For personal use only

Alexium International Announces Acquisition of Microtek Laboratories from CAVU Group, Expanding Leadership in PCM & Microencapsulation Technologies

(GREER, SC — December 15, 2025) — Alexium International Group Limited (ASX:AJX, "Alexium"), a leader in advanced phase-change material (PCM) systems and flame-retardant (FR) chemistries, today announced its acquisition of Microtek Laboratories's full microencapsulation and PCM business, including the associated intellectual property, ("Microtek") from CAVU Group in exchange for $2.17 million of shares in Alexium[1], to be issued under the Company's available placement capacity. Microtek's temperature-controlled packaging division (Adaptek™) is excluded from the transaction and remains under CAVU Group ownership.

In conjunction with the acquisition of Microtek, Alexium is undertaking a fully underwritten non-renounceable entitlement offer to raise $6.766 million ("the Entitlement Offer"). Shareholders at the record date will be entitled to purchase 3.4414 shares for every 5 shares of Alexium they hold at a price of 0.6 cents per share, a 14.29% discount to the last traded price. The Entitlement Offer is being underwritten by Alexium's two largest shareholders, Colinton Capital Partners and Wentworth Williamson, along with Chief Executive Officer, William Blackburn, and non-executive director, Randy Lane. At the completion of the offer, Alexium will have reduced its shareholder loan balance by $4.602 million and have approximately $2.164 million of cash on hand before transaction expenses.

The Microtek acquisition is conditional upon the successful completion of the Entitlement Offer and customary continuity of business undertakings. After the completion of the Entitlement Offer and the Microtek acquisition, the CAVU Group will hold 11.56% of the shares outstanding of Alexium.

The Microtek acquisition significantly expands Alexium's thermal-management platform and brings together two of the industry's most established innovators in microencapsulation and PCM chemistry. Integrating Microtek's state-of-the-art manufacturing plant, formulations, and decades of encapsulation expertise into Alexium's vertically integrated U.S. operations enhances domestic production capability, strengthens supply-chain resiliency, and expands the combined technology portfolio.

The combined manufacturing capacity positions the unified business to deliver stronger manufacturing continuity, improved lead times, and greater control over quality and scale for customers of both companies.

> "Bringing Microtek's microencapsulation and PCM technologies—and their manufacturing facilities—into the Alexium family accelerates our ability to deliver high-performance cooling solutions with unmatched reliability," said Billy Blackburn, CEO of Alexium International. "This acquisition broadens our technical capabilities and meaningfully strengthens our U.S. supply

[1] Based on the $0.006 issue price of the entitlement offer.

For personal use only

chain, benefiting both Microtek and Alexium customers with greater stability, responsiveness, and scalability. We intend to continue operations in Dayton and to serve Microtek's existing customer base without any interruption."

Microtek Laboratories has long been recognized as a pioneer in microencapsulated PCM technologies, serving markets including bedding, apparel, building materials, and industrial applications. Its processes, formulations, IP, and flagship NexTek™ and Micronal® product lines complement Alexium's existing portfolio, including BioCool®, Alexicool®, DelCool™, AlexiShield, and Eclipsys®, creating a more comprehensive platform for foam, textile, and specialty-materials manufacturers.

"Alexium is an outstanding strategic fit for Microtek's PCM and encapsulation business," said Tim Riazzi of CAVU Group. "Their U.S. manufacturing strength, technical depth, and customer-centric approach ensure Microtek's technologies will continue to grow, scale, and deliver value to the markets we've served for more than three decades."

Together, the company will operate with expanded capacity and broader innovation pathways, offering significant advantages to formulators purchasing microcapsules as intermediates as well as manufacturers sourcing finished PCMs and flame-retardant solutions. The combined product breadth and unified R&D roadmap create a stronger foundation for next-generation microencapsulation and comfort technologies.

Going forward, all commercial operations, sales, and go-to-market activities for the combined entity will be conducted under the Alexium International entity. It remains business as usual for all Microtek customers: every Microtek PCM and microencapsulation product remains fully available, now supported by Alexium's expanded U.S. manufacturing footprint with enhanced supply stability, and dedicated customer support team.

Alexium International Group Limited will host an investor webinar on Tuesday 16 December 2025 at 9:30am (Sydney time) / Monday, 15 December 2025 at 5:30pm (Greer time).

