

ALEXIUM

2021 ANNUAL
GENERAL MEETING

17 November 2021
ASX: AJX



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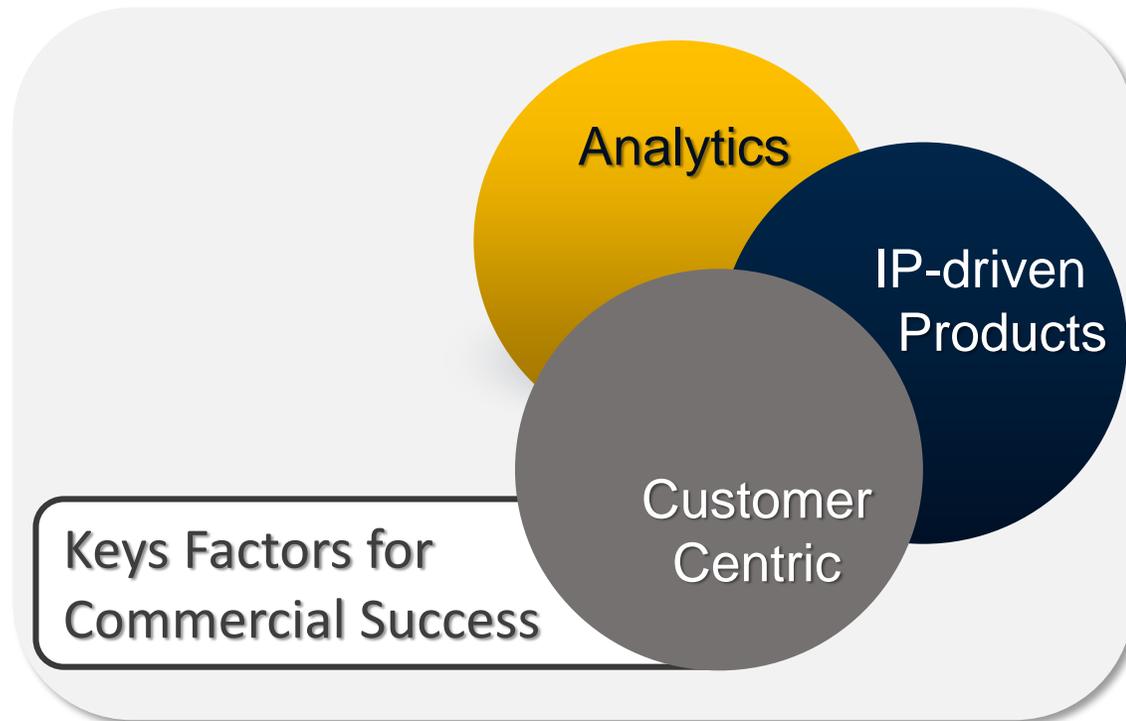
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Alexium at a Glance



An advanced materials provider of proprietary technologies for flame retardant and thermal management applications

