ALEXIUM INTERNATIONAL GROUP LIMITED

Investor Webinar

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ABN 91 064 820 408

PRESENTED IN US DOLLARS

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Introduction

In our last webinar, we shared the Company's full-scale effort to refocus and optimise our entire commercial operation, including sales, supply chain, distribution, and manufacturing. We recognised that in order to grow our niche position in the sleep products market and prepare for future opportunities we needed to modernise the way we operate and broaden our offering from PCM products.

As a part of that effort, we sharpened our strategic focus to concentrate on two incremental key areas of strength:

1. **Thermal regulation and flame-retardant (FR) technologies** for sleep products, and
2. **Flame-resistant, wash-durable coatings** for military and workwear applications.

From a go-to-market/product focus, that led to the vast majority of the Company's product development, sales and manufacturing efforts being concentrated on:

1. **AlexiCool® - Microencapsulated Phase Change Material (mPCM):** Significant breakthroughs in our microcapsule production have led to new market opportunities with PCM formulators globally, and for sales of foam formulations to major foam bedding brands
2. **AlexiShield - FR Technology:** Geopolitical pressures (trade disputes and tariffs) have created increased demand for US-produced FR materials in the bedding and furniture industries. Our existing product line includes offerings free from recently banned substances in US markets, which has also increased customer interest and demand.
3. **AlexiFlam® -** Increased emphasis on rebuilding the US military supply chain has created urgency to drive lingering projects involving low-cost, warm weather, flame-resistant textiles for military uniforms to a near-term timeline and conclusion.

FY25 – Recap

Throughout FY25, Alexium executed its strategic plan to *Grow and Diversify* revenue, which emphasised aggressive growth within the Company's core market of bedding. The organisation was structured to deliver across five strategic focus areas:

1. **Retention of Key Accounts in North America**
   The Company successfully retained supply to most of its existing North American bedding customers. However, volumes remained depressed due to ongoing bedding market conditions.

2. **Product and Customer Diversification in North America**
   Significant progress was made in diversifying both the product portfolio and customer base in the North American bedding market. Late-stage pipeline opportunities advanced for PCM+, the new AlexiCool®, DelCool™, and AlexiShield with new customers.

3. **International Expansion**
   Efforts to penetrate new bedding accounts in Asia Pacific, Latin America, and Europe led to near-term revenue opportunities with program sales planned for H1 FY26.

FY25 – Recap (continued)

4. **Expansion into Adjacent Markets**
   Throughout FY25, focus on developing adjacent market segments was deprioritised to allow for increased focus on closing late-stage opportunities in the U.S., Australasia and European bedding markets.

5. **Strategic Alliances and Co-Development**
   Notable progress was achieved with key supply chain partners. Co-development efforts focused on major new revenue opportunities:

   - mPCM manufacturing improvements (high-solids slurries and dry powder mPCM) – successful scaleup of these manufacturing processes led to new product placements

   - DelCool™ for mattress applications – new finishing partners allowed for improved substrate production which has the technology positioned for a major brand placement in FY26.

   - AlexiShield for flame-resistant barriers in bedding – the production of woven and non-woven prototypes utilising this coating have opened significant opportunities to sell the coating to large-volume finishers, and for the ompany to offer coated bedding components.

FY26 – Strategy

Grow and Diversify: Alexium will pursue growth through a disciplined strategy focused on a diversified product portfolio, customer base, and global market presence. The Company will concentrate on proven, scalable technologies, prioritising higher production volumes, superior quality, lower costs, supply chain security, and strong global sales in its core markets.

