

QUICKSTEP TO GROW ITS CORE AFTERMARKET BUSINESS

09 June 2023: Quickstep Holdings Ltd (ASX: QHL) (Quickstep or the Company) is pleased to announce that, after a detailed and comprehensive strategic review process, the Company's Aftermarket business will continue to remain a core part of the Quickstep group and will be enhanced through several new growth initiatives.

Given the disappointing revenue performance for the Aftermarket business unit over the past 12 months, this strategic review has included extensive negotiations with all key stakeholders including airline customers, global supply chain partners, government, and the defence community in Australia. The key outcomes are as follows:

1. A renewed partnership arrangement with Quickstep's major Australian domestic airline customer to align with our strategy of offering innovative aerospace aftermarket solutions in the airlines market. This will enhance Quickstep's ability to generate annual revenues from the arrangement, following a first year which did not meet expectations.
2. Aggregate customer commitments now underpin a much improved forward financial forecast (compared to the position as at February 2023 when the strategic review was initiated).
3. The business is actively pursuing potential new customer and partner opportunities that will, if finalised, be the subject of separate announcements.
4. The leadership team has been restructured and additional investment in specialist tools, equipment and systems will be funded through cash on hand and existing working capital facilities.

In light of the above, it is considered that the Aftermarket business is now strongly positioned to pursue further opportunities for revenue growth in the medium term.

Commenting on the decision, Mark Burgess said "we are grateful to our Australian customer base for their acknowledgement of our unique capability and their desire to support its future development and growth. The aviation industry in Australia is rebounding from the pandemic and the outlook for the maintenance, repair, overhaul and upgrade market is very positive. Onshore capability is vital to the health of a competitive and sustainable aviation industry in Australia. It is also our view that Quickstep's capability offers defence customers a genuinely unique sovereign capability for the Indo-Pacific."

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This announcement was approved for release by Mark Burgess (Managing Director) of Quickstep.

About Quickstep Holdings

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace composite business in Australia, with facilities in Sydney, Geelong, Melbourne and Dallas. The group employs more than 280 people in Australia and internationally. More information about Quickstep is available at www.quickstep.com.au

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Important Information - Forward looking statements

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