



2023 HALF YEAR RESULTS & EQUITY RAISING PRESENTATION

1 March 2023

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EXECUTIVE SUMMARY

MATRIX IS WELL-POSITIONED TO LEVERAGE MATERIALS & ADVANCED MANUFACTURING CAPABILITIES TO BUILD REVENUE ACROSS OUR TRADITIONAL AND EXPANDING ENERGY, RESOURCES AND DEFENCE SECTORS

1HFY23 RESULTS	<ul style="list-style-type: none"> Revenue \$11.8m (1H FY22: \$13.7m). Significant contract awards during 1H from rebounding oil & gas market, revenue to substantially increase in 2H. Focused financial management with cash and cash equivalents of \$10.5m as at 31 December 2022 (30 June 2022: \$7.6m) post \$7.5m convertible note raise in 1H.
KEY GROWTH DRIVERS	<ul style="list-style-type: none"> Core Traditional Subsea – SURF and deep water drilling, as well as energy transition opportunity with floating offshore wind Emerging Corrosion Technologies – growing anti-corrosion coating, application equipment and technical services Emerging Advanced Materials – high-tech composite material solutions for Renewables / Defence / Resources
OUTLOOK	<ul style="list-style-type: none"> Industry dynamics post-COVID is strong with demand for Matrix's products and services, which is expected to grow through the short-medium term Significant revenue growth to continue in 2H FY23, with revenue forecasted to be in excess of \$33.5m (2H FY22: \$14.9m) Further revenue growth expected in FY24 underpinned by recent ~\$44.0m SURF order to commence manufacturing in 1QFY24 and strong pipeline
EQUITY RAISING	<p>Matrix is undertaking a fully underwritten equity raising of approximately \$20.2 million at an Offer Price of \$0.28 per New Security, comprising of:</p> <ul style="list-style-type: none"> An institutional placement ("Institutional Placement") to raise approximately \$6.3 million; and A 1-for-2.95 pro-rata accelerated non-renounceable entitlement offer to raise approximately \$13.9 million ("Entitlement Offer"), comprising of: <ul style="list-style-type: none"> An institutional entitlement offer ("Institutional Entitlement Offer") to eligible shareholders who are registered as holders of Securities in the Offeror at 4:00pm AWST, Friday, 3 March 2023 ("Record Date") (and excluding those institutional shareholders who are not eligible to participate in the Offer); and A retail entitlement offer ("Retail Entitlement Offer") <p>(together, being the "Equity Raising")</p>
USE OF FUNDS	<ul style="list-style-type: none"> The Equity Raising will strengthen Matrix's capability to win and execute on its current pipeline and expected future opportunities Expansion across new markets and initiatives (floating wind and hydrogen) Additional performance / warranty bond facilities New capex requirements for plant expansion for SURF product scale delivery, as well as working capital support for substantially increased upcoming order book
KEY RISKS	<p>Refer to pages 27-35 of this Presentation for a summary of general and specific risk factors associated with the Equity Raising and investing in Matrix</p>

THE POWER OF ADVANCED MATERIALS OUR BUSINESS

Matrix Composites & Engineering designs, engineers and manufactures composite and advanced materials to:

- Deliver **subsea buoyancy solutions** to the world
- Support growth of the **renewable energy** sector
- Protect key infrastructure with **corrosion resistant coatings**
- Deliver alternative high-tech **advanced materials technologies**

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.

BOARD & MANAGEMENT

PETER HOOD

Non-Executive Chairman

AARON BEGLEY

Managing Director & CEO

STEVEN COLE

Non-Executive Director

CRAIG DUNCAN

Non-Executive Director

CHRIS SUTHERLAND

Non-Executive Director

BRENDAN COCKS

Chief Financial Officer



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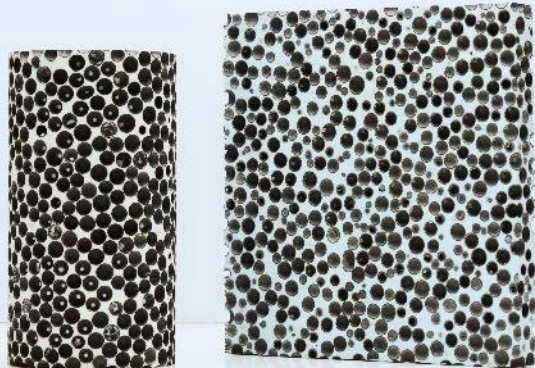
THE POWER OF ADVANCED MATERIALS

WORLD'S LARGEST, SYNTACTIC FOAM PRODUCTION CAPACITY

MARKET LEADING MATERIALS TECHNOLOGY AND ENGINEERED PRODUCTS INTO AN EXPANDED RANGE OF MARKETS

- Subsea Production and SURF applications
- Deepwater Drilling
- Offshore Floating Wind
- Defence
- Marine and Deepwater Mining

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POSITIONED FOR STRONG GROWTH

FINANCIAL



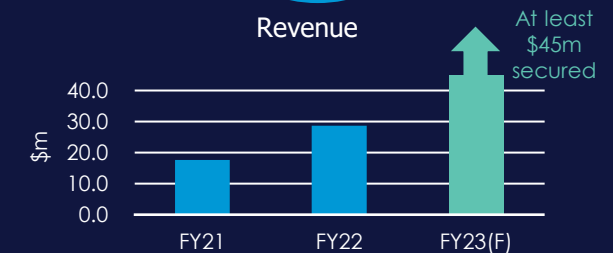
- Revenue \$11.8m (1H FY22: \$13.7m).
- Significant contract awards during 1H from rebounding oil & gas market, revenue to substantially increase in 2H.
- Underlying EBITDA loss \$2.3m, (1H FY22: \$1.3m loss), with return to positive underlying EBITDA forecast for 2H FY23.
- NPAT \$10.0m (1H FY22: \$3.9m loss), including \$15.8m reversal of prior asset impairments, given positive market outlook.
- Focused financial management with cash on hand \$10.5m (FY22: \$7.6m) post \$7.5m convertible note raise in 1H.

OPERATING



- Drilling riser buoyancy, SURF and well construction orders 60% of 1H FY23 revenue.
- Increasing activity in offshore oil & gas markets, ~\$76m drilling riser buoyancy and SURF contracts awarded since June 22.
- Corrosion Technologies up 7% to \$4.4m, increasing Matrix's exposure to stable, recurring revenue streams.
- Advanced materials contract announced with Rio Tinto, and broadening into renewables.

OUTLOOK



- Significant revenue growth in FY23 underpinned by secured orders, 2H to more than **double** compared to 1H.
- Considerable growth expected to continue in FY24 and beyond, backed by recent ~\$44m SURF order and recurring revenue streams.
- Strongest subsea order book since 2016 with growing quotation pipeline beyond FY24.
- Offshore floating wind on radar ~\$50m of recent quotes.