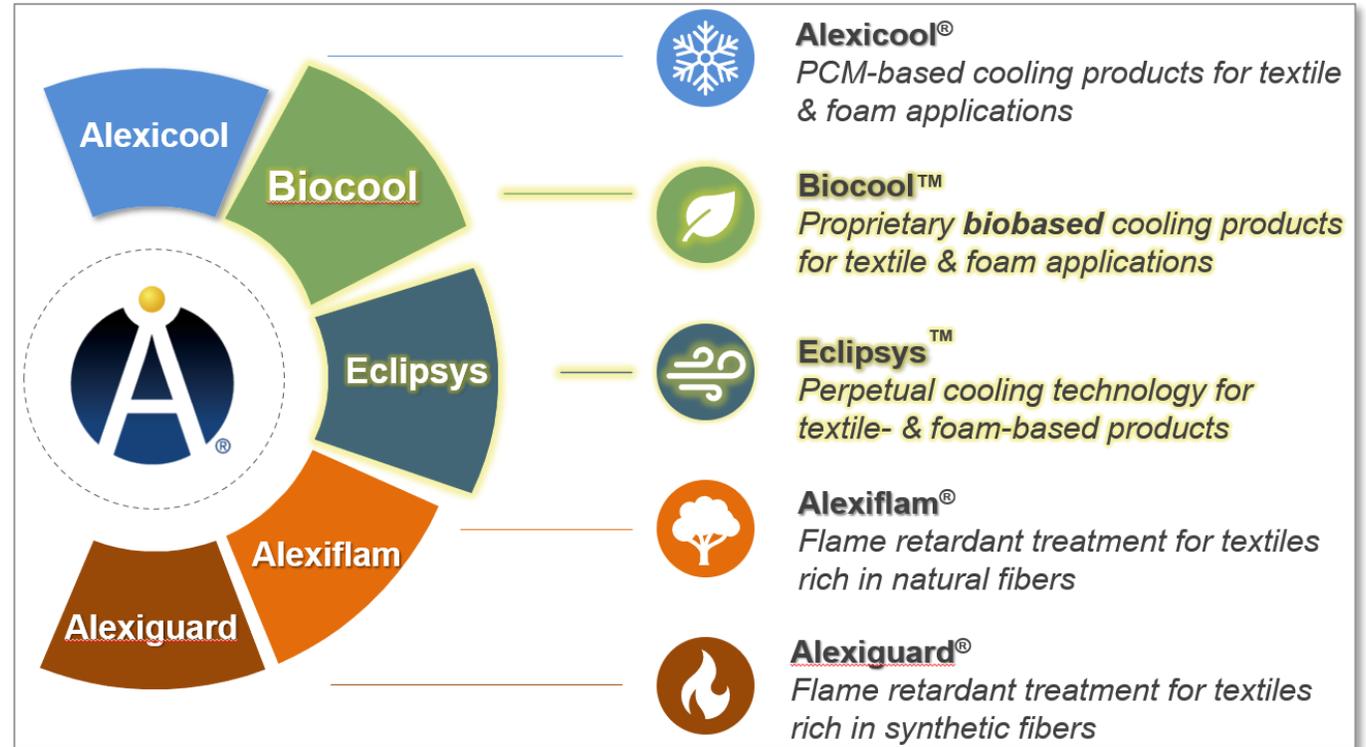


- Technology leader in textile/foam-based products for US consumer and military markets
- Patented and patent-pending technologies developed to address market gaps and customer needs
- Sales & marketing strategies guided by consultative relationship with customers that demonstrate how Alexium's products can improve their value proposition and marketing claims

Product Portfolio Overview



- ❖ Building from an initial set of three products, over the past few years Alexium has significantly expanded its product portfolio to five platforms
- ❖ Two new platforms (highlighted in yellow in the diagram) were introduced in FY2021.
- ❖ Range of addressable markets have been targeted for these platforms (see below)



ADDRESSABLE MARKETS	Mattress & Top of Bed ³	FR Socks for Foam Mattresses ¹	Military Uniforms ²	Body Armor ³
ADDRESSABLE US MKT VALUE	\$50M	\$20M	\$90M	\$30M
PLATFORM	Alexicool, Biocool, Eclipsys	Alexiflam	Alexiflam, Alexiguard	Eclipsys

All values in USD.

1 BCC Research, [Flexible Foam: Global Markets \(May 2018\)](#)
 2 Wikipedia, [United States Armed Forces](#) (Accessed November 11, 2019)
 3 Professional correspondence and internal market analysis