Presenters will be Alexium Interim Chair, Simon Moore and Chief Executive Officer/ Managing Director, Billy Blackburn.

To pre-register for the investor webinar, please follow the link:

https://us02web.zoom.us/webinar/register/WN_VmKDODRRQy2v4kAdj1R_wA

After registering, you will receive a confirmation email containing information about joining the webinar.

Shareholders may ask questions during the investor webinar, by submitting their questions via Q&A tab on Zoom platform.

For more information, contact info@alexiuminternational.com.

For personal use only

About Alexium International Group Limited
Alexium International is a chemical innovator specializing in advanced phase-change materials (PCMs), microencapsulation technologies, thermal-management coatings, and flame-retardant systems for foam, textiles, and specialty materials.

About Microtek Laboratories
Microtek Laboratories is a pioneer in the development and production of microencapsulated phase-change materials, offering award-winning PCM technologies and encapsulation science for thermal-management applications across multiple industries.

About CAVU Group
CAVU Group is a diversified manufacturing and technology group focused on building category-leading businesses across packaging, thermal-management, and engineered-materials markets.

Media Contact:
Taylor Jones
Alexium International
tjones@alexiuminternational.com • 1-843-442-7477

###

ersonal use only

ALEXIUM INTERNATIONAL GROUP LIMITED

Transaction Presentation

15 December 2025

Disclaimer

To the maximum extent permitted by law, the information contained in this presentation is given without any liability whatsoever being accepted by Alexium International Group Limited (**Alexium**) or any of its related entities or their respective directors or officers, employees, advisors and agents (**Relevant Parties**), and is not intended to constitute legal, tax or accounting advice or opinion. No representation or warranty, expressed or implied, is made as to the accuracy, completeness or thoroughness of the content of the information. The information in this presentation is not an offer or recommendation to purchase or subscribe for securities in Alexium or to retain or sell any securities that are currently held. The presentation does not purport to contain all the information that a prospective investor may require in evaluating a possible investment in Alexium nor does it contain all the information which would be required in a disclosure document prepared in accordance with the requirements of the Corporations Act and should not be used in isolation as a basis to invest in Alexium. In providing this presentation, Alexium has not considered the objectives, financial position or needs of the recipient and the recipient should consult with its own legal, tax or accounting advisers as to the accuracy and application of the information contained herein and should conduct its own due diligence and other enquiries in relation to such information and any investment in Alexium and the recipient's objectives, financial position or needs.

To the maximum extent permitted by law, Alexium and the Relevant Parties disclaim any responsibility to inform any recipient of this presentation on any matter that subsequently comes to their notice which may affect any of the information contained in this presentation and undertake no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

The information in this presentation has not been independently verified by Alexium. To the maximum extent permitted by law, Alexium and the Relevant Parties disclaim any responsibility for any errors or omissions in such information, including the financial calculations, projections and forecasts and indications of, and guidance on, future earnings and performance and financial position set forth herein. This presentation contains certain "forward-looking statements." Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors and are subject to significant business, economic and competitive uncertainties and contingencies associated with exploration and/or production, many of which are beyond the control of Alexium, that may cause actual results to differ materially from those predicted or implied by any forward-looking statements. No representation or warranty is made by or on behalf of Alexium or the Relevant Parties that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this presentation should or will be achieved or that actual outcomes will not differ materially from any forward-looking statements.

This presentation does not carry any right of publication. This presentation is incomplete without reference to, and should be viewed solely in conjunction with, the oral briefing provided by Alexium. Neither this presentation nor any of its contents may be reproduced or used for any other purpose without the prior written consent of Alexium.

