ASX Announcement
25 May 2026

Hydrix establishes Defence subsidiary to drive Global Defence expansion including Autonomy-Enabled Technologies

- **Hydrix Defence subsidiary:** Hydrix Limited has established a wholly owned subsidiary, **Hydrix Defence**, with a mandate to build on Hydrix's current Defence engineering platform, including, to explore IP technologies that capture a greater share of the economic outcome across multiple high value sectors
- **Strategic inflection point:** Hydrix **recently** announced that it signed a **binding $1.2M contract** with **NIOA Group** to support the development of **Counter-UAS technologies**
- **Counter-UAS is an explicit ADF priority:** the 2026 National Defence Strategy and A$425B Integrated Investment Program commit up to A$7B specifically to counter-drone capability
- **Growth platform established:** Hydrix recently announced a recapitalisation initiative, including a capital raising and debt-to-equity conversion, positioning the Company to pursue scalable Defence technology opportunities with improved financial flexibility

Hydrix Limited (ASX: HYD) (**Hydrix** or the **Company**) advises it has established Hydrix Defence, a wholly owned subsidiary of Hydrix Limited. The new subsidiary's mandate is to expand defence growth opportunities.

The subsidiary will leverage the Company's core multi-disciplinary engineering platform to pursue growth opportunities in Defence technologies. It will explore investment initiatives, including acquisitions and IP licensing arrangements, aimed at expanding higher-value, diversified and longer-duration revenue streams. Key areas of interest include embedded intelligence and autonomy-enabling technologies.

Ruggedised Electronic Warfare Systems

Counter Unmanned Aerial Systems

Field Deployable Medical Systems

Hydrix has a decade-long track record delivering mission-critical engineering across Defence technology programs operating in ruggedised environments. These programs span counter-UAS, electronic warfare, RF surveillance, signal processing, power systems and directed-energy systems.

Hydrix Executive Chairman, Gavin Coote, said:

> *"We see this as a natural evolution of the Hydrix model, leveraging a proven engineering capability to increasingly capture a greater share of the economic outcome across multiple high value sectors.*
>
> *"The team is clear on the importance of remaining industry facing, working on solving real-world product developments to keep up a level of match fitness that the rigours of client consulting projects demands."*
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> *"We also see benefits flowing from our engineering team advancing internal IP-related R&D programs as and when availability arises. The long-term benefits from maintaining a core elite multi-discipline team through the usual ebbs and flows of project consulting services is how to truly build a valuable platform critical to Australia's sovereign technology capability."*

Hydrix Limited operates several wholly owned subsidiaries including Hydrix Ventures, Hydrix Medical and Hydrix DE LLC (USA) which ensures focus on key sector strategic growth initiatives.

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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.