FY2021 in Review

Continued Improvements versus prior year

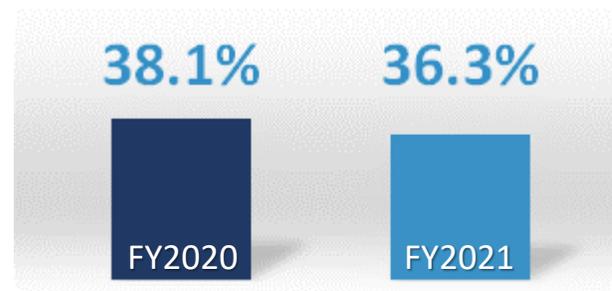


Revenue Growth



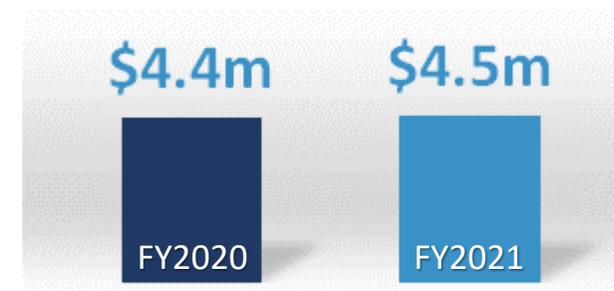
Revenue growth from new customers and Total Mattress Cooling System

Gross Margin



Decrease due to product mix, H2 gross margin over 40% with new product scale up

Operating Expenses



Headcount and travel expenses down, offset by reduced capitalization of R&D costs

Operating EBITDA



Improved gross profit and stable operating expenses

Operating + Investing Cash Outflow



Cash receipts up, payments to suppliers & employees down, and reduced cash interest