ersonal use only

For personal use only



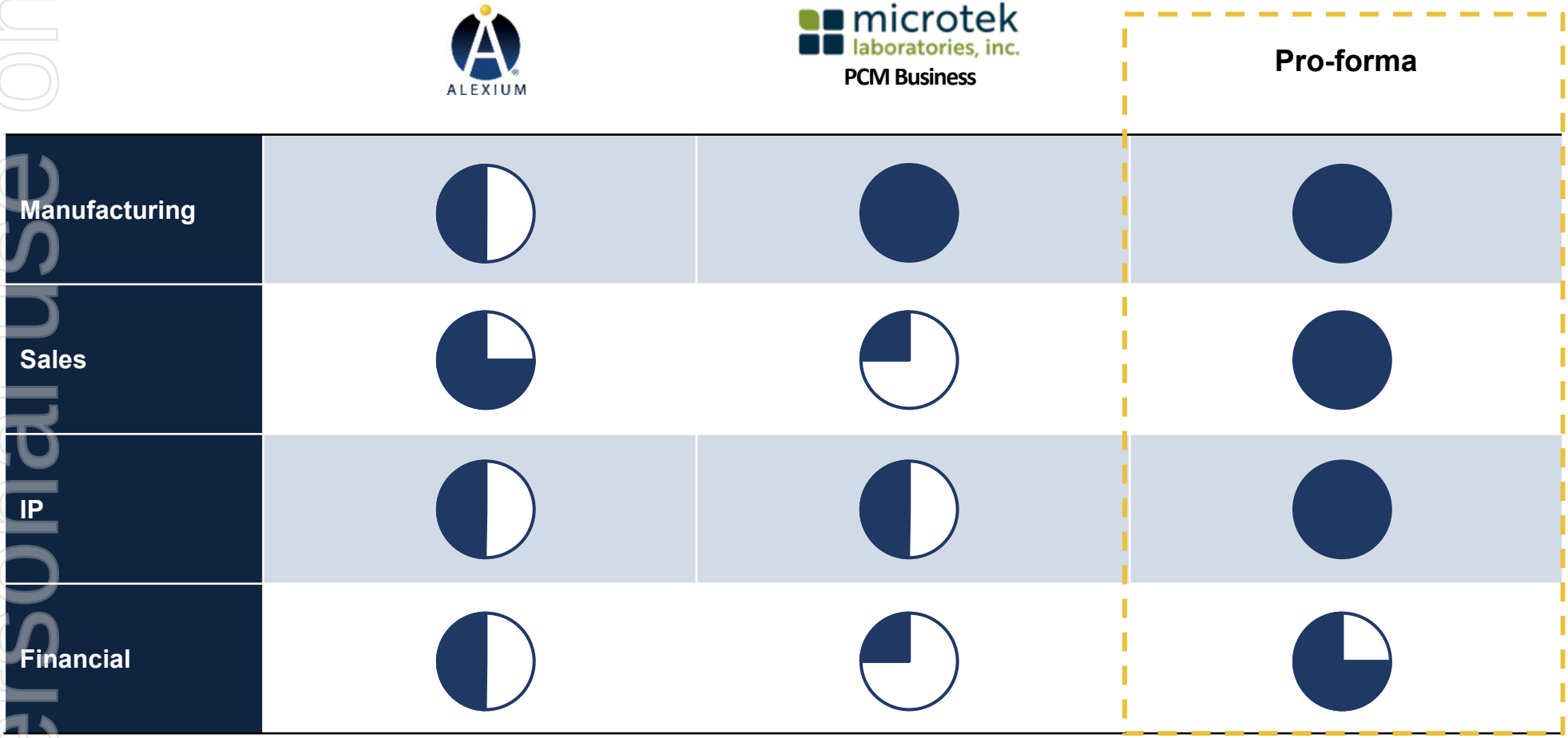
Transaction Overview

- Acquisition of Microtek Assets
  - Asset purchase includes Microtek's intellectual property, manufacturing assets and the transition of key employees to our organization
  - Equity funded transaction with Microtek to receive a c.11.6% post entitlement offer completion equity ownership interest in Alexium
- Non-renounceable Entitlement Offering
  - AUD c.$6.8 million raising (approximately USD $4.5 million)
  - 3.4414:5 entitlement at AUD $0.006
  - Fully underwritten by Colinton Capital Partners, Wentworth Williamson, Billy Blackburn and Randy Lane
  - Outstanding shareholder loans and accumulated interest of c.$4.6 million as at 12 December 2025 to be converted to equity as part of the Entitlement Offering