FY26 – Key Initiatives

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- Sales and Marketing activities will focus on:
  - ✓ AlexiShield for FR barriers in bedding and furniture
  - ✓ AlexiFlam® for military FR apparel textiles
  - ✓ mPCM sales to formulators serving the bedding and furniture markets
  - ✓ AlexiCool® for cooling in mattress and pillow applications
  - ✓ BioCool® for cooling in mattress and pillow applications
- Operations and Supply Chain will focus on:
  - ✓ Secure and cost-effective supply of critical raw materials
  - ✓ Increased manufacturing scale and efficiency to drive lower costs and superior quality
  - ✓ Formulated products to deliver differentiated performance for Alexium's customers
  - ✓ World class service to shorten lead times and increase delivery reliability for customers

Product Portfolio

Microencapsulated Phase Change Material (mPCM) Technologies

AlexiCool® and BioCool® have been the primary formulated mPCM product brands of the Company for years. They also account for most of the Company's revenue in recent years. In late FY24, the Company revised its market strategy for mPCM. The strategic change led to the Company producing its own petroleum-based microcapsules. Alexium has always produced its own bio-based microcapsules. By producing all microcapsules in-house, the Company gained efficiencies in its manufacturing costs, product performance, and quality. These changes also opened the opportunity for the Company to offer microcapsules to other formulators within the phase change materials market, which increases the addressable market for the Company's mPCM products by as much as 100%. Based on current projections, AlexiCool® has the potential to deliver material revenue growth in 2026.

BioCool+ is the first category of PCM+ products launched by the Company. It is an enhanced mPCM formulation utilising biobased ingredients. The improvement is that this "plus" product has significantly more cooling capacity than any legacy Alexium PCM and any other competitive PCM currently available in the bedding market. The BioCool®+ product has been through successful trials, and a major US mattress brand is launching a new mattress with this technology in early 2026.

AlexiCool® BioCool®

Product Portfolio

Flame Retardant (FR) Technologies

AlexiShield

AlexiGuard®

AlexiFlam®

AlexiShield is the Company's latest development in FR coatings. In early FY24, the Company developed an advanced FR formulation that is free of any substances banned from use in FR products in bedding and furniture. **AlexiShield** is highly effective on cotton, rayon, polyester, and foam. The Company offers this technology as a formulated coating, and via precoated components for use in bedding and furniture manufacturing. The Company is advancing qualified opportunities in the sales pipeline with forecast annual revenues that could materially increase the current sales volumes.

AlexiGuard® is available for applications outside of bedding and furniture where current regulatory restrictions are not applicable, such as transportation textiles and foams and insulation materials for construction. It continues to offer exceptional value and performance as a flame-retardant finish—providing self-extinguishing flame resistance while maintaining outstanding softness.

AlexiFlam® is the Company's go-to product for FR fabrics for military and workwear apparel. We remain active with development efforts for the US Military to deliver a low-cost, warm weather FR uniform textile made from nylon and cotton ("NyCo"). The Company was successful with six uniforms passing the stringent "Pyroman" four-second burn test in September. Pending successful results from the remaining testing at DEVCOM, Alexium will likely advance to the next stage of the US military trials which will include production of significant FR NyCo yardage to make uniforms for limited use evaluations by enlisted personnel. From there, the Military intends to issue a request for quotes for contracts in late 2026 to early 2027.

Summary

- Alexium remains at an inflection point, and we expect the Company will grow significantly in calendar year 2026

- Microencapsulated PCM (mPCM)
  - Historical focus was textile centered
  - Now positioned for foam applications (larger market opportunity)
  - Positioned for significant growth, despite soft market conditions
  - The mPCM market is ripe for consolidation
  - New overseas product sales in meaningful volumes to start in January 2026

- Flame Retardants (FR) – Private Sector
  - FR market presents significantly larger opportunities than for mPCM
  - Current FR market trends and regulatory developments are increasingly favorable for Alexium
  - The Company is well-positioned to commercialise its FR technologies with production and sales capabilities in place
  - Alexium’s new business pipeline includes advanced opportunities for significant FR sales revenue

- Flame Retardants – Military Sector
  - We are in the penultimate phase of improvements and testing on this fabric prior to final trials and then the Military issuing requests for proposals, leading to adoption and contracts.