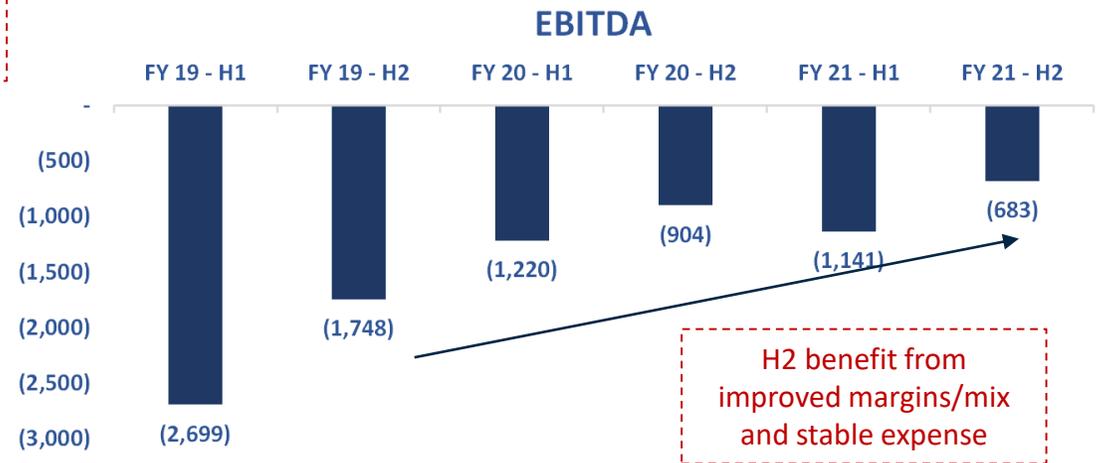
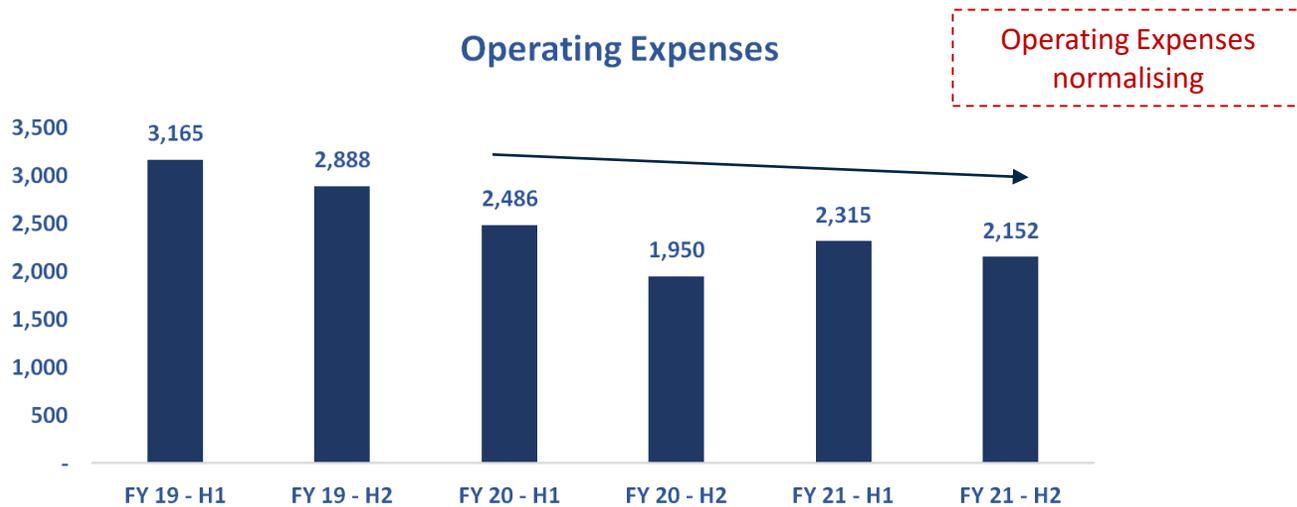
