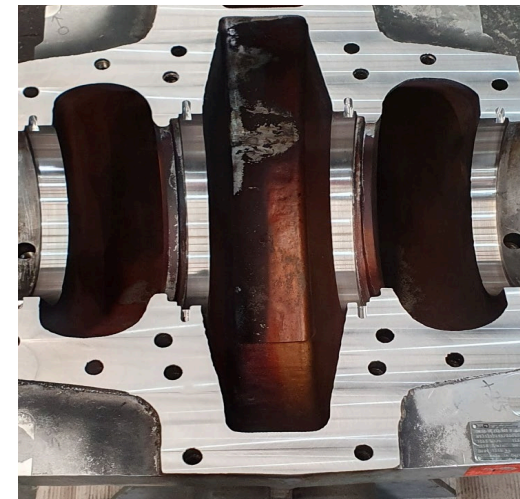


Desalination plants have many large pumps moving a highly corrosive liquid at high-pressure.

Corroded super duplex pump casing:



Super Duplex half pump casing after LaserBond® repair:



LASERBOND®



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INVESTMENT RATIONALE



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Half-Year
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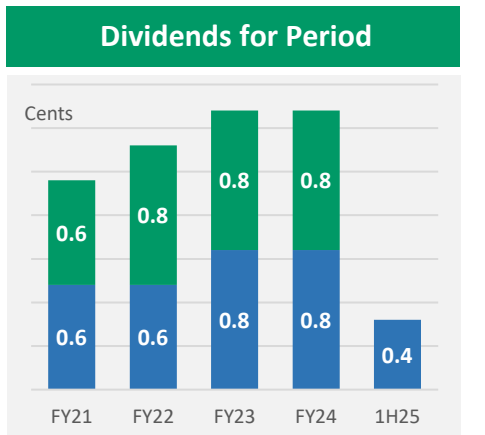
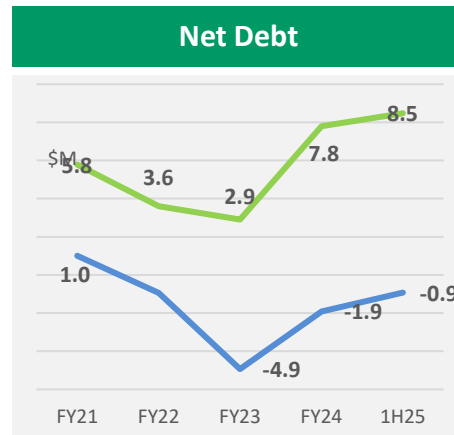
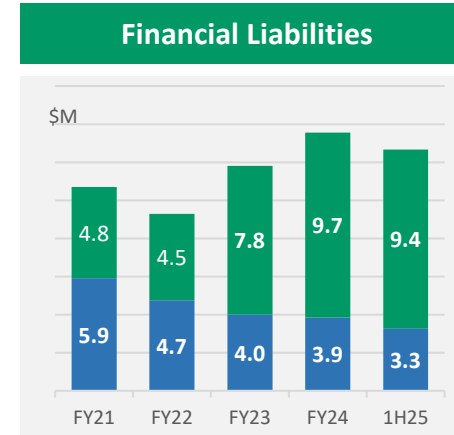
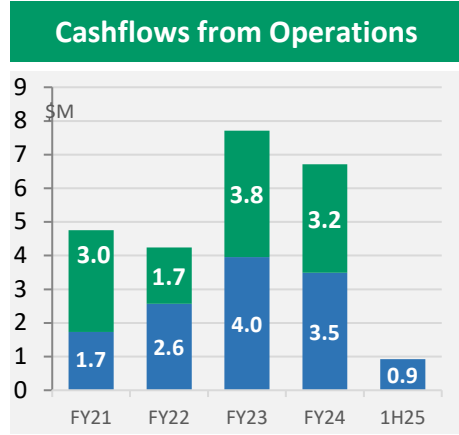
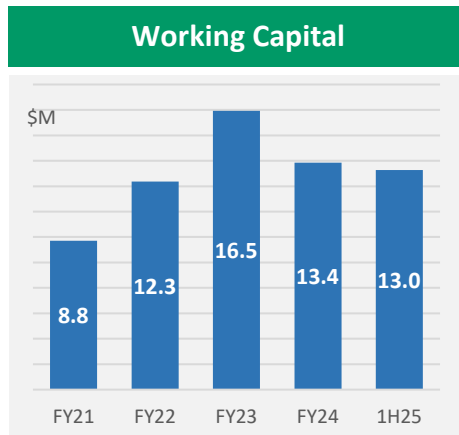
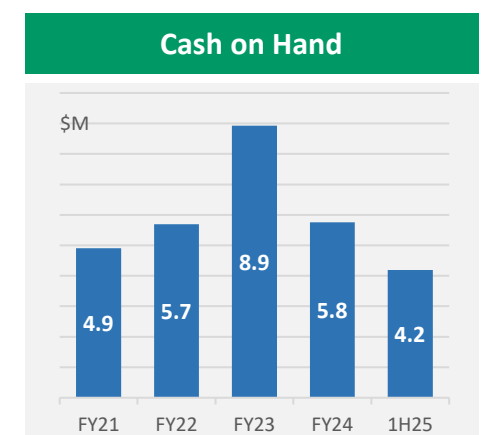
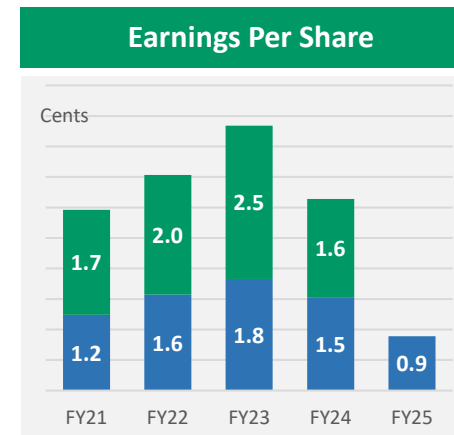
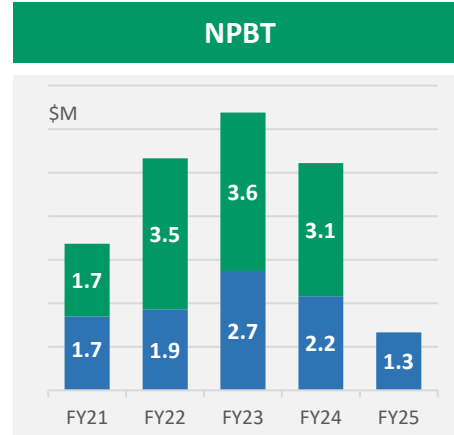
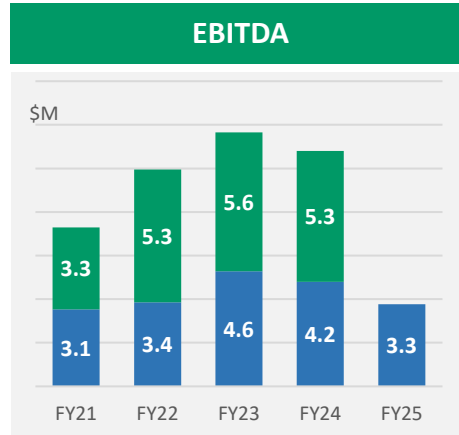
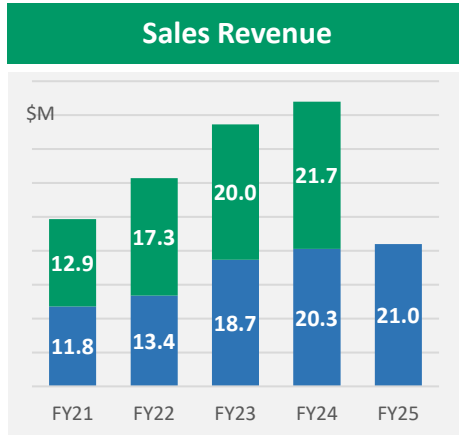
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PERFORMANCE SUMMARY