1H FY23 FINANCIAL RESULTS



KEY FINANCIAL METRICS

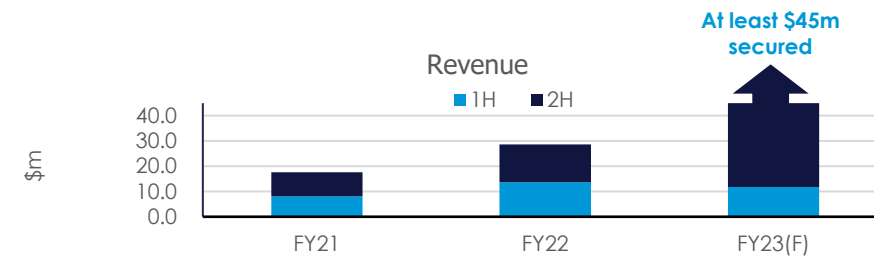
		1H FY23	1H FY22
Revenue	\$m	11.8	13.7
Underlying EBITDA ¹	\$m	(2.3)	(1.3)
EBITDA	\$m	12.4	(1.0)
Net profit/(loss) after tax	\$m	10.0	(3.9)
Operating cash flow	\$m	(1.5)	(0.8)
		31 Dec 22	30 Jun 22
Gross cash ²	\$m	10.5	7.6
Net cash/(debt)	\$m	2.1	7.6
Employees		110	90
Order book	\$m	76	12

Note: figures may not add up due to rounding.

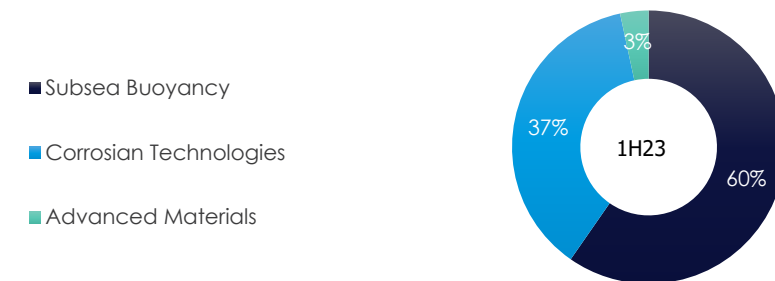
¹ Underlying EBITDA loss 1H FY23 excludes foreign exchange (FX) gain \$0.1m, impairment reversal \$15.8m and a non cash fair value accounting adjustment of \$1.1m increasing the convertible note. Prior period 1H FY22 excludes total FX gains \$0.7m.

² Includes a \$3.5m short-term deposit that has a term of 37 days and matures on 6 January 2023.

- Increased activity in traditional oil & gas markets, with secured contracts timing to drive revenue step change in 2H over 1H FY23.



Corrosion Technologies enhancing recurrent revenue base.



- Underlying EBITDA loss poised for return to profit in 2H FY23, while remaining focused on cost base.
- Reported net profit after tax for 1H FY23 recognises \$15.8m reversal of prior asset impairments resulting from uplifted market outlook.

BALANCE SHEET

\$m	31 Dec 22	30 Jun 22
Cash ¹	10.5	7.6
Trade and other receivables	7.0	3.5
Inventory	8.9	6.5
Other assets	1.3	0.4
Current Assets	27.7	18.0
Property, plant & equipment	14.4	6.8
Intangible and right-of-use assets	16.5	8.4
Other assets (Pre-payments)	1.2	-
Total Assets	59.8	33.2
Trade payables	4.8	2.4
Progress claims & deposits	6.4	0.5
Other	2.3	2.3
Current liabilities	13.5	5.2
Financial and lease liabilities	26.3	26.7
Provisions & Asset Retirement Obligation	2.8	2.7
Convertible note	8.4	-
Total Equity	8.8	(1.3)
Net cash/(debt)	2.1	7.6
Net working capital	4.7	7.1

Note: figures may not add up due to rounding.

¹ Includes a \$3.5m short-term deposit that has a term of 37 days and matures on 6 January 2023.

- Increased cash balance supporting ramp-up in pipeline and new markets initiatives to penetrate emerging energy, resources and defence sectors.
- Expansion in trade receivables, inventories from increased work during the period, reflected in higher working capital.
- Increased PPE and right-of-use assets relate to Henderson advanced manufacturing facility, including \$15.8m partial reversal of prior asset impairments (\$51m in FY20 and FY21). Partial reversal reflects a more accurate balance sheet for the company that still owns all the plant and equipment in the Henderson facility.
- Higher progress claims representing advanced consideration on new contract wins. Milestone payments received in advance of revenue recognition.
- Convertible note issue completed Dec '22 to support fulfilment of recently awarded contracts and provide working capital flexibility for subsea, corrosion and advanced material technologies.
- Other assets principally comprise prepaid interest on convertible note.
- Lease liability relates to Henderson facility recognised under AASB16.
- Balance sheet retains positive net cash position in growth phase.

CASH FLOW FROM OPERATIONS

\$m	1H FY23	1H FY22
Underlying EBITDA / (Loss)	(2.3)	(1.3)
Receivables	(3.5)	(1.6)
Trade Payables	2.4	1.8
Inventory	(2.4)	0.6
Deposits / Progress Billing	5.9	1.0
Other	(1.6)	(1.3)
Cash from Operations	(1.5)	(0.8)
Capital expenditure (incl. R&D)	(1.1)	(0.6)
Proceeds issue of shares	-	2.3
Proceeds issue of convertible note (net interest paid)	5.9	-
Repayment lease liabilities	(0.3)	(0.3)
Net Change in Cash	3.0	0.6
Closing Cash¹	10.5	7.7

- Operating cash outflow (\$1.5m) stemming from EBITDA loss and increased working capital to support increased order book for FY23-FY24.
- Higher deposits received in advance on recent contracts, reflecting the ramp-up in core subsea buoyancy projects.
- Other outflows largely reflect interest expense on lease liabilities which are anticipated to remain constant.
- Capex principally comprises payments for buoyancy project tooling which adds to extensive tool library.
- Convertible note issue to support growth phase with net proceeds \$5.9m incl. prepaid interest.
- Continued focus on prudent cash flow and capital management, ensuring positioned to pursue new opportunities and support increase in order book for FY23, FY24 and beyond.

Note: figures may not add up due to rounding.

¹ Includes a \$3.5m short-term deposit that has a term of 37 days and matures on 6 January 2023. A portion of short-term deposit is placed as a security over the leased land, factory and administration buildings.