ersonal use only

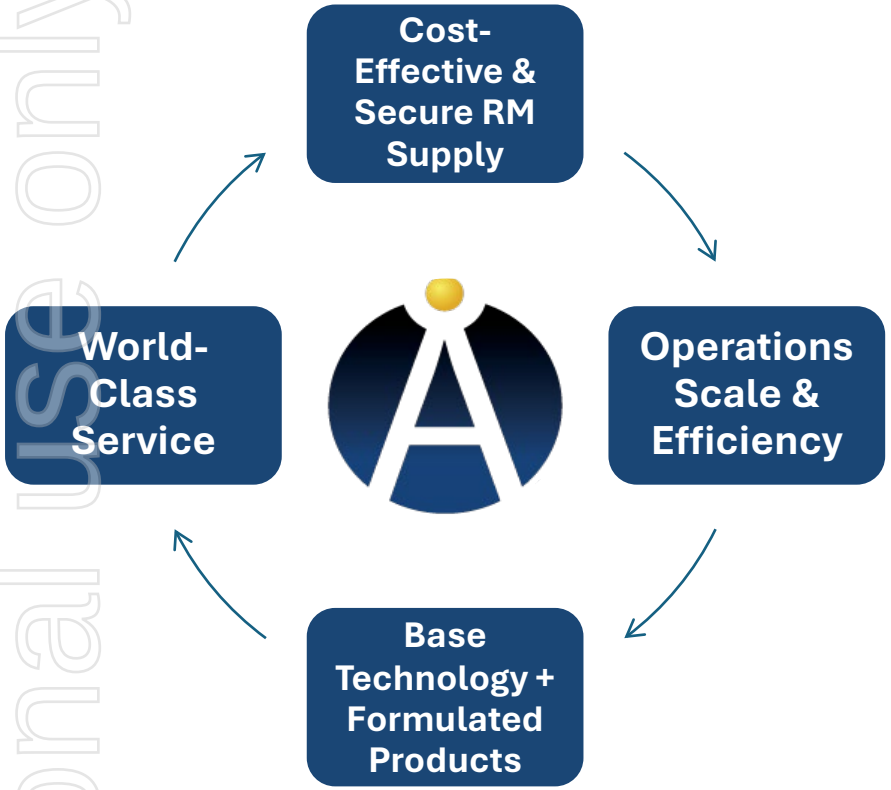
Transaction rationale

The acquisition brings together two of the industry's most established innovators in microencapsulation and phase change materials. Integrating Microtek's state-of-the-art manufacturing plant and decades of micro encapsulation expertise into Alexium's formulated products and vertically integrated U.S. operations enhances domestic production capability, strengthens supply-chain resiliency, and expands the combined technology portfolio.



personal use only

2026 – Alexium + Microtek – Post Acquisition Outcomes



- ✓ The acquisition results in an integrated organization that has transitioned from technology development to an aggressive growth engine fueled by manufacturing and sales
- ✓ Customers will benefit from secure supply from expanded and redundant manufacturing capabilities in multiple locations
- ✓ The merged entity will leverage the vast technical intelligence of both legacy organizations to offer the next generation of flame retardant and thermal management coatings to customers
- ✓ Improved financial results will come from increased scale and manufacturing cost efficiencies of the merged sales and production volumes paired with the combined best practices of each legacy business

ersonal use only

2026: Sales & Marketing Focus



- Sales of Alexium's enhanced mPCM products to formulators serving global bedding and furniture markets
- Global market expansion of BioCool® products for cooling in mattress and pillow applications
- AlexiShield for FR barriers in bedding, furniture and transportation
- AlexiCool® for cooling in mattress and pillow textiles and in foam applications
- Advanced AlexiFlam® FR apparel fabrics for military uniforms and industrial work wear

ersonal use only

Product Portfolio – Microencapsulated Phase Change Materials

ALEXIUM

ersonal use only

AlexiCool®

- Traditional microencapsulated phase change material (petroleum based)
- Effective on textiles and foam
- Premium PCM cooling for mattress and top of bed
- Absorbs heat while providing comfort and coolness
- Available in formulated coatings for specific application methods
- Available in solution, slurry and dry powder
- Available in enhanced (+) derivatives

