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These securities have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document (the “Offering Document”) does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

Offering Document under the Listed Issuer Financing Exemption

February 10, 2026



ALUULA COMPOSITES INC.

(the “Company” or “ALUULA”)

SUMMARY OF OFFERING

What are we offering?

OFFERING:

ALUULA is offering on a “best efforts” brokered private placement basis, 3,031,000 units of the Company (the “Units”) at a price of C\$3.30 per Unit (the “Offering Price”), for aggregate gross proceeds of approximately C\$10,002,300 (the “Offering”), with each Unit being comprised of one common share of the Company (a “Share”) and half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will be exercisable to acquire an additional Share (each a “Warrant Share”, and together with the Units, Shares and Warrants, the “Securities”) at an exercise price of C\$4.29 for a period of 24 months from the date of closing of the Offering.

The Offering will be made pursuant to an agency agreement to be entered into between Canaccord Genuity Corp. as sole agent and bookrunner (the “Agent”) and the Company on the Closing Date (as defined herein).

The Company has granted the Agent an option to purchase up to an additional 15% of the number of Units sold pursuant to the Offering (the “Additional Units”) at a price per Additional Unit equal to the Offering Price, any time up to 48 hours prior to the closing date of the Offering (the “Agent’s Option”). The Agent shall be entitled to the same Cash Commission and Broker Warrants (as hereinafter defined) in respect of any Additional Units issued and sold upon exercise of the Agent’s Option.

The Units will be offered for sale (i) in reliance on the “listed issuer financing exemption” from the prospectus requirements available under Part 5A of National Instrument 45-106 – *Prospectus Exemptions*, as amended by *Coordinated*

Blanket Order 45-935 – Exemptions from Certain Conditions of the Listed Issuer Financing Exemption, in each of the provinces and territories of Canada; (ii) in the United States pursuant to available exemptions from the registration requirements of the U.S. Securities Act; and (iii) in such other jurisdictions outside of Canada and the United States provided it is understood that no prospectus filing or comparable obligation, ongoing reporting requirement or requisite regulatory or governmental approval arises in such other jurisdictions.

The Units sold under the Offering to investors resident in Canada will not be subject to a hold period pursuant to applicable Canadian securities laws.

DESCRIPTION OF SHARES:

The holders of Shares are entitled to receive notice of, attend and vote at all meetings of the shareholders of the Company, and each Share confers the right to one vote at all such meetings. Subject to any class of shares ranking in priority to the Shares, the holders of Shares are entitled to receive and participate rateably in any dividends declared by the board of directors of the Company. Subject to any class of shares ranking in priority to the Shares, in the event of the liquidation, dissolution or winding-up of the Company or other distribution of the assets of the Company among its shareholders for the purposes of winding up its affairs, the holders of the Shares are entitled to participate rateably in the distribution of the assets of the Company.

DESCRIPTION OF WARRANTS:

Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of C\$4.29 until 5:00 pm (Vancouver time) on the date that is 24 months following the Closing Date. The Warrants will be created and issued pursuant to the terms of a warrant indenture (the “**Warrant Indenture**”) to be dated as of the Closing Date between the Company and Odyssey Trust Company, as warrant agent. The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants or the exercise price per Warrant Share upon the occurrence of certain customary events. The Warrant Indenture will also contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. The Warrants will not be transferable.

If at any time after the Closing Date, the daily volume weighted average price of the Shares equals or exceeds C\$8.25 for 30 consecutive trading days on the TSX Venture Exchange (the “**TSXV**”) or other Canadian stock exchange on which the Shares are principally traded, the Company may, upon providing written notice to the holders of the Warrants (which must be provided within 15 business days), accelerate the expiry date to the 30th date following the date of such written notice.

No fractional Warrant Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares.

CLOSING DATE:

The Offering is expected to close on or about February 24, 2026, or on such date as may be agreed upon by the Company and the Agent (the “**Closing Date**”).

EXCHANGE:

The Shares are listed on the TSXV under the symbol “AUUA”, and on the OTCQB trading platform under the symbol “AUUAF”. On February 9, 2026, being the last

trading day before the date of this Offering Document, the closing price of the common shares on the TSXV and OTCQB was C\$3.75 and US\$2.63, respectively.

ALUULA is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”), as amended by *Coordinated Blanket Order 45-935 – Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “Order”). In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The Company is relying on the exemptions in section 5A.2 of NI 45-106 and the Order and is qualified to distribute securities in reliance on the exemptions included therein.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under section 5A.2 of NI 45-106 and the Order in the 12 months immediately before the date of the news release announcing this Offering will not exceed C\$25,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

CURRENCY

Unless otherwise indicated, all references to “\$”, “C\$” or “dollars” in this Offering Document refer to Canadian dollars, which is the Company’s functional currency, and all references to “US\$” refer to United States dollars.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

ALUULA manufactures ultra-light, high performance and 100% recycle-ready composite materials. The Company’s proprietary composite technology allows brands across multiple industries to build higher performing, lighter and longer lasting products which meet growing global demand for sustainable solutions. ALUULA is an ingredient brand. Used by brand partners in outdoor gear including backpacks and tents, a variety of products in the windsport industry, including kites and high performance sailing. The products are also used in a variety of commercial products which are being designed for aerospace and defense applications. ALUULA’s brand partners include Michelin Inflatable Solutions, Aqua Dynamics, Arc’teryx, DB Journey, and AirSeas, amongst others.