MATRIX GROWTH OUTLOOK



THREE BUSINESS PILLARS

CORE TRADITIONAL



SUBSEA

SURF, deep water drilling and well construction. Energy transition opportunity with floating offshore wind

EMERGING



CORROSION TECHNOLOGIES

Growing anti-corrosion coating, application equipment and technical services



ADVANCED MATERIALS

Advanced composite material solutions for Renewables / Defence / Resources

CONTINUED TO LEVERAGE OUR MATERIALS SCIENCE & ADVANCED MANUFACTURING CAPABILITIES TO BUILD REVENUE ACROSS TRADITIONAL AND THE EXPANDING ENERGY, RESOURCES AND DEFENCE SECTORS

OPERATIONAL STRUCTURE ESTABLISHED TO UNDERPIN LONG-TERM SUSTAINABLE GROWTH ACROSS ALL BUSINESS PILLARS



APPLICATIONS ACROSS OIL & GAS AND RENEWABLES

SUBSEA

FOCUS – MOMENTUM BUILDING

- Buoyancy (syntactic foam) for:
 - Deepwater drilling
 - Subsea umbilicals, risers and flowlines (SURF)
 - Offshore floating wind turbines and infrastructure
- Matrix LGS VIV and drag reduction buoyancy system
- ~\$76m worth of contracts awarded since June 22 (FY23, FY24 projects) – largest order book since 2016

KEY CLIENTS



OUR GROWING QUOTATION PIPELINE



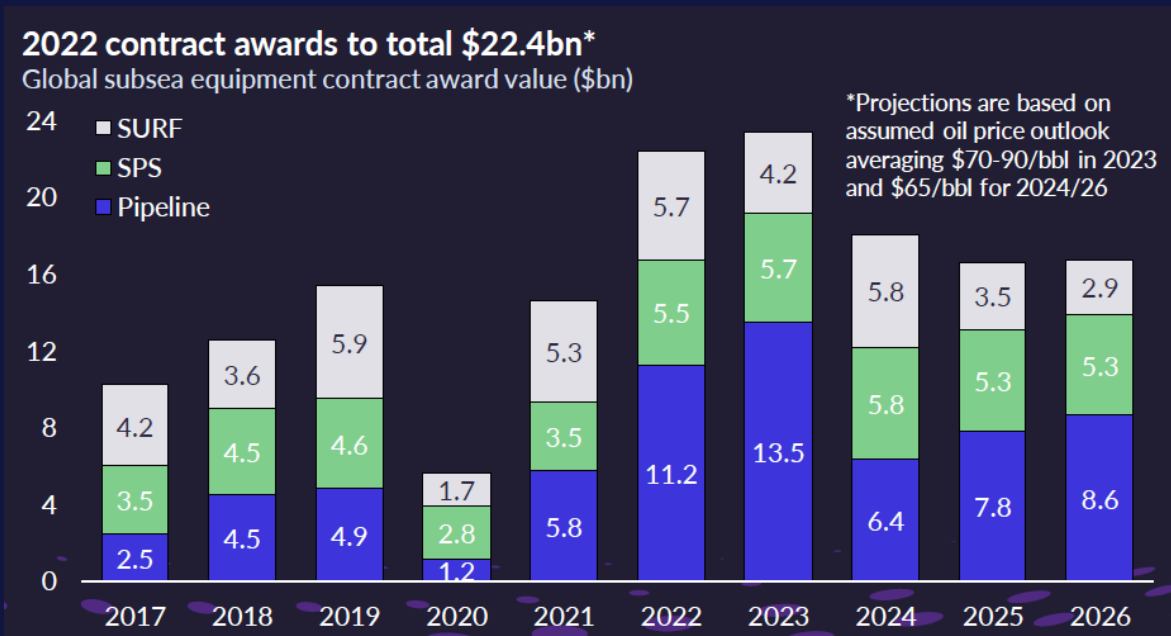
- Bulk of Bid-to-Contract opportunities remain strong. Opportunities expected to be decided during next 6 months
- Includes outstanding floating wind bids of ~\$45m
- International projects: South American deep water developments; West Africa Deepwater

Note: None of the Company's key clients illustrated above have endorsed or made any statement in this presentation.



APPLICATIONS ACROSS OIL & GAS AND RENEWABLES
SUBSEA

GLOBAL SUBSEA SPEND



Source: Westwood Analysis – SubseaLogix

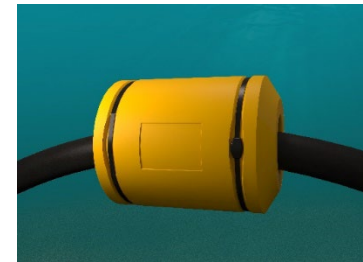
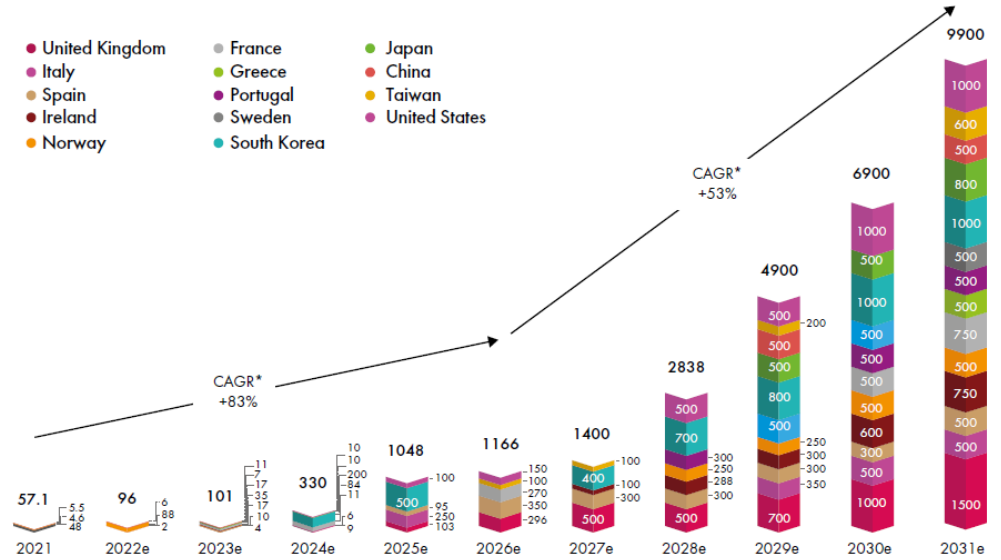
- Global activity in SURF reflected in recent significant award win, with growing pipeline of opportunities and outstanding quotes.
- Matrix has improved its industry qualification status.
 - Now on approved vendor list as large EPIC contractors.
 - Received API17L industry qualifications (one of 3 international vendors).
- Revenue and market share expected to grow over coming years. Strong lead indicators as global rig utilisation and day rates pick up post Covid.

SYNTACTIC FOAM: THE FUTURE

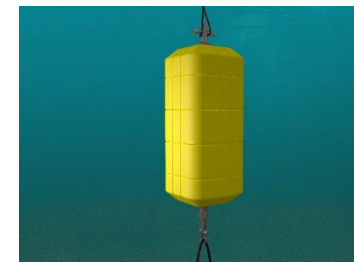
FLOATING OFFSHORE WIND

SUPPORTING ENERGY TRANSITION

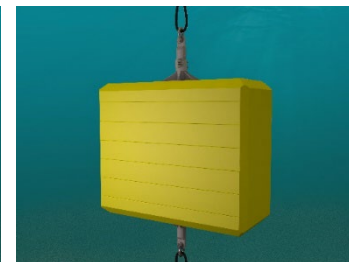
- 28.7 GW of new floating wind capacity will be added between 2022 and 2031*
- Predicted to grow to > 264 GW in 2050**
- Growth in regional markets – Japan, Korea and Australia