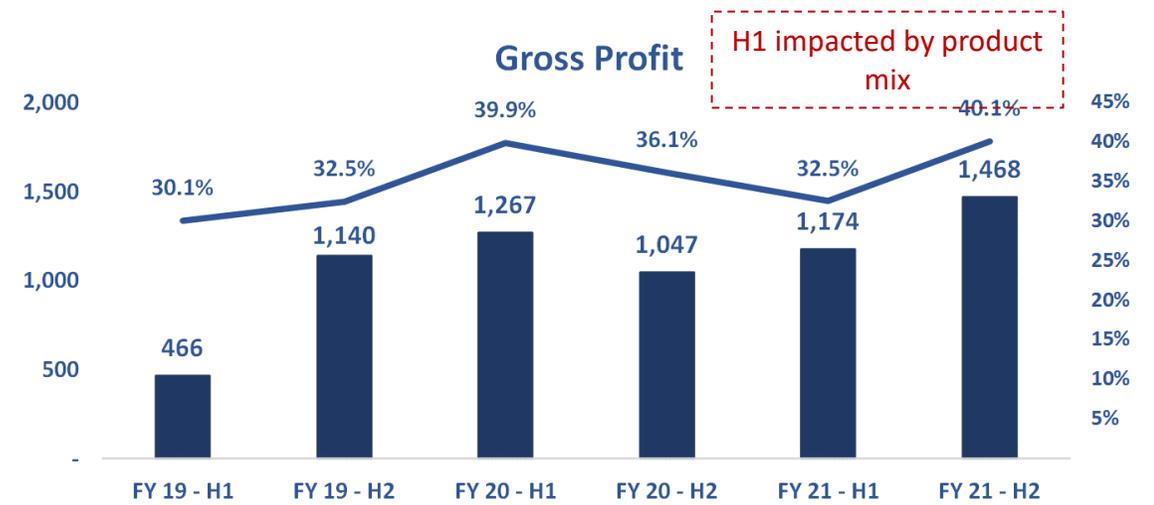
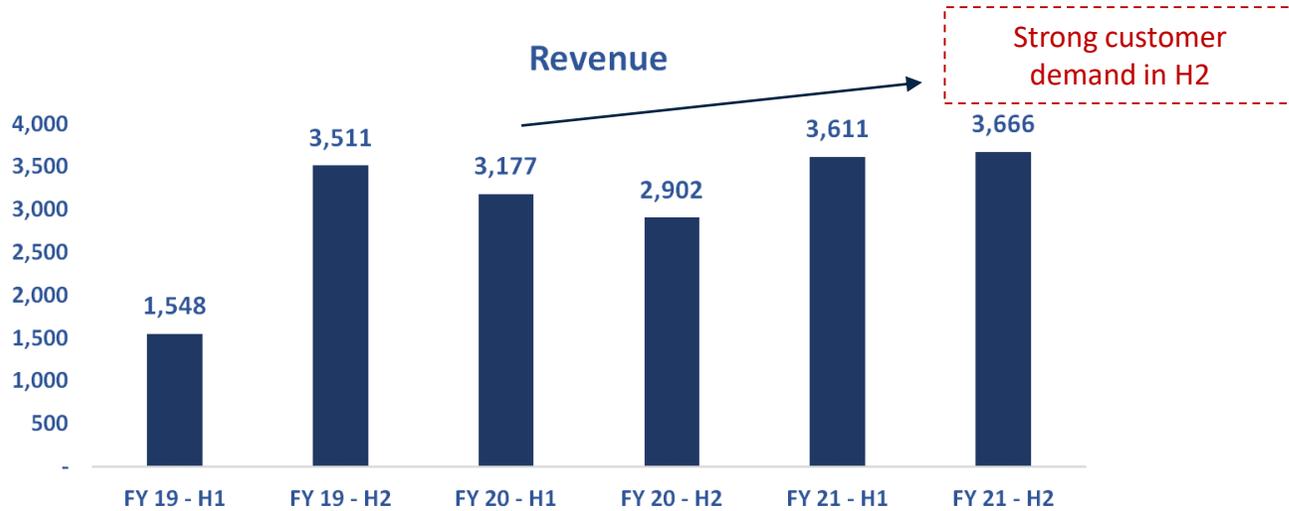
Cash Interest