Recent developments

The following is a brief summary of key recent developments involving or affecting the Company over the past 12 months.

On January 12, 2026, the Company announced that it had extended the maturity date of an existing \$1,000,000 loan to January 1, 2027. The lender is 0876991 B.C. Ltd., a related party to the Company. The Company further announced that its current chief financial officer, Dale Graham, will be transitioning from the role on March 31, 2026.

On December 22, 2025, the Company announced that it had commenced trading on the OTCQB Venture Market under the ticker symbol "AUUAF".

On December 10, 2025, the Company reported preliminary highlights from its fourth quarter.

On December 2, 2025, the Company announced that it had entered into a 12-month supply purchase agreement, effective January 1, 2026, with OCEANICWING SAS dba Airseas. The purchase agreement is intended to guarantee Airseas a continued supply of ALUULA's composite materials for constructing Airseas' Seawing system to meet key objectives and deadlines in the next phase of its development.

On October 22, 2025, the Company announced that it had entered into an agreement with Aqua Dynamics (Pvt) Limited, one of ALUULA's largest customers and one of the world's leading action sports manufacturers, ensuring a secure and timely supply of ALUULA's materials to Aqua Dynamics.

On October 16, 2025, the Company announced that it had made its first commercial shipment of its 1.5-meter-wide, 24 grams per square meter (gsm) ultra-light non-adhesive, no-sew composite material, marking the first commercial application of the Company's new manufacturing method to produce wider-width materials.

On October 9, 2025, the Company announced that it had successfully completed the research and development phase of its collaboration with Michelin Inflatable Solutions and expected to release the first commercial product from the collaboration by the end of 2025.

On September 23, 2025, the Company announced a change of chief financial officer from Briony Bayer to Dale Graham, effective November 1, 2025.

On July 14, 2025, the Company announced that it had completed the term extension and repricing of 24,489,953 outstanding share purchase warrants that were granted pursuant to a unit offering in 2023. On August 5, 2025, the Company further announced that the expiry period for these warrants was accelerated due to the price of the Company's common shares trading above \$0.97 for 10 consecutive trading days. During the three months ending July 31, 2025 and the subsequent accelerated exercise period ending September 4, 2025, the Company received aggregate gross proceeds of \$987,372 from the exercise of 24,379,560 of these warrants.

On March 12, 2025, the Company completed a twenty to one consolidation of their issued and outstanding common shares.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document on the Company's profile at www.sedarplus.ca.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the net proceeds from the Offering (assuming it is fully subscribed), and its other anticipated available funds (collectively, the “**Available Funds**”), as described below, for:

- expansion of manufacturing capacity through building a new facility; and
- general administrative and working capital purposes.

The anticipated expenditures of the business objectives above are set forth in the “Use of Available Funds” section below.

The Company reasonably believes that the Available Funds will be sufficient to fund the foregoing objectives and to meet the Company’s business objectives and liquidity needs for a period of 12 months following the closing date of the Offering.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The expected total Available Funds to the Company following completion of the Offering is estimated to be approximately C\$12,805,763.

		Assuming 100% of the Offering
A	Amount to be raised by this Offering ⁽¹⁾	C\$10,002,300
B	Selling commissions and fees ⁽²⁾	C\$700,161
C	Estimated Offering costs (e.g., legal, accounting)	C\$200,000
D	Net proceeds of Offering: D = A – (B+C)	C\$9,102,139
E	Working capital as at December 31, 2025 ⁽³⁾	C\$3,703,624
F	Additional sources of funding	C\$0
G	Total available funds: G = D+E+F	C\$12,805,763

Note:

- (1) The Company has granted the Agent the Agent’s Option to sell up to an additional 15% of the Units at the Offering Price. If the Over-Allotment Option is exercised in full, the total amount raised under the Offering would be approximately C\$11,500,000.
- (2) Assumes a 7.0% cash commission on the full Offering with no President’s List purchasers. Does not include potential finder’s fees payable (see “Fees and Commissions” table below).
- (3) As of the date of this Offering Document, the working capital figure for the month ended January 31, 2026, is not yet available.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% of the Offering
Expansion of manufacturing capacity and build out of new facility	C\$4,000,000
Working capital needs associated with new facility	C\$2,600,000
General corporate purposes ^{(1) (2)}	C\$6,205,763
Total: Equal to G in the available funds above	C\$12,805,763

Note:

- (1) General corporate purposes is expected to include salaries, professional fees and general and administration expenditures.
- (2) Assumes the full Offering of C\$10,002,300 is completed. If the full Offering is not completed, the Company would reduce expenditures on general corporate purposes accordingly.