POWER CABLE BUOYANCY



MOORING BUOYANCY



LARGE STRUCTURES

Data courtesy of: *GWEC Market Intelligence; ** DNV



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CORROSION TECHNOLOGIES

LOCAL RESOURCES SECTOR

- LNG
- Brownfield developments
- Operational maintenance

KEY CLIENTS



Santos



TECHNOLOGY SOLUTIONS

- Humidur® coatings
- Composite repairs
- Equipment
- Rotolining: Thermoplastic lining





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ADVANCED MATERIALS

LOCAL RESOURCES SECTOR

- Iron ore, LNG, Gold
- Hydrogen, Renewables

KEY CLIENTS

FORTESCUE
FUTURE
INDUSTRIES



RioTinto

- Active discussions with other major resource companies

TECHNOLOGY SOLUTIONS

- Steel replacement and advanced composite applications for
 - Mining – ore handling, extraction, processing
 - Renewable energy – high pressure green hydrogen systems, solar applications



STRONG GROWTH OUTLOOK

- FY23 advancing with challenging COVID-19-induced period in rear view, and larger, more diversified pipeline of work lies ahead due to increased oil & gas activity
- Increasing activity in subsea markets, ~\$76m in recent drilling riser buoyancy, SURF contracts
- Floating wind opportunities being pursued – recent quotes total ~ \$50m
- Corrosion Technologies business growing, increasing Matrix's exposure to stable, recurring revenue streams
- Advanced materials business enhancing diversification in energy, resources and broadening into clean energy renewables
- **Significant revenue growth locked in for FY23, with year-to-date revenue and secured FY23 orders currently at \$45m (FY22: \$28.6m), further orders being pursued**
- **Further revenue growth expected in FY24 underpinned by recent ~\$44m SURF order to commence manufacture Q1 FY24, and strong quotation pipeline**



EQUITY RAISING OVERVIEW

FULLY UNDERWRITTEN \$20.2m
EQUITY RAISING



EQUITY RAISING OVERVIEW

FULLY UNDERWRITTEN EQUITY RAISING OF APPROXIMATELY \$20.2M

- With significant revenue growth locked in for FY23, Matrix is confident that following the increased activity in the oil and gas market, investment into new markets and innovative products will provide Matrix with a competitive advantage to penetrate an emerging sector and diversify revenue bases
- Capital expenditure for plant expansion will deliver efficiencies with recent large contract awards and enhance our capabilities and competitiveness for the emerging floating wind and hydrogen markets
- To support recent contract wins and increasing order book ahead of FY24, working capital support is required

Sources	Amount (A\$m)
Institutional Placement	\$6.3m
Entitlement Offer	\$13.9m
TOTAL	\$20.2m

Uses	Amount (A\$m)
Performance / warranty bond facility	\$5.0m
New markets and innovation (offshore wind and hydrogen)	\$1.0m
Capital expenditure for plant expansion	\$1.0m
Coatings working capital support	\$1.5m
Working capital to support increase in order book for FY23 & FY24	\$7.0m
Working capital support for new short-term opportunities	\$3.7m
Costs associated with the Offer	\$1.0m
TOTAL	\$20.2m

EQUITY RAISING OVERVIEW

FULLY UNDERWRITTEN EQUITY RAISING OF APPROXIMATELY A\$20.2M

Equity Raising Size & Structure	<ul style="list-style-type: none"> ▪ Fully underwritten Equity Raising of approximately A\$20.2 million comprising: <ul style="list-style-type: none"> ○ A\$6.3 million institutional placement ("Institutional Placement"); and ○ A\$13.9 million 1-for-2.95 pro rata accelerated non-renounceable entitlement offer ("Entitlement Offer") ▪ Approximately 72.1 million new fully paid ordinary shares in MCE ("New Shares") to be issued, representing 49.3% of existing shares on issue ▪ Record date for the Entitlement Offer is 4:00pm AWST, Friday, 3 March 2023
Offer Price	<ul style="list-style-type: none"> ▪ All shares under the Placement and Entitlement Offer will be issued at A\$0.28 per New Share ("Offer Price"), representing: <ul style="list-style-type: none"> ○ 11.6% discount to TERP¹ ○ 16.4% discount to last close of A\$0.28 as of Tuesday, 28 February 2023
Institutional Offer	<ul style="list-style-type: none"> ▪ Institutional Placement and Institutional Entitlement Offer ("Institutional Offer") to be conducted by way of bookbuild process that will open at Wednesday, 1 March 2023 and close at 5:00pm on Wednesday, 1 March 2023
Retail Entitlement Offer	<ul style="list-style-type: none"> ▪ The Retail Entitlement Offer will open at 7:00am AWST, Wednesday, 8 March 2023 and close at 2:00pm AWST, Wednesday, 22 March 2023 ▪ Under the Retail Entitlement Offer, Eligible Retail Shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement, up to a maximum of 50% of their Entitlement at the Offer Price ("Additional Shares")
Ranking	<ul style="list-style-type: none"> ▪ New shares issued under the Placement and Entitlement Offer will rank equally with existing Matrix shares on issue
Underwriting	<ul style="list-style-type: none"> ▪ The Equity Raising is fully underwritten by the Lead Manager and Bookrunner, Bell Potter Securities Limited ("Bell Potter")
Board Participation	<ul style="list-style-type: none"> ▪ Certain Matrix directors and senior management will participate in the Entitlement Offer. Matrix directors will not participate in the Placement

¹Theoretical ex-rights price (TERP) includes shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is a theoretical calculation only and the actual price at which MCE shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP.

²Only certain retail shareholders registered in Australia or New Zealand will be eligible to participate in the Retail Entitlement Offer

EQUITY RAISING OVERVIEW

PRO FORMA CAPITAL STRUCTURE

Post-equity raising pro forma	
Pre-raise ordinary shares	146.1m
Pre-raise market capitalisation ¹	\$48.9m
Approx. new shares issued (Institutional Placement)	22.6m
Approx. new shares issued (Entitlement Offer)	49.5m
Approx. new shares issued (Total)	72.1m
Approx. shares post-equity raising	218.1m
Issue Price	\$0.28
Implied market capitalisation (issue price)	\$61.1m
Cash²	\$29.7m
Debt (including Convertible Note)	\$7.5m
Implied enterprise value	\$38.9m

¹As at last close of A\$0.3350 per Share on Tuesday, 28 February 2023

²Cash as at 31 December 2022 plus assumed \$19.2 million net proceeds from the Equity Raising.

³Excludes options and performance rights

Pro forma Post-equity raising capital structure	
Ordinary shares	218.2m
Performance rights	9.3m
Options (\$0.32 – expiring 29 January 2024)	4.9m
Options (\$0.32 – expiring 8 March 2025)	5.3m
Options (\$0.38 – expiring 15 December 2025)	2.6m
Convertible notes	7.5m

- On 5 December, 2022, Matrix entered into an agreement with Collins St Convertible Note Fund (“Collins St”) to secure \$7.485 million via a convertible note issue.
- The funds were raised to provide Matrix with working capital flexibility to successfully ramp up recently awarded contracts and target an increasingly diversified pipeline of opportunities.
- The raising followed Matrix securing the award of two significant orders totalling approximately \$30 million since June 2022, with the Company also actively targeting additional opportunities across the traditional and renewable energy sectors. Matrix secured a substantial ~\$44 million SURF Buoyancy contract subsequent to the Convertible Note raising.

