asx release

23 November 2026

ALS Limited (ASX:ALQ) organic revenue growth of 10.2%, underlying EPS growth of 21.6% and margin up by 250 bps

H1 FY27 highlights[1]

- **Revenue** of $1.7 billion, an increase of 3.4%, or 9.6% on constant currency (CCY) basis, with strong organic revenue growth[2] in Commodities contrasting softer growth in Life Sciences. Organic growth was 10.2%.
- **Underlying EBIT**[3] of $332.7 million, an increase of 18.6%, or 23.8% on CCY basis.
- **Underlying EBIT margin** expanded by 250 basis points to 19.4%. Margin expansion was driven by strong Commodities volume growth, pricing discipline, and continued cost control across both divisions.
- **Underlying NPAT** rose 23.6% to $214.6 million, or 29.8% on CCY basis. Underlying basic EPS increased 21.6% to 42.3 cents per share.
- **Statutory NPAT** of $297.5 million, increased 110.0%. This includes the fair value gain on the existing investment in Saudi Arabia[4]. ALS increased the investment from 42% to 60%, effective 1 August.
- **Commodities organic revenue growth was 24.5%.** Strong reported revenue growth up 20.4% and underlying EBIT up 36.4%. Minerals margin expanded by 350 bps to 34.7%.
- **Life Sciences organic revenue growth was 1.8%**, supported by Food and Environmental up 6.8% and 2.1% respectively, while there was an organic revenue decline in Pharmaceutical of 4.1%. Reported revenue and earnings declined with revenue down 6.6% to $978.0 million and underlying EBIT down 12.6% to $134.0 million.
- **Strong balance sheet** with adjusted underlying free cash flow increasing 7.6% to $327.1 million. Available liquidity of >$430 million and EBITDA cash conversion of 82%[5] reflects increased working capital to support Commodities growth and a deliberate inventory build to protect supply in light of the conflict in the Middle East. Net debt was $1,182.3 million, up $31.7 million compared with H1 FY26. Leverage remained steady at 1.5x, which is below the targeted range of 1.7-2.3x.
- **Hub lab upgrade projects** remain on track with both Smithfield, Sydney and Lima, Peru commissioned on time and on budget. In the period a further $34.1 million was invested, taking the cumulative spend to date to $127.8 million.
- **Interim dividend of 23.3 cents per share** (partially franked at 35%), representing a payment of $118.3 million to existing shareholders and a payout ratio of ~55%.
- **Continued improvement to safety performance rates;** year-on-year improvement[6].
- **FY27 outlook:** Group targeting high-single digit organic revenue growth and margin expansion. Minerals organic revenue growth targeting ~20%. Life Sciences organic revenue growth now expected at ~3%, with a return to mid-single digit growth in H2 FY27.

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[1] All financial results compared to H1 FY26 unless otherwise noted. Numbers may not add up due to rounding.
[2] Organic growth is calculated on a CCY basis.
[3] Underlying profit measures are a non-IFRS disclosure and exclude significant one-off items (both positive and negative) that relate to disposed or discontinued operations, acquisition, divestment and integrations costs, SAAS development costs, amortisation and impairment of intangibles, and asset impairment costs incurred to restructure the business.
[4] Statutory NPAT includes a $97.2 million non-cash fair value gain on the existing investment in Saudi Arabia.
[5] EBITDA cash conversion is calculated as cash flow before capex divided by underlying EBITDA adjusted for IFRS16 leases, restructuring costs and greenfield business costs (aligned with external loan covenant calculations).
[6] TRIFR = 0.74 and LTIFR = 0.16 as at 30 September 2026. Calculated on a 12-month rolling average per million hours worked.

