

MATRIX WINS SUBSTANTIAL ~\$44M SURF BUOYANCY CONTRACT IN BRAZIL

21 DECEMBER 2022

OVERVIEW

- Matrix has received a large binding purchase order valued at ~A\$44m to deliver a SURF distributed buoyancy system for a major deepwater project in Brazil.
- The purchase order from Saipem is another significant project coming out of the busy South American market.
- The award lifts Matrix's current secured orders to circa A\$77m, underpinning production for the Company through to FY24, with manufacturing of the order to commence in Q1 FY24.

Matrix Composites & Engineering Ltd (ASX: MCE, "Matrix" or the "Company") is pleased to announce it has secured a large standalone contract, receiving a purchase order for approximately \$44 million from multi-national oilfield services company Saipem to supply a Subsea Umbilicals, Risers and Flowlines (SURF) product.

The scope of the purchase order encompasses the production and delivery of SURF distributed buoyancy modules for Saipem for a Floating Production Storage and Offloading (FPSO) system within a project in Brazil.

The project will utilise Matrix's state of the art carbon fibre syntactic foam technology and API 17L V2.0 certified distributed buoyancy modules and clamping systems. All equipment will be built utilising Matrix's existing capacity at its advanced composites production facility in Henderson, Western Australia, with manufacturing scheduled to begin during the first quarter of FY2024 and full delivery within that financial year.

This latest order builds on Matrix securing a circa \$16 million SURF order in August 2022, at which point the Company flagged to the market that it would open up similar opportunities in the South American market (see ASX announcement dated 15 August 2022).

Prior to that award, Matrix also secured a purchase order in June 2022, worth approximately \$14 million, for the supply of a Deepwater Drilling Riser Buoyancy System in Asia.

Matrix Chief Executive Officer Aaron Begley said this significant contract award signified a new phase of growth for the Company.

"Our ability to methodically capitalise on the resurgence of activity in our traditional offshore buoyancy markets in 2022 has culminated in this very substantial purchase order," Mr Begley said.

"We are also optimistic about further opportunities coming out of the South American market for Matrix ahead.

"We now have approximately \$77 million of secured work carrying us through until at least the end of FY24, which gives us a strong financial platform as we continue to enhance our diversification in the energy and resources sectors, as well as broadening our capabilities into clean energy renewables.

"The well-timed and prudent convertible note issue we undertook earlier this month gives us greater working capital muscle to successfully execute this expanding work pipeline and advance our positive growth trajectory."

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This announcement was authorised for release by the Managing Director and CEO of Matrix.

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ABOUT MATRIX COMPOSITES & ENGINEERING

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