EQUITY RAISING TIMETABLE

Summary of Key Dates	Date/Time
Trading halt and announcement of the Equity Raising	Wednesday, 1 March 2023
Institutional Offer opens	Wednesday, 1 March 2023
Institutional Offer closes	2:00pm AWST, Wednesday, 1 March 2023
Trading halt lifted – Securities recommence trading on ASX on an “ex-entitlement” basis	Friday, 3 March 2023
Record Date for determining entitlement to subscribe for New Securities	4:00pm AWST, Friday, 3 March 2023
Retail Entitlement Offer opens	7:00am AWST, Wednesday, 8 March 2023
Settlement of Institutional Offer	Thursday, 9 March 2023
Allotment and normal settlement trading of New Securities issued under the Institutional Offer on ASX	Friday, 10 March 2023
Retail Entitlement Offer closes	2:00pm AWST, Wednesday, 22 March 2023
Notification of shortfall and allocation to sub-underwriter(s)	Friday, 24 March 2023
Settlement of the Retail Entitlement Offer	Tuesday, 28 March 2023
Allotment of New Securities under the Retail Entitlement Offer	Wednesday, 29 March 2023
New Securities issued under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	Thursday, 30 March 2023
Holding statements in respect of New Shares issued under the Retail Entitlement Offer are dispatched	Friday, 31 March 2023

The above timetable is indicative only and may change without notice, subject to compliance with applicable laws and ASX Listing Rules. All times above are AWST.

CONVERTIBLE NOTE OVERVIEW

Face Value	<ul style="list-style-type: none"> ▪ \$7,485,000
Maturity	<ul style="list-style-type: none"> ▪ 36 months from the issue date.
Conversion	<ul style="list-style-type: none"> ▪ Convertible in full or part at the election of Collins Street any time prior to Maturity at 35 cents per share (subject to dilutionary adjustment if Matrix raises equity at less than 45 cents per share)¹.
Interest Rate	<ul style="list-style-type: none"> ▪ 10.5% per annum on principal amount of outstanding Convertible Note.
Interest Payment	<ul style="list-style-type: none"> ▪ Interest paid monthly in advance. 18 months of interest will be paid upfront to be withheld in a Refund Account.
Redemption	<ul style="list-style-type: none"> ▪ If the Convertible Note has not previously been converted or redeemed, it will be redeemed on Maturity at the Issue Price.
Early Redemption	<ul style="list-style-type: none"> ▪ If the Convertible Note has not been converted after 6 months from the issue date, Matrix has the option to repay at any time prior to Maturity the full outstanding amount, plus: <ul style="list-style-type: none"> ▪ if redemption occurs on or before 12 months after the issue date, an additional 10% fee on the face value; ▪ if redemption occurs after the date that is 12 months after the issue date but on or before the date that is 24 months after the issue date, an additional 8% fee on the face value; ▪ if redemption occurs after the date that is 24 months after the issue date, an additional 3% fee on the face value. If Matrix redeems the Note on or before the date that is 24 months after the issue date, Matrix also agrees to issue options to Collins St with an exercise price of \$0.35 per option and an expiry date of 36 months after issue of the option. The number of options will be calculated by the amount redeemed divided by the conversion price of 35 cents per share (subject to dilutionary adjustment if Matrix raises equity at less than 45 cents per share)¹.
Security	<ul style="list-style-type: none"> ▪ First ranking security over the Company's assets.
Establishment Fee	<ul style="list-style-type: none"> ▪ 3% of the full face value payable in cash on first drawdown
Cash Covenant	<ul style="list-style-type: none"> ▪ Matrix to hold a minimum of \$1 million cash within the first 6 months following the issue of the Convertible Note, increasing to \$1.5 million after 6 months following the issue.

¹Due to the dilutionary adjustment resulting from the Equity Raising, the conversion price is adjusted to approximately 30.66 cents per share.

KEY RISKS

- There are a number of risks that are both specific to Matrix and of a general nature, which may affect the future operating and financial performance of the Company and the outcome of any investment in the Company.
- This section describes some, but not all, of the material business risks that may be associated with an investment in the Company or in Matrix shares and the occurrence or consequences of some of the risks described below are partially or completely outside the Company's control. Additional risks and uncertainties that the Company is unaware of, or that it currently considers to be immaterial, could also become important factors that adversely affect the future performance of the Company and in Matrix shares. Before making an investment decision, you should consult your financial or other professional adviser and carefully consider the risks described in this section, as well as other information in this presentation.

KEY RISKS

COMPANY-SPECIFIC

- **Key Contract Risk** - The majority of the Company's revenue is derived from a number of substantial contracts with clients. There is a risk that any one or more of those contracts may be terminated, delayed or incur unforeseen costs which may not be recoverable. The cost and availability of plant, equipment and manufacturing materials in respect of any one or more of those contracts may negatively impact the Company's profitability. Any variation to scope and timing, delay or termination of the Company's material contracts may materially impact on the Company's financial position. The Company may also become subject to warranty claims, claims for defects or other claims which may expose it to re-performance of its contractual obligations or additional costs, which would negatively impact the Company's financial position.
- **Contracting Risk** - A significant portion of the Company's business is through large, long-term contracts and some of which are subject to fixed pricing arrangements. Such contracts often include liability periods for work performed by the Company, an obligation on the Company to pay liquidated damages for late delivery/performance and extensive indemnities by the Company. Under most of the Company's contracts the client has the power to unilaterally suspend or terminate the contract by giving written notice. The suspension or early termination of contracts may result in the Company incurring additional costs or being unable to realise the full value of the contract, which is likely to adversely affect the growth prospects, operating results and financial performance of the Company. The Company is also subject to pricing risk in respect of its current and future contracts. If the initial estimate of costs undertaken by the Company in tendering for projects is understated or if the Company's costs increase by a margin greater than that accounted for in the pricing of the contracts, then this may adversely affect the Company's financial performance and/or financial position.
- **Operating Risk** - The current and future operations of the Company may be affected by various factors which can limit or prevent such activities. Such factors may include failure equipment, information technology system failures, unanticipated and/or undetected quality problems or departures from specifications, costs arising from unforeseen claims and events not covered by insurance, defects as a result of faulty design or manufacture, improperly carried out maintenance, service, plant and equipment constraints, the failure of external suppliers and/or subcontractors, project delays, scheduled maintenance shutdowns and/or potential disruptions to operations resulting from industrial accidents, industrial disputes or natural disasters. While the Company endeavours to take appropriate action to mitigate these operational risks and, in some circumstances, insures against them, the Company cannot control the risks its clients are exposed to and cannot completely remove all possible risks relating to its own business. A disruption to the operations of the Company or its clients may have an adverse impact on the financial performance and/or financial position of the Company.

KEY RISKS

COMPANY-SPECIFIC (CONT.)