BioCool®

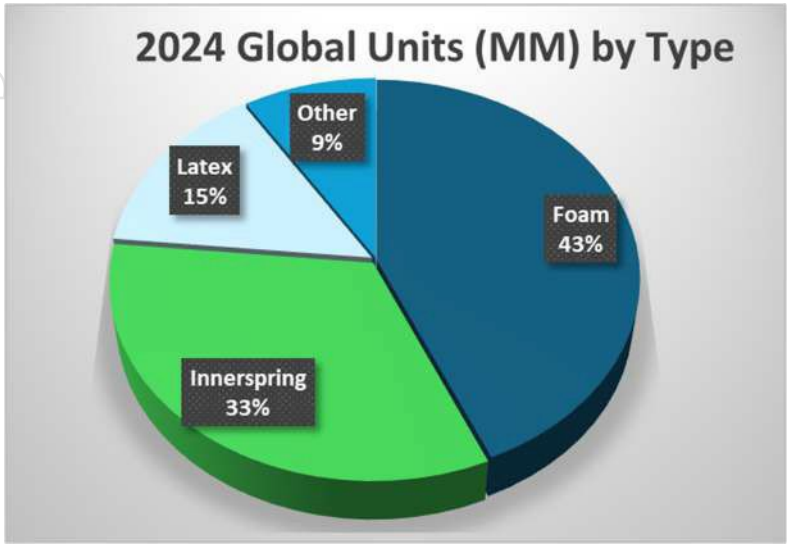
- Biobased microencapsulated phase change material (plant derived)
- USDA Bio-Preferred Certified mPCM with 94% bio content Eco-Certified
- COSMOS Certified
- Effective on textiles and foam
- Premium PCM cooling for mattress and top of bed
- Absorbs heat while providing comfort and coolness
- Available in formulated coatings for specific application methods
- Available in enhanced (+) derivatives

nextek™

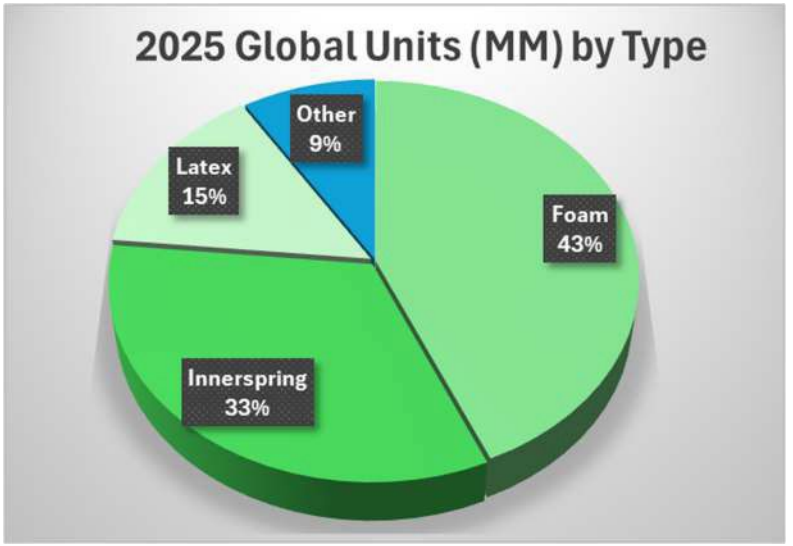
- Microencapsulated Phase Change Materials produced specifically for supply to compounders
- 45% mPCM slurry for use in low-solids formulated textile coatings
- 78% mPCM “wet cake” for use in high-solids formulated foam coatings
- 100% dry mPCM powders for embedding in polyols for foam and gel coatings on foam
- Global distribution

Addressable Market by Type – Increased Access

Previous Product Line (pre-FY25)



Expanded Product Line (FY25 forward)



With the Company's new developments in mPCM production, the combined microcapsule technologies of the merged business, and mPCM sales to formulators, the addressable market has significantly expanded. The Company now has PCM offerings for foam bedding products, medical products, apparel and construction materials. This expanded product significantly increases the Company's growth opportunities. For 2026, the primary focus will remain on selling mPCM products to the bedding and furniture markets to secure near-term positive results. The merged business immediately expands Alexium's foam bedding market customer base. Coupled with advances in the Company's FR technology and manufacturing capabilities, opportunities are now well advanced in the Foam, Innerspring, and Latex segments of the bedding market. The majority of the Company's products will transition to being manufactured in Dayton in 2026.

Source Data: Marketgrowthreports.com

*Addressable markets in green

Personal use only

ersonal use only

Investor's Webinar 16 December 2025 at 9:30 AM

Registration Link:
https://us02web.zoom.us/webinar/register/WN_VmKDODRRQy2v4kAdj1R_wA