

CLARIFICATION TO RESPONSE TO MEDIA ARTICLE REGARDING CONDITIONAL, NON-BINDING INDICATIVE MERGER PROPOSAL

19 MAY 2025

Matrix Composites & Engineering Ltd (ASX: MCE, "**Matrix**" or the "**Company**") refers to its announcement today titled "Response to Media Article Regarding Conditional Non-Binding Indicative Merger Proposal" (**Announcement**).

The article published in the Australian Financial Review yesterday referred to a nearly 100% premium with an expected value on the Company of close to \$100 million. As set out in the Announcement, the proposed transaction structure from Advanced Innergy Solutions Limited (**AIS**) involves Matrix acquiring all of the issued shares in AIS in consideration for Matrix issuing new shares to the shareholders of AIS. AIS is proposing that Matrix shareholders will hold approximately 20% of the merged group with AIS shareholders holding approximately 80% of the merged group (pre-capital raising). The Company notes that AIS is also proposing a significant capital raising of the merged group in connection with the transaction.

Given the proposed transaction structure put forward to Matrix, the value of the Company in the context of the transaction will depend on the value of AIS, which is privately owned, and the value of the merged group as well as the proportion of the merged group owned by all of Matrix's shareholders. Accordingly, the Board of Matrix advises that it is not in a position to comment on the expected value of the proposed transaction, or any deemed premium attributable to Matrix, were a transaction to proceed.

In the meantime, the Board of Matrix advises Matrix shareholders to take no action in response to the Proposal. The Company will keep shareholders informed about any potential developments in accordance with its continuous disclosure obligations.

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This announcement was authorised for release by the Company Secretary.

FOR FURTHER INFORMATION PLEASE CONTACT:

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ABOUT MATRIX COMPOSITES & ENGINEERING

Matrix Composites & Engineering specialises in the design, engineering, and manufacture of composite and advanced material technology solutions for the oil and gas, civil and infrastructure, resources, defence, and transportation industries. With more than 20 years-experience, Matrix has gained a reputation as an industry leader and has become a major exporter of Australian goods and services with customers located all over the world. From its award-winning head office in Australia and offices in the United States, and a global network, Matrix is uniquely positioned to deliver complete turnkey solutions offerings with localised customer support.

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