- **Counterparty Risk** - The delay or failure of the Company's clients or other parties to agreements to which the Company is a party to pay any debts or other obligations they have to the Company when due and payable, whether as a result of insolvency or for other reasons, may have a material adverse impact on the Company's future financial performance, cash flows and financial position. The Company maintains provisions for bad and doubtful debts where appropriate, the adequacy of which is regularly reviewed. In the event that these provisions are inadequate there may be an adverse impact on the Company's future financial performance and position.
- **Time and Cost Overruns** - Any failure by the Company to properly assess and manage project risks, or a failure to promptly monitor costs, may result in cost overruns which may cause a project to be less profitable than expected or even result in the Company making a loss on that particular project. Such circumstances may also expose the Company to payment disputes with its clients. In making an estimate of the time commitment and costings of a particular project, the Company needs to take into account factors that impact on time and cost including productivity rates, availability and cost of raw materials, equipment and labour. If such assessments are incorrect or inadequate and the Company is unable to recover consequential cost increases, this may have an adverse impact on the Company's future financial performance and position. To mitigate such risks the Company has implemented project performance reporting processes and procedures which include periodic assessment of project performance to date as well as forecast performance to ensure prompt action is taken to avoid substantial cost overruns.
- **Safety Risks** - The Company's operations involve risks to both personnel and property, and there is a risk that industrial accidents may occur in the course of the Company's activities, which could give rise to liability for the Company, including under occupational health and safety laws and under general law. The Company has a strong commitment to safety; however there can be no guarantees that such an accident will not occur. In the event of a serious accident, for example resulting in a fatality or significant damage to property, substantial claims may be brought against the client and/or the Company, or the client may terminate their contractual arrangement with the Company. Such an accident could impact upon the Company's reputation, growth prospects and financial performance.
- **Growth** - There is a risk that the Company may be unable to manage its future growth successfully. There is also no guarantee the Company will be successful in maintaining or growing the volume of its projects and its project pipeline going forward. Growth may also be negatively impacted through circumstances beyond the Company's control, including a decline in investment in the civil and infrastructure, mining and resources, oil and gas, defence and hydrogen sectors locally and/or globally.

KEY RISKS

COMPANY-SPECIFIC (CONT.)

- **Competition** - The Company operates in competitive markets in which a number of companies compete. Competition in these markets is expected to continue and may increase, challenging the Company's ability to maintain growth rates and acceptable margins. If the Company is unable to meet these competitive challenges, it may lose market share to its competitors which may have a material impact on its financial position and future earnings.
- **Reliance on Key Personnel** - The Company's management and key personnel are responsible for overseeing the day-to-day operations of the Company. The Company is aware of the need to have sufficient management to properly supervise the Company's business and operations. The Board will continually monitor the management requirements in the Company and look to employ or engage additional personnel when and where appropriate to ensure proper management of the Company. However, there is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's existing operations and/or its future growth prospects, which may adversely affect the financial performance and financial position of the Company. Furthermore, no assurance can be given that there will be no adverse effect on the Company if one or more of its existing Directors or management personnel cease their employment or engagement with the Company.
- **COVID-19 Risk** - As at the date of this Investor Presentation there remains continuing uncertainty arising from the COVID-19 pandemic, which has had and may continue to have, an adverse impact on global economic activity, capital markets, commodity prices and foreign exchange rates. The Company continues to monitor the situation to assess the impact of COVID-19 on the Company's business and financial performance. In particular, the temporary closure of, or limited access to, sites on which the Company operates in response to government directives or client policies may adversely impact the Company's revenue and profitability while those measures remain in place. Further, supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities to limit the transmission of the virus may adversely impact the Company's operations, financial position and prospects.

KEY RISKS

COMPANY-SPECIFIC (CONT.)

- **Additional Requirements for Capital** - The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing may dilute shareholders percentage shareholding in the company, and debt financing (if available) may involve restrictions on future financing and operating activities. If the Company is unable to obtain additional financing as needed, or unable to obtain it on acceptable terms (whether or not due to the Company's circumstances or external market conditions or both), it may be required to reduce the scope of its operations and there may be an effect on the Company's growth. This could have a material adverse effect on the Company's activities and the value of the Shares.
- **Debt Finance Risks** - The Company currently has convertible debt finance in place to partially fund its business operations. The Company is subject to various financial and non-financial covenants under this facility which could impact on the Company's operations. If the Company's financial performance deteriorates, it may be unable to meet the covenants under the existing facility. This may require the Company to seek amendments, waivers or alternative borrowing arrangements, to reduce debt or to raise additional equity.

If a breach of covenant under the facility were to occur, there can be no assurance that the financier would consent to an amendment or waiver, or that the financier would not exercise its enforcement rights, including cancelling the facilities, requiring immediate repayment of debt or enforcing their security. If the financier enforces its security over the relevant assets of the Company and forces a sale of the secured property, there is a risk that the value received may be less than the amount of the secured obligations and may be less than the optimal sale price. As the secured property includes key revenue generating assets of the company, the forced sale of such assets may have a material adverse impact on the company's continuing business operations. If The Company is unable to repay or refinance the facility upon maturity, it may have to seek further equity, dispose of assets or enter into new debt facilities on less favourable terms. These factors could materially adversely affect the Company's ability to operate its business and the financial performance of the Company, and could result in lenders being unwilling to extend additional finance or in them raising future borrowing costs.

Under the Company's convertible debt facility, it is required to put in a place a tripartite agreement between the Company, the financier and with the Company's landlord by mid-March 2023. Failure to meet this requirement do so would be an event of default under the facility and the financier would be entitled to require repayment of the debt facility. In the future the Company may also need to access additional debt financing to grow its operations. If the Company is unable to refinance, repay or renew its debt facility or otherwise obtain debt finance on favourable terms, it may not meet its growth targets, which may adversely impact its financial performance and dividends.

The Company's ability to extend the debt facility or to borrow money for refinancing, capital expenditure or acquisitions will depend on a range of factors including general economic conditions, debt and equity market conditions, as well as its financial position, financial performance and reputation. Changes to any of these factors may impact the cost or availability of funding, and accordingly the Company's financial performance and position and dividends. There can be no assurances that future financing will be available on terms acceptable to the Company, or at all.

KEY RISKS

COMPANY-SPECIFIC (CONT.)

- **Insurance Risks** - The Company's business involves hazards and risks that could result in it incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for the Company's business operations and growth will be reduced and the value of and/or title to the Company's assets may be at risk. The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with the Company's business is not always available and, where available, the costs can be prohibitive or not adequate to cover all claims.
- **Ability to Win New Contracts** - The Company's performance is influenced by its ability to win new contracts and complete projects in a timely manner. The failure of the Company to win new projects could adversely impact its growth prospects, operational results and financial performance.
- **Cyclical Nature of the Business** - A significant number of the Company's clients are involved in the resources and oil and gas industries. The level of business and economic activity and profitability in these sectors is cyclical and sensitive to a number of factors outside of the Company's control. The Company is not able to predict the timing, extent or duration of these activity cycles which may affect the financial performance and/or financial position of the Company.
- **Contractual Disputes and Litigation** - The Company has no current involvement in any material contractual disputes or litigation matters with third parties including, but not limited to, clients, business partners or employees. However, there is a risk that the Company may in the future have disputes with its clients or other third parties (including payment disputes) and that this may have an adverse impact on the Company's growth prospects, operating results and financial performance.
- **Loss of Reputation** - The Company has developed a reputation in the name "Matrix Composites & Engineering", which it uses in the services provided by it. There is a risk that any event by which the Company suffers a loss of reputation in one component of its business may adversely affect the other components of the Company's business by virtue of the common use of the name "Matrix Composites & Engineering".