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H1 FY27 financial results

A$ million	H1 FY27	H1 FY26	Change	H1 FY27 at CCY	CCY change
Revenue	1,715.2	1,659.6	3.4%	1,818.4	9.6%
Underlying EBIT	332.7	280.5	18.6%	347.3	23.8%
Margin	19.4%	16.9%	250 bps	19.1%	219 bps
Underlying NPAT	214.6	**173.6**	**23.6%**		
Statutory NPAT	297.5	141.7	110%		
Underlying Basic EPS (cents per share)	42.3	34.8	21.6%		
Free cash flow generated	327.1	303.9	7.6%		
Underlying ROCE	21.1%	18.8%	233 bps		
Dividends cents per share	23.3	19.4	20.1%		
Net debt	1,182.3	1,150.6	31.7		

ALS Chairman, Nigel Garrard, commented, "The Group delivered higher earnings and an expanding underlying EBIT margin. The strong Commodities performance more than offset lower Life Sciences earnings. Underlying NPAT increased 23.6% to $214.6 million, free cash flow rose $23.2 million to $327.1 million and underlying ROCE increased to 21.1%. In terms of investing for the future, it was pleasing to see the successful commissioning of the Smithfield and Lima hub lab upgrades as well as securing a controlling shareholding position in our Saudi Arabia business. Disciplined capital allocation remains central to balancing growth investment, shareholder returns and balance sheet capacity. Reflecting the continued progress and strength of the Company, the Board is pleased to declare an interim dividend of 23.3 cents per share, an increase of approximately 20%".

CEO and Managing Director, Malcolm Deane, commented, "Our first half delivered 21.6% growth in underlying earnings per share and a 250 basis point increase in Group margin, led by an outstanding performance in Minerals, where organic revenue grew 30.4%. Group underlying EBIT increased 18.6% to $332.7 million and the underlying EBIT margin expanded 250 basis points to 19.4%.

Within Commodities, the businesses delivered a robust performance, achieving 24.5% organic revenue growth supported by favourable market conditions. Growth was recorded across all key regions, with the operating margin at 31.6%, up 371 basis points vs pcp. Within Minerals, sample volumes continued to grow led by major and mid-tier miners, while improving junior sample volumes are increasing due to the deployment of raised capital into exploration activity. Looking ahead, stronger exploration activity from continuing mine investment, position ALS to benefit from any sustained uplift in mineral exploration activity. Growth will moderate in the second half as we are cycling a tougher comparison period.

Life Sciences was below our expectations. Organic revenue growth was 1.8% and we now expect around 3% organic revenue growth for FY27, below the mid-single digit growth we outlined in May. The issues are specific to our USA Environmental business and to Nuvisan, and we have acted on both: new leadership and operational changes in the USA, and cost and commercial initiatives at Nuvisan. We expect Life Sciences to return to mid-single digit growth in the second half. Food delivered organic growth of 6.8% with growth across all key regions. Environmental delivered solid organic growth in our key market geographies of EMEA, APAC and Canada. In the Americas, organic revenue declined in tough market conditions and some quality and compliance challenges which have now been addressed, with performance expected to steadily improve. Pharmaceutical experienced a challenging first half, with delayed conversion of the order book contributing to an organic revenue decline of 4.1%. Encouragingly, Q2 showed improved momentum, driven by growth in key accounts and strengthening clinical activity.

At a Group level, the strong earnings growth translated into robust cash generation, supporting continued investment, disciplined capital allocation and balance sheet flexibility. These results highlight the strength of ALS' diversified global testing portfolio and ability to create value through the cycle. Combined with double digit EPS growth, strong cash generation, and a growing pipeline of demand, ALS is well positioned to deliver another year of growth while continuing to build long-term shareholder value."

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Divisional review

Commodities

A$ million	H1 FY27	H1 FY26	Change	H1 FY27 at CCY	CCY change
Revenue	**737.2**	612.3	20.4%	771.8	26.1%
Underlying EBITDA	**275.1**	210.5	30.7%	284.8	35.3%
Margin	**37.3%**	34.4%	294 bps	36.9%	252 bps
Underlying EBIT	**233.1**	170.9	36.4%	243.9	42.7%
Margin	**31.6%**	27.9%	371 bps	31.6%	368 bps

Reported revenue grew 20.4% vs pcp. Organic revenue growth was 24.5%, reflecting strong Minerals demand and scope growth was 1.5% (from the increased shareholding in Saudi Arabia from 1 August). This was partly offset by a currency translation impact of 5.6%. Overall year-on-year sample flow volumes continue to increase in all regions, supported by higher commodity prices and clients deploying exploration capital to develop new and existing mines.

Underlying EBIT increased by 36.4% to $233.1 million, with the overall margin increasing to 31.6%. Underlying EBITDA rose 30.7% to $275.1 million, with an EBITDA margin of 37.3%, margin expansion has continued, driven by a combination of operational efficiencies, pricing discipline and revenue mix.