First full year of new loan interest

FY2021 in Review

Deliberate and systematic changes throughout the company drive conclusive results

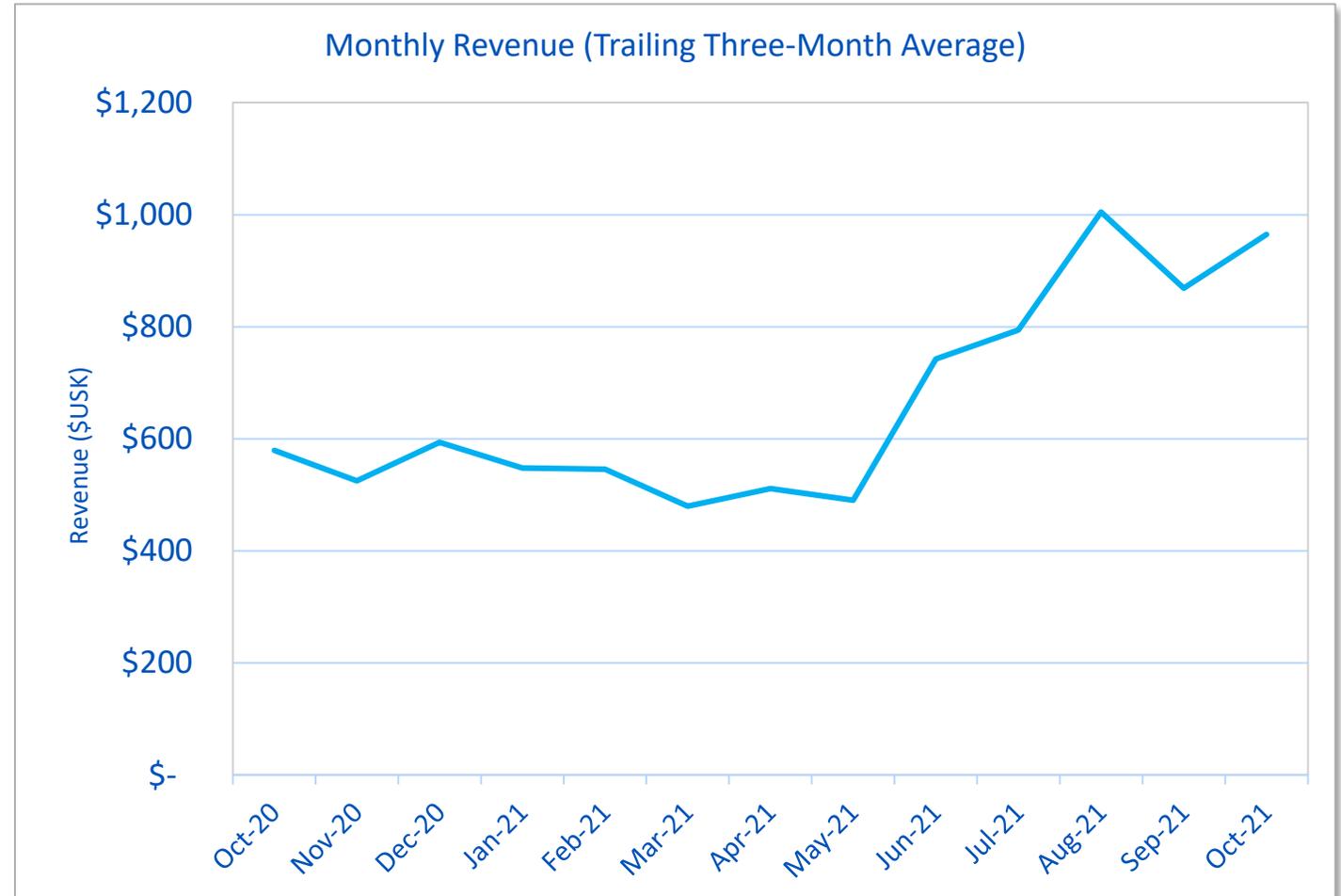


All values in USD and thousands unless otherwise noted

AJX Revenue Growth Over Past Six Months



- From June 2021, AJX has shown significant revenue growth
- Two key initiatives came to fruition mid-calendar year:
 - BioCool products fully commercialized
 - New mattress designs based on Alexium products (called total mattress cooling system) fully commercialized



FY2022: Primary Areas of Revenue Growth



Target Market(s)

- Mattress
- Top-of-Bed products

Status

- Qualified customer preparing for commercialization
- Customers evaluating Biocool™ products
- Ongoing product development



Target Market(s)

- Mattress
- Body Armor

Status

- Qualified customer preparing for commercialization
- Customers evaluating Eclipsys™ in their products



Target Market(s)

- Mattress (FR Sock)

Status

- Customers evaluating Alexiflam™ in their products

Key Milestones for FY2022

Optimization of FR NyCo manufacturing process and submission for military testing & evaluation



Major customer has fully commercialized mattresses based on TMCS



Complete commercialisation of Eclipsys™ technology in body armor market



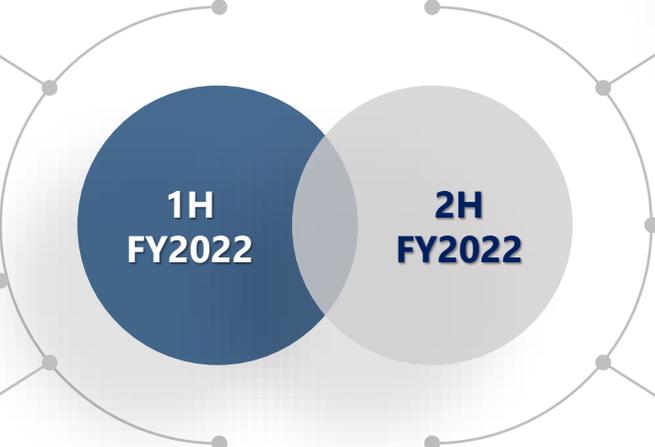
Broader market penetration of BioCool™ products in bedding market



Complete commercialisation of Alexiflam® NF for FR Sock products with supply chain partners



Complete commercialisation Eclipsys™ technology in bedding market



FY2022: Pivotal Year for Alexium's Growth

Culmination of FY2018 – FY2021 Technical & Commercial Developments

Increased Revenue

REVENUE DRIVERS

Total mattress cooling system full commercialization – *Ramp begun in 4Q FY2021, full rate in 1H FY2022*

Continued market penetration for BioCool™ products – *First sales in 4Q FY2021, continuing into FY2022*

Continued growth in Alexicool® sales for foam apps – *Greatest area of growth in FY2021*

Eclipsys™ products commercialized for body armor – *New product launching in 1H FY2022*

Improved Margins

MARGIN DRIVERS

Increasing product volumes drive economies of scale

New product lines provide stronger margins to improve profitability

Leverage Asset Light Model

BUSINESS MODEL BENEFITS IN FY2022

Negligible capital investment needed to support revenue growth

Contract manufacturing model allows for facile scaling of production capacity to meet growth needs

Adequate cash resources through FY2022



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