KEY RISKS

COMPANY-SPECIFIC (CONT.)

- **Professional Negligence and Insurance** - Claims of professional negligence may be made against the Company. The Company maintains significant professional indemnity insurance to cover liabilities in the event of a claim of negligence. In the event of a successful claim for professional negligence being made against the Company, this may impact upon the Company by:
 - (a) adversely affecting the reputation of the Company;
 - (b) the payment of excesses incurred in defending claims;
 - (c) the payment of any amount of liability that exceeds available insurance coverage; and
 - (d) increasing future insurance premiums.The Company may be unable to obtain appropriate professional indemnity cover for all work.
- **Intellectual Property** - The Company's ability to leverage its innovation and expertise depends upon its ability to protect intellectual property and any improvements to it. Such intellectual property may not be capable of being legally protected or it may be the subject of unauthorised disclosure or be unlawfully infringed. The Company may incur substantial costs in asserting or defending its intellectual property rights.
- **Third Party Risks** - The operations of the Company require the involvement of a number of third parties, including suppliers, contractors and clients. Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect against all such risks.
- **Climate Change** - The company is exposed to clients and industries that may have both positive and negative impacts from climate change. While the energy transition to cleaner sources of energy may provide opportunities, the Company's historic revenue has primarily come from the offshore oil and gas industry. Impacts may include a material decrease for the products which the company sells and reduced access to capital and financing due to the links to the fossil fuel industry. These impacts may have a material adverse effect on the financial condition and results of the business.

KEY RISKS

GENERAL RISKS

- **General Economic Conditions** - Changes in the general economic climate in which Company operates may adversely affect the financial performance of Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, and include, but not are but not limited to:
 - (a) general economic conditions;
 - (b) changes in, or introduction of, Government policies, taxation and other laws;
 - (c) the strength of the equity and share markets in Australia and throughout the world;
 - (d) movement in, or outlook on, exchange rates, interest rates and inflation rates;
 - (e) industrial disputes in Australia and overseas;
 - (f) changes in investor sentiment toward particular market sectors;
 - (g) increases in expenses (including the cost of goods and services used by the Company);
 - (h) financial failure or default by an entity with which the Company may become involved in a contractual relationship; and
 - (i) natural disasters, social upheaval or war.
- **Government and Legal Risk** - The introduction of new legislation or amendments to existing legislation by governments (including the introduction of tax reform), developments in existing common law or the interpretation of legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and ultimately the financial performance of the Company and the Shares. The same adverse impact is possible by the introduction of new government policy or amendments to existing government policy.
- **Accounting Standards** - Changes to any applicable accounting standards or to any assumptions, estimates or judgments applied by management in connection with complex accounting matters may adversely impact the Company's financial statements, results or condition.

KEY RISKS

GENERAL RISKS

- **Share Market Conditions** - Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:
 - (a) general economic outlook;
 - (b) the introduction of tax reform or other new legislation;
 - (c) interest rates and inflation rates;
 - (d) currency fluctuations;
 - (e) changes in investor sentiment toward particular market sectors in Australia and/or overseas;
 - (f) the demand for, and supply of, capital; and
 - (g) terrorism or other hostilities.

The market price of the Shares can fall or rise, and may be subject to varied and unpredictable influences on the market for equities in general and mining services industry stocks in particular, which influences are beyond the Company's control and which are unrelated to the Company's performance.

Neither the Company nor the Directors warrant the future performance of the Company or the Shares and subsequently any return on an investment in the Company.

- **Unforeseen Expenditure Risk** - Expenditure may need to be incurred that has not been considered in this Investor Presentation. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations. This could have a material adverse effect on the Company's activities and the value of the Shares.
- **Taxation Risk** - The acquisition and disposal of Shares will have tax consequences which will differ for each investor depending on their individual financial circumstances. All potential investors in the Company are urged to obtain independent financial advice regarding the tax and other consequences of acquiring Shares. To the maximum extent permitted by law, the Company, its officers and its advisers accept no liability or responsibility with respect to any tax consequences of applying for or being allotted Shares under the Offer.

INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below:

- Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

- New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act

SUMMARY OF UNDERWRITING AGREEMENT

Matrix has entered into a conditional Underwriting Agreement with Bell Potter (the “**Underwriter**”) dated 1 March 2023 (“**Underwriting Agreement**”) under which the Underwriter has agreed to fully underwrite the Equity Raising, subject to the terms and conditions of the Underwriting Agreement.

Key terms of the Underwriting Agreement

The Underwriter’s obligations under the Underwriting Agreement, including to underwrite and manage the Equity Raising, are conditional on certain matters, including the timely delivery of certain due diligence materials, sign-offs and other documents. The Underwriter may, by notice to Matrix, terminate its obligations under the Underwriting Agreement on the occurrence of certain customary termination events for an agreement of this nature, including but not limited to, the following:

- **(misleading disclosure)** a statement contained in the Equity Raising materials is or becomes misleading or deceptive or likely to mislead or deceive or a matter required to be included is omitted from the Equity Raising materials;
- **(information)** the Due Diligence Committee Report or any information supplied by or on behalf of Matrix to the Underwriter for the purposes of the due diligence investigations, the Equity Raising materials, or the Equity Raising, is false, misleading or deceptive in a material respect, including by way of omission;
- **(Equity Raising cleansing statements)** an Equity Raising cleansing statement is defective, or a corrective statement is required to be issued under the *Corporations Act 2001* (Cth) (“**Corporations Act**”) (other than as a result of a new circumstance arising);
- **(new circumstance)** an obligation arises on Matrix to give ASX a notice in accordance with section 708AA(12) of the *Corporations Act* or a new circumstance arises or becomes known which, if known at the time of issue of the Investor Presentation materials and Equity Raising cleansing statements would have been required to be included in the Investor Presentation materials or the Equity Raising cleansing statements;
- (material adverse effect) any material adverse effect;
- **(market fall)** the ASX/S&P 300 Index falls by 10% or more at any time from its level at market close on the business day immediately preceding the date of the Underwriting Agreement;
- **(future matters)** any estimate or expression of opinion, belief, expectation or intention, or statement relating to future matters (including any forecast or prospective financial statements, information or data or the assumptions or sensitivity in relation thereto) in any Equity Raising materials is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- **(change of law)** there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or in the reasonable opinion of the Underwriter is likely to prohibit or adversely affect or regulate the Equity Raising, capital issues or stock markets or the Underwriter’s ability to promote or market the Equity Raising or enforce contracts to issue or allot the Equity Raising securities, or adversely affect the taxation treatment of the Equity Raising securities;