Minerals delivered organic revenue growth of 30.4% with EBIT margin improving 350 basis points to 34.7%. Geochemistry organic revenue grew by 31.8% largely through sustained heightened global exploration activity, increased sample volumes, continued take-up of new service offerings including High Performance Methods (HPMs) and mine site production testing. Metallurgy organic revenue increased 20.7% and EBIT margins improved with strong exploration activity over recent years now translating into increased test and pilot plant demand.

As announced at the AGM, Mr. Rajkumar Mathiravedu was appointed Global Executive General Manager for Minerals. Rajkumar brings more than 25 years' experience across the mining industry.

Industrial Materials delivered modest organic revenue growth of 3.0% with steady margin expansion.

Life Sciences

A$ million	H1 FY27	H1 FY26	Change	H1 FY27 at CCY	CCY change
Revenue	**978.0**	1,047.3	(6.6)%	1,046.6	(0.1)%
Underlying EBITDA	**209.3**	229.4	(8.8)%	214.2	(6.6)%
Margin	**21.4%**	21.9%	(50) bps	20.5%	(144) bps
Underlying EBIT	**134.0**	153.4	(12.6)%	141.9	(7.5)%
Margin	13.7%	14.6%	(95) bps	13.6%	(109) bps

Reported revenue declined 6.6% to $978.0 million. Organic revenue growth was 1.8%, with adverse currency translation and scope impacts of (6.5)% and (1.9)% respectively (with the scope impact arising from the divestment of Wessling Consulting Engineering).

Food delivered organic revenue growth of 6.8%, while Environmental grew at 2.1%. These were partly offset by a 4.1% organic revenue decline in the Pharmaceutical business.

Underlying EBIT decreased 12.6% to $134.0 million, with the overall margin decreasing to 13.7%. Underlying EBITDA declined 8.8% to $209.3 million with a margin of 21.4%.

Environmental organic revenue growth of 2.1% reflected growth in key markets of EMEA, APAC and Canada which was partially offset by organic revenue decline in the Americas. Organic growth in PFAS testing continues to comfortably outpace the broader Environmental organic growth rate, with PFAS revenue representing ~6% of broader Environmental revenue.

Food delivered organic revenue growth of 6.8% supported by solid volumes in EMEA.

Pharmaceutical organic revenue declined by 4.1%. Aside from organic growth in Mexico, performance was impacted by challenging market conditions in Europe, which also resulted in margin contraction. The Nuvisan order book and pipeline remain healthy, and while performance improved in Q2, further cost efficiency initiatives will be implemented in the second half.

Capital management, growth and balance sheet

The Group has a disciplined approach to capital management and continues to deliver on the key objectives of the ALS value creation framework; growth, strong cash generation, shareholder returns and balance sheet strength.

Core capital expenditure (excluding hub labs and acquisitions) was $117.7 million representing 172% of depreciation and 6.9% of revenue (4.4% growth-related and 2.5% maintenance spend).

The hub lab expansion program is on track, with Smithfield commissioned during the period while Lima was commissioned in October 2026. A further $34.1 million was invested in the period taking the cumulative spend to date to $127.8 million on hub laboratories across Minerals (Lima, Peru) and Environmental (Sydney, Australia; Bangkok, Thailand; and Prague, Czech Republic). A further ~$35 million is expected to be spent in H2 FY27. The total capital expenditure relating to the hub lab expansion is expected to be ~$230 million over five years.

EBITDA cash conversion for the half was 82%.

The Group's leverage ratio remains healthy at 1.5x which is below the lower end of the targeted range (1.7x – 2.3x). Both the leverage ratio and the EBITDA interest cover ratio of 15.6x are well within lender covenants. The Group's weighted average debt maturity is 3.4 years. As at 30 September 2026, Group liquidity was >$430 million.

The Group continues to assess a number of M&A growth opportunities in key end-markets. On 1 August 2026, a further 18% of ALS Saudi Arabia was acquired, taking ALS ownership to 60%.

The underlying net interest expense in H1 FY27 was $33.3 million, a decrease of $4.4 million from H1 FY26, largely reflecting the Group's reduced debt position. The Group's drawn debt profile had a total weighted average cost of 3.9%. 78% of drawn debt was fixed at 3.7%, while 22% of drawn debt was at a floating rate of 4.7% as at 30 September 2026.

