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ASX Announcement
20 May 2026

Hydrix raises $3.89M under institutional entitlement offer

Hydrix Limited (ASX: **HYD**) (**Hydrix** or the **Company**) is pleased to advise it has successfully completed the institutional component (**Institutional Entitlement Offer**) of its $8.183 million pro-rata accelerated renounceable entitlement offer (**Entitlement Offer**), announced on Monday 18 May 2026. The Entitlement Offer is for 6 new fully paid ordinary shares in Hydrix (**Shares**) for each Share held at the record date, with a free attaching option exercisable at $0.01 and expiring 30 June 2029 (**Option**) for each new Share issued (**Entitlement**).

The Institutional Entitlement Offer closed on Tuesday 19 May 2026, and raised gross proceeds of approximately **$3.89 million** at the Entitlement Offer price of $0.005 per Share (**Offer Price**).

Hydrix's eligible institutional shareholders did not take up any Entitlements available under the Institutional Entitlement Offer, which were sold in the institutional shortfall bookbuild process (**Institutional Shortfall Bookbuild**) led by the Lead Manager, Peak Asset Management Pty Ltd.

The Institutional Shortfall Bookbuild was well supported by new institutional investors and family offices, who subscribed for all available **777,469,698 Shares** (and the same number of free attaching Options) under the bookbuild, raising **$3,887,349** (before Offer costs) for the Company. The price achieved under the Institutional Shortfall Bookbuild was the same as the Offer Price under the Entitlement Offer. Accordingly, eligible institutional shareholders that did not take up their Entitlement and ineligible institutional shareholders will not receive any consideration for the Entitlements not taken up by them.

Hydrix's Shares are expected to resume normal trading on ASX today on an ex-entitlement basis. New Shares and Options to be issued as part of the Institutional Entitlement Offer are expected to be issued on Tuesday, 26 May 2026.

Retail Entitlement Offer

The close of the Institutional Entitlement Offer represents completion of the first stage of Hydrix's $8.183 million equity raising. Hydrix is seeking to raise a further $4.3 million under the retail component of the Entitlement Offer (**Retail Entitlement Offer**), which will open on Monday 25 May 2026 and close at 5.00pm (AEST) on Friday 5 June 2026.

Under the Retail Entitlement Offer, eligible retail shareholders will be able to subscribe for 6 New Shares for every 1 existing Share held on the record date of 7.00pm (AEST) Wednesday 20 May 2026, at the same Offer Price of $0.005 per Share as the Institutional Entitlement Offer. Eligible Retail Shareholders will also receive 1 free attaching Option for each Share subscribed and issued.

Retail Entitlements that are not taken up by eligible retail shareholders by the close of the Retail Entitlement Offer and Entitlements that would otherwise have been offered to ineligible retail shareholders will be sold through the Retail Shortfall Bookbuild on Wednesday 10 June 2026 (**Retail Shortfall Bookbuild**). Allotment of Shares under the Retail Entitlement Offer is expected to be complete by Thursday 18 June 2026 and commencement of trading of those Shares on ASX will occur from 19 June 2026.

Any net proceeds from the sale of Entitlements under the Retail Shortfall Bookbuild will be remitted proportionally to those retail shareholders, less any applicable withholding tax. There is no guarantee that there will be any proceeds remitted to those retail shareholders.

The retail Entitlements may only be exercised by eligible retail shareholders, being persons with a registered address in Australia and New Zealand on the register as at the record date. In particular, persons in the United States and persons acting for the account or benefit of a person in the United States will not be eligible to participate in the offer.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Company's prospectus dated 18 May 2026 (**Prospectus**) and follow the instructions on their personalised entitlement and acceptance form, which will be despatched to them on Monday 25 May 2026. A copy of the Prospectus and a target market determination in relation to the Options are available on www.hydrixltd.com.

If holders are not able to take up their Entitlements, those Entitlements will be sold into the Retail Shortfall Bookbuild and holders may receive no value for them.

Use of proceeds and debt conversion

As detailed in the Company's Prospectus, Hydrix is seeking to convert up to $5.435m in convertible note debt and loans into equity on the same terms as the Entitlement Offer. To date, Hydrix has received written commitments from Directors and convertible noteholders to convert $5.113m of such debt, subject to shareholder approval and Hydrix raising a minimum of $4m under the Entitlement Offer.

Assuming maximum subscription, the proceeds raised under the Entitlement Offer will be used to retire and paydown $4.79m in debt and operating liabilities, pay $0.78m in costs of the Offer, and provide $2.61m in working capital for ongoing operations, and disciplined investment initiatives aligned to Hydrix's increasing focus on Defence technology growth initiatives.

Indicative timetable for Entitlement Offer

Event	Date (2026)
Trading Halt commences	Thursday 14 May
Announcement of Entitlement Offer. Prospectus lodged with ASIC and ASX. Appendix 3B lodged with ASX	Monday 18 May
Company conducts Institutional Entitlement Offer and (if applicable) bookbuild for shortfall from Institutional Entitlement Offer	Monday 18 May 2026 to Wednesday 20 May
Announcement of Institutional Entitlement Offer results	Before 10.00am (AEST) Wednesday 20 May (before the resumption of trading following the trading halt)
Trading resumes on an ex-entitlement basis. Ex-date (date from which Shares begin trading without the right to participate in the Retail Entitlement Offer)	Before 10.00am (AEST) Wednesday 20 May
Record Date to identify Shareholders entitled to participate in the Entitlement Offer	7.00pm (AEST) on Wednesday 20 May

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Event	Date (2026)
Prospectus and Entitlement & Acceptance Forms sent to Eligible Retail Shareholders. Announcement of despatch to Eligible Retail Shareholders	Monday 25 May
Retail Entitlement Offer opens	Monday 25 May
Securities (Shares and attaching Options) issued under the Institutional Entitlement Offer. Lodgement of Appendix 2A with ASX applying for quotation of Shares and attaching Options	Before 12.00pm (AEST) Tuesday 26 May
Last day to extend the Closing Date for Retail Entitlement Offer	Before 12.00pm (AEST) on Tuesday 2 June
Retail Entitlement Offer closes	5.00pm (AEST) on Friday 5 June
Announcement of Retail Entitlement Offer results	Wednesday 10 June
Bookbuild for any shortfall from Retail Entitlement Offer (if applicable)	Wednesday 10 June to Monday 15 June
Announcement of Retail Bookbuild results	Tuesday 16 June
Securities (Shares and attaching Options) issued under the Retail Entitlement Offer. Lodgement of Appendix 2A with ASX applying for quotation of Shares and attaching Options	Before 12.00pm (AEST) on Thursday 18 June
EGM to seek Shareholder approvals in connection with Broker Offers and Conversion Offers	Mid-July

* The above timetable is indicative only and may change. The Company reserves the right to amend any and all of the above dates without notice (including, without limitation, subject to the Listing Rules and the Corporations Act, to close one or more of the Offers early, to extend the Closing Date of one or more of the Offers, to accept late Applications (either generally or in particular cases) or to cancel one or more of the Offers before New Securities are issued by the Company).

Ends ----

This announcement is authorised for release by the Board of Directors of Hydrix Limited.

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About Hydrix Limited

Hydrix Limited (ASX: HYD) operates across mission-critical and safety-critical technology markets through three business segments: Services, providing advanced embedded systems engineering and product development across medtech and defence sectors; Ventures, investing in aligned technology companies; and Medical, focused on bringing innovative cardiovascular and connected healthcare technologies to market. www.hydrixltd.com

Hydrix Services is a wholly owned subsidiary of Hydrix Limited. www.hydrix.com.

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