

Release to the Australian Securities Exchange

XTEKs HighCom Subsidiary Ships 4th Tranche of US\$33.21m Order

Key highlights:

- US\$33.21m order for specialist ballistic armour received on 27 May 22
- 100% of order has been prepaid up front
- 4th tranche now shipped with revenue of US\$4.4m recognised in August 22
- 66% of order (US\$22m) now completed

Wednesday 10 August 2022: XTEK Limited (ASX: XTE, 'XTEK', 'Group') is pleased to announce that the Group's HighCom Armor Solutions Inc. (HighCom) business, has now shipped a further USD4.4m tranche in August 2023, of the transformational US\$33.21m order that it previously announced on 27 May 22.

As was noted in the initial announcement, the entire US\$33.21m contract value was prepaid in full before the first shipment of goods occurred.

The Group has already recognised just over half of the revenue of the order (see announcements of 9 June 22, 5 July 22, and 26 July 22), and the dispatch of this latest shipment means that the Group has now completed two thirds of the contract and recognised total revenues of US\$22m to date (i.e. US\$11m in Q4 FY22 and US\$11m already in Q1 FY23).

As previously advised, the Group expects to complete the contract in full by end of Q1 FY22, with the shipment of the two final tranches worth a combined total value of US\$11m in August and September respectively.

Scott Basham, XTEK Group CEO, said,

"Our HighCom Armor team continue to live up to every expectation on the timely fulfilment of this transformative contract for the business. With the shipment of this latest tranche of our world leading ballistic protective equipment valued at US\$4.4m, we are now two thirds of the way through completing this massive order in record time, and we have every expectation of dispatching the remainder of the contract by the end of Q1 FY23. The completion of this order by the end of September, and the positive cashflows we will recognise from it as a result, on top of what we expect will be a number of new Defence technology related contract wins throughout the coming year, will position us for continued strong growth in FY23, on the back of a tremendous set of FY22 results."

This announcement has been authorised by the XTEK Limited Board of Directors

Signed for and on behalf of XTEK Limited



Lawrence A Gardiner
Company Secretary
10 August 2022

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About XTEK Limited

XTEK Group is comprised of XTEK Ltd and its wholly owned subsidiary HighCom Armor Inc. (US) and operates as two distinct divisions – Ballistics Division & Technology Division.

The Ballistics Division, based on our “HighCom Armor” business and brand, is focused on designing, manufacturing, and supplying global military, law enforcement, and first responder customers with world-class, advanced personal protection ballistic products and solutions for Body Armour, Ballistic Helmets, and Composite Armour Structures.

The Technology Division is focused on manufacturing and supplying global Defence and Security Agencies with world-leading Australian-made and globally sourced Systems (UAVs & UGVs), Sensors, Software, and Support. For more information on XTEK Ltd. visit www.xtek.net

For more information on HighCom Armor Solutions Inc. visit www.highcomarmor.com