Interim dividend

The Directors have declared an interim dividend of 23.3 cents per share (cps), partially franked at 35% (H1 FY26 interim dividend: 19.4 cps, partially franked at 30%). This represents a dividend increase of 20.1% vs pcp and a payout ratio of 55% of H1 FY27 underlying NPAT.

The dividend will be paid on 21 December 2026 to shareholders on the register at 1 December 2026.

The Dividend Reinvestment Plan (DRP) will apply to the H1 FY27 interim dividend at a nil discount. ALS plans to neutralise the DRP by buying the shares required on market.

Link to DRP plan rules: www.alsglobal.com/en/corporate-governance

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Perspectives for H2 FY27 and beyond

ALS remains focused on delivering top-tier quality services to customers consistently, safely and reliably. ALS' resilient and flexible operating model positions ALS to navigate ongoing geopolitical uncertainty and the impacts of global conflicts affecting key markets and the jurisdictions in which it operates.

For FY27, the Group is targeting high-single digit organic revenue growth and margin expansion.

Ongoing cost inflation remains a key risk to this outlook and the impact of the Middle East conflict is expected to be at the higher end of the $5-$10m range[7] (annualising the H1 FY27 impact).

Within Commodities, ALS is expected to benefit from increased exploration activity, although the growth rate is anticipated to moderate as the year progresses due to the stronger comparative period. The Group is expecting Minerals organic revenue growth of ~20% (on CCY basis) for FY27, with scope growth of ~3%. Minerals margins in H2 FY27 are expected to improve a further 20-30 basis points above the H1 FY27 margin. Industrial Materials is expected to deliver low single digit organic revenue growth while maintaining stable margins.

In Life Sciences, the Group expects a return to mid single digit organic revenue growth in H2 FY27 and is targeting FY27 organic revenue growth of ~3%. Margins are anticipated to improve 40-60 basis points in H2 FY27 compared with H1 FY27 margin. A range of operational efficiency and cost optimisation initiatives are being implemented to support margin expansion over the medium term. Within Environmental, stronger organic revenue growth is expected in H2 FY27 driven by continued solid performance in key APAC/EMEA regions, and steady improvement in the Americas. Food is expected to deliver steady organic revenue growth, while Pharmaceuticals is anticipated to improve through H2 FY27, in particular Nuvisan.

Capital allocation and minimum ROCE targets remain aligned with the Group's value creation framework through:

- ALS' continued investment in laboratory automation, digital infrastructure and AI capabilities. ALS expects these initiatives to generate positive returns by the end of FY27, with benefits expected to become more material in subsequent years;
- Maintenance of a strong balance sheet, enabling the Group to fund organic growth initiatives while retaining the flexibility to pursue inorganic opportunities that meet strategic and return criteria.

Ongoing foreign exchange headwinds are expected to impact FY27 earnings, with every 1% movement in average exchange rates for major currencies against the AUD estimated to affect annualised underlying EBIT and underlying NPAT by approximately $3.5 million and $2.5 million, respectively. The FX impact on revenues in H1 FY27 was $103.1m (Commodities $34.5m and Life Sciences $68.6m).

Appointment of Group Treasurer and Investor Relations Director

Grant Warner has been appointed as Group Treasurer and Investor Relations Director. Grant will lead these key functions, supporting ALS' growth, capital management, funding and investor engagement strategies.

Authorised for release by the Board of Directors.

[7] As per Perspectives provided at the FY26 results release.

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About ALS Limited (ASX: ALQ)

ALS is a global leader in testing, providing comprehensive testing solutions to clients in a wide range of industries around the world. Using state-of-the-art technologies and innovative methodologies, our dedicated international teams deliver the highest-quality testing services and personalised solutions supported by local expertise. We help our clients leverage the power of data-driven insights for a safer and healthier world.

Event details

The results will be presented by Malcolm Deane, CEO and Managing Director, and Stuart Hutton, Chief Financial Officer, via webcast and call.

Date: Monday, 23 November 2026

Time: 10am (AEDT)

To listen to the briefing, pre-register at the link below. You will then receive the webcast link via email.

Register for webcast: https://edge.media-server.com/mmc/p/f98vtsfz

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