2H 1H



■ HP & finance leases
■ Facility lease liabilities
■ Total net debt
■ Net debt ex facility lease liabilities

FIVE HALF YEAR EARNINGS

A\$000	1H21	1H22	1H23	1H24	1H25
Sales Revenue	11,798	13,378	18,652	20,283	20,297
Gross profit	5,989	7,263	9,656	10,579	10,093
Operating Expenses	(2,893)	(3,895)	(5,038)	(6,602)	(6,792)
EDITDA	3,096	3,368	4,618	4,198	3,301
D&A	(1,175)	(1,287)	(1,612)	(1,702)	(1,566)
EBIT	1,921	2,081	3,006	2,496	1,735
Interest	(223)	(218)	(266)	(336)	(408)
NPBT	1,698	1,863	2,740	2,160	1,327
NPAT	1,188	1,522	2,000	1,689	1,041
Dividends for Period	0.6 cents	0.6 cents	0.8 cents	0.8 cents	0.4 cents
EPS	1.24 cents	1.57 cents	1.24 cents	1.83 cents	0.89 cents

FIVE YEAR BALANCE SHEET / CASH FLOWS

A\$000	2021	2022	2023	2024	1H25
Cash & Equivalents	4,907.9	5,683.8	8,929.2	5,759.1	4,192.1
Current assets	14,929.1	22,367.7	25,715.3	22,237.0	22,579.2
Non-current assets	14,601.8	23,455.8	26,117.2	38,429.0	37,840.2
Total assets	29,530.9	45,823.5	51,832.5	60,666.0	60,419.4
Current liabilities	6,141.2	8,664.7	9,263.8	8,846.8	9,629.1
Non-current liabilities	9,128.0	8,220.3	11,498.1	13,383.7	11,996.5
Total liabilities	15,269.2	16,885.0	20,761.9	22,230.5	21,625.6
Net assets	14,261.7	28,938.5	31,070.6	38,435.5	38,793.8
Cash flow from operations	4,756.9	4,243.8	7,704.3	6,705.1	923.0
Cash flow from investing	(1,265.5)	(10,861.3)	(1,327.4)	(5,782.8)	(449.2)
Cash flow from financing	(2,581.2)	7,373.6	(3,131.5)	(4,092.4)	(2,040.8)
Net cash flow	910.2	776.0	3,245.4	(3,170.1)	(1,567.0)

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Further Information:

Wayne Hooper
Chief Executive Officer

Matthew Twist
Chief Financial Officer and
Company Secretary

www.laserbond.com.au
(02) 4631 4500