The above noted allocation of funds and anticipated timing represents the Company's current intentions based upon its present plans and business conditions, which could change in the future as its plans and business conditions evolve. Although the Company intends to allocate the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. See the "Cautionary Statement Regarding Forward-Looking Information" section below.

How have we used the other funds we have raised in the past 12 months?

In the 12 months preceding this Offering Document, the Company received proceeds of \$200,000 by increasing an existing related party loan from \$800,000 to \$1,000,000 pursuant to an amendment to the loan agreement dated January 1, 2026. In addition, the Company received proceeds of \$987,372 from the exercise of outstanding warrants during this period. Finally, the Company received proceeds of approximately \$20,000 from the exercise of stock options in September 2025.

There was no previous disclosure regarding the intended use of the proceeds. All proceeds were used for general working capital purposes.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

Agent	Canaccord Genuity Corp.
Cash Commission:	The Company shall pay the Agent a cash fee (the "Cash Fee") equal to 7.0% of the gross proceeds of the Offering, except in respect of sales to certain President's List purchasers agreed to between the Company and the Agent (such Cash Fee shall be reduced to 2.5%). The Company has entered into a finder's fee agreement with Genthod Global Advisory ("Genthod") dated December 24, 2025 pursuant to which the Company will pay Genthod a 5% cash finder's fee on gross proceeds received from certain investors introduced by Genthod. If Genthod introduces President's List purchasers, total cash fees would be 7.5% (2.5% to Agent + 5% to Genthod).
Broker Warrants:	As additional consideration, the Agent shall be issued that number of broker warrants (the "Broker Warrants") equal to 7.0% of the number of Units sold, except in respect of sales to certain President's List purchasers agreed to between the Company and the Agent (such amount of Broker Warrants shall be reduced to 2.5%). Each Broker Warrant shall entitle the holder thereof to acquire one Share at the Offering Price for a period of 30 months from the Closing Date.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agent, as such terms are defined in National Instrument 33-105 - *Underwriting Conflicts*.

PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- a) to rescind your purchase of these securities with the Company, or**
- b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Potential investors can access the Company's continuous disclosure filings on SEDAR+ at www.sedarplus.ca under the Company's profile.

For further information regarding the Company, visit our website at: www.aluula.com

Potential investors should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment in the Securities.

Cautionary Statement Regarding Forward-Looking Information

This discussion includes certain statements that may be deemed "forward-looking information" or "forward-looking statements" (collectively referred to as "forward-looking statements"), which may not be based on historical fact. Often, but not always, forward-looking statements can be identified by the use of the words "believes", "may", "plan", "will", "estimate", "scheduled", "continue", "anticipates", "intends", "expects", and similar expressions. Forward-looking statements herein include, but are not limited to, statements about the terms of the Offering; the business objectives of the Company and anticipated timelines; the Company's anticipated use of proceeds of the Offering; the timing and ability of the Company to close the Offering; and certain fees and commissions payable under the Offering.

Information contained in forward-looking statements are based on the Company's current expectations, experience, beliefs, assumptions, estimates and forecasts about the Company's business and the industry and markets in which it operates. Such forward information is based on numerous assumptions, including among others; completion of the Offering; regulatory approval for the Offering; the risks related to the use of proceeds from the Offering; market volatility; negative effects of dilution on the market price of the Company's common shares; risks associated with the Company's quality control process; implications of tariffs or other trade policies on the operational viability of the Company's foreign operations and sales; success of the Company's brand partnerships; third-parties fulfilling their obligations under purchase orders and contracts; maintenance of confidentiality of the Company's trade secrets and intellectual property and the Company's reliance thereon; interruptions to the Company's supply chain; environmental risks; labour

and employment risks; the Company's ability to scale its manufacturing process; reputational risks; current conditions and expected future developments; current information available to the management of the Company; the general business and prospects of the Company, as well as other considerations that are believed to be appropriate in the circumstances. The Company considers its assumptions to be reasonable based on information currently available but cautions the reader that there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and the Company's assumptions, many of which are beyond the control of the Company, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect the Company and its businesses.

For additional information with respect to these and risks and other factors that may affect the assumptions and forward-looking statements made in this Offering Document concerning the Company, prospective investors and security holders can access the Company's continuous disclosure under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.aluula.com. Investors are cautioned not to put undue reliance on forward-looking statements.

The forward-looking statements contained in this Offering Document are made as of the date of such document only and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

CERTIFICATE OF THE COMPANY

This Offering Document, together with any document filed under Canadian securities legislation on or after February 10, 2025, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated: February 10, 2026

"Sage Berryman"

Sage Berryman
Chief Executive Officer

"Dale Graham"

Dale Graham
Chief Financial Officer