SUMMARY OF UNDERWRITING AGREEMENT

- **(unable to proceed)** Matrix is or will be prevented from conducting or completing the Equity Raising (including granting the entitlements or issuing Equity Raising securities) by or in accordance with the ASX Listing Rules, Australian Securities and Investments Commission ("ASIC"), ASX, any applicable laws or an order of a court of competent jurisdiction, or otherwise are or will become unable or unwilling to do any of these things or a third party applies to a court of competent jurisdiction seeking orders to prevent, or which will have the effect of preventing any of these things;
- **(force majeure)** there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any Government Agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Equity Raising;
- **(listing):**
 - Matrix ceases to be admitted to the official list of ASX or the securities (or interests in them) cease trading or are suspended from official quotation or cease to be quoted on the ASX;
 - ASX makes any official statement to any person, or indicates to Matrix or the Underwriter that it will not grant permission for the official quotation of the Institutional Placement acceptance securities, Institutional Placement shortfall securities, Institutional Placement securities, Retail Entitlement Offer acceptance securities or Retail Entitlement Offer shortfall securities; or
 - permission for the official quotation of the Institutional Placement acceptance securities, Institutional Placement shortfall securities, Institutional Placement securities, Retail Placement acceptance securities or Retail Placement shortfall securities is granted before the date of issue of those Equity Raising securities, the approval is subsequently withdrawn, qualified or withheld;
- **(no misleading or deceptive conduct)** Matrix engages in conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the making of the Equity Raising;
- **(withdrawal)** Matrix withdraws or indicates that it does not intend to proceed with the Equity Raising or any part of the Equity Raising or withdraws a document forming part of the Equity Raising materials;

SUMMARY OF UNDERWRITING AGREEMENT

- **(applications)**
 - an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Equity Raising Materials or the Equity Raising or ASIC commences, or gives notice of an intention to hold, any investigation or hearing under Part 3 of the ASIC Act in relation to the Equity Raising or any of the Equity Raising materials or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against Matrix;
 - there is an application to a Government Agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy in connection with the Equity Raising (or any part of it) or any agreement entered into in respect of the Equity Raising (or any part of it) except where such application does not become public and is withdrawn or dismissed within 2 business days after it is commenced or where it is commenced less than 2 business days before the Institutional Placement issue date or completion it has not been withdrawn or dismissed by the Institutional Placement issue date or completion, (as the case may be);
- **(market disruption)** either of the following occurs:
 - a general moratorium on commercial banking activities in Australia, the United States of America, Singapore, Hong Kong or the United Kingdom is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or
 - trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for more than one day on which that exchange is open for trading;
- * **(hostilities)** any of the following occurs:
 - there is an outbreak of hostilities not presently existing or a major escalation in existing hostilities occurs (in each case, whether or not a war or a national emergency has been declared);
 - a declaration is made of a national emergency or war;
 - a terrorist act is perpetrated; or
 - a pandemic, epidemic or large-scale outbreak of a disease including without limitation SARS, swine or avian flu, H5N1, H7N9, COVID-19 or a related or mutated form of these not presently existing occurs or in respect of which there is a major escalation, including an escalation resulting in a material shut-down of business,

involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, any member state of the European Union, any member of NATO, the People's Republic of China, Hong Kong or Singapore, or any diplomatic, military, commercial or political establishment of any of these countries elsewhere in the world;

SUMMARY OF UNDERWRITING AGREEMENT

- * **(political or economic conditions)** the occurrence of any adverse change or disruption to financial, political or economic conditions, currency exchange rates or controls or financial markets in Australia, New Zealand, any member state of the European Union, the United States of America, the United Kingdom, the People's Republic of China, Hong Kong or Singapore or the international financial markets or any change or development involving a prospective adverse change in any of those conditions or markets;
- * **(representations and warranties)** a representation and warranty contained in the Underwriting Agreement on the part of Matrix is untrue or incorrect when given or taken to be given or becomes untrue or incorrect;
- (Certificate) any Certificate which is required to be furnished by Matrix under the Underwriting Agreement is not furnished when required or is untrue, incorrect or misleading;
- **(delay)** any event specified in the Underwriting Agreement (including in the timetable) is delayed:
 - by 1 Business Day or more; and
 - in respect of events after the Institutional Placement issue date, by 2 business days or more,
 without the prior written consent of the Underwriter;
- **(unauthorised change)** Matrix or a Matrix group member:
 - disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property other than as contemplated in the Equity Raising materials;
 - ceases or threatens to cease to carry on business;
 - alters its capital structure, other than as contemplated in the Equity Raising materials; or
 - amends its constitution or other constituent document of a Matrix group member or announces a proposal to amend;
- * **(breach)** Matrix fails to perform or observe any of its obligations under the Underwriting Agreement;
- **(compliance):**
 - a contravention by Matrix, any Matrix group member of the Corporations Act, the Constitution (or equivalent applicable documents), the ASX Listing Rules, any applicable laws, or a requirement, order or request made by or on behalf of the ASIC, ASX or any other Government Agency or any agreement entered into by it; or
 - any Equity Raising materials or any aspect of the Equity Raising does not comply with the Corporations Act, the ASX Listing Rules, the ASX Waivers or any other applicable law or regulation;

SUMMARY OF UNDERWRITING AGREEMENT

- **(change in directors or management)** a change to the chief financial officer or the board of directors of Matrix occurs, or any such changes are announced;
- **(prosecution)** any of the following occurs:
 - a director or senior member of management of Matrix engages in any fraudulent conduct or activity, or is charged with an indictable offence;
 - any Government Agency commences any public proceedings against Matrix or any director, or announces that it intends to take such action; or
 - any director of Matrix is disqualified from managing a corporation under Part 2D.6 of the Corporations Act;
- **(Encumbrance)** a person encumbers or agrees to encumber, the whole or a substantial part of the business or property of Matrix or Matrix group;
- **(ASX Waivers and ASIC Modifications)** any of the ASX Approvals or ASIC Modifications are withdrawn, revoked, qualified, amended or withheld without the prior written approval of the Underwriter (or ASX or ASIC (as the case may be) indicate to Matrix or the Underwriter that such approval is likely to be withdraw, revoked, qualified, amended or withheld;
- **(trading halt)** the trading halt ends before the expiry of the relevant period referred to in the timetable without the prior written consent of the Underwriter; or
- **(Insolvency)** an insolvency event occurs in relation to a Matrix group member or there is an act which has occurred or any omission made which would result in an insolvency event occurring in respect of any Matrix group member.
- Those termination events which contain an asterisk are subject to the qualifier that, in order to terminate, the Underwriter must have the reasonable opinion that:
 - the event has had or is likely to have, individually or in the aggregate, a material adverse effect; or
 - the event has had or is likely to have, individually or in the aggregate, a material adverse effect on the success or outcome of the Equity Raise, or the ability of the Underwriter to market or promote or settle the Equity Raise; or
 - the Underwriter will or is likely to contravene, be involved in a contravention of, or incur a liability under the Corporations Act or any other applicable law as a result of the event.



CONTACT

Aaron Begley
Chief Executive Officer
T +61 8 9412 1200
E: aaron.begley@matrixengineered.com

Brendan Cocks
Chief Financial Officer
T +61 8 9412 1200
E: brendan.cocks@matrixengineered.com

WWW.MATRIXENGINEERED.COM

