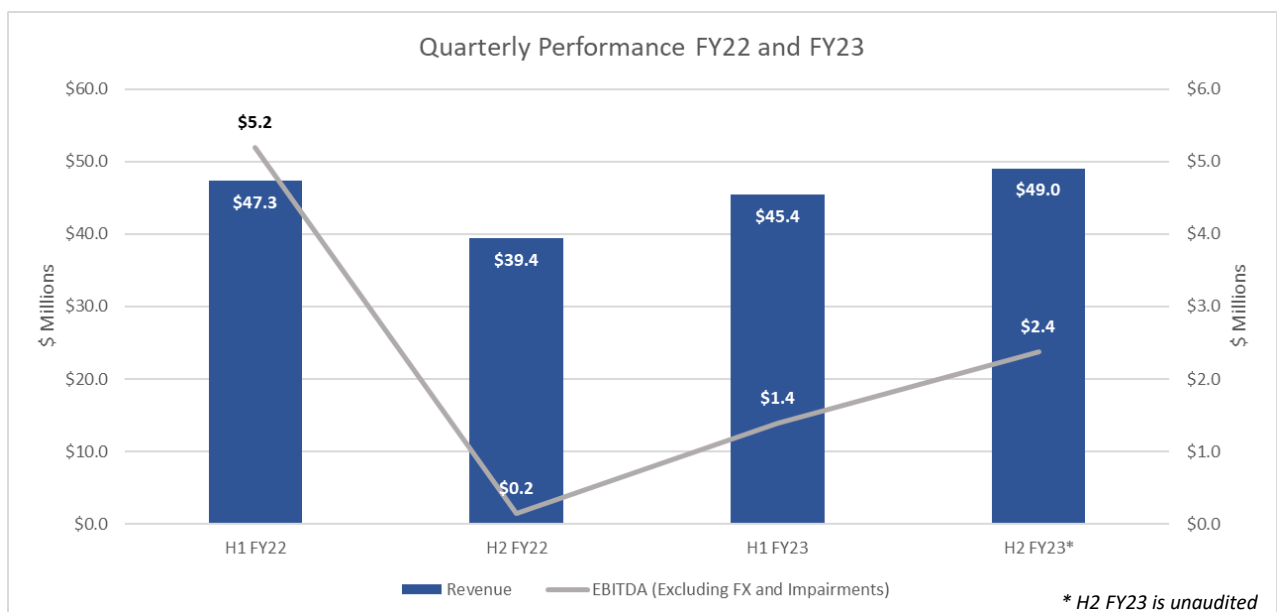


QUICKSTEP TRADING UPDATE JULY 2023

24 July 2023: Quickstep Holdings Ltd (ASX: QHL) (Quickstep or the Company) is pleased to provide an update on the unaudited FY23 business performance and the outlook for FY24.

- Quickstep has been awarded \$264 million new orders and order commitments in FY23, delivering a record forward order book for FY24 and FY25,
- Operational recovery is well progressed, with strong H2 FY23 performance resulting in a profitable FY23 exit run rate leading into a positive profit outlook in FY24,
- New airline customer commitments delivered in the Aftermarket business is expected to support a significant improvement in profitability for the group in FY24,
- The Applied Composites business booked extensive drone contracts from Australian and international customers and is emerging as a leading tier 1 supplier in the market; and
- Quickstep announced the selection of Wichita, Kansas as the location for its first US engineering and manufacturing facility.

The quarterly Revenue and Underlying EBITDA results displayed below illustrate the impact of the operational and supply chain issues experienced by the Company in the second half of FY22 and first half of FY23. The second half of FY23 has continued to demonstrate a recovery profile.



Encouragingly the company has delivered favourable outcomes across all three lines of business to close out FY23 in conjunction with a profitable Q4.

Preliminary unaudited financial results for FY23 compared to the prior year include the following highlights:

- Group revenue of \$94.4 million represents a 9% increase on the prior year. This strong performance was driven by a 6% increase in our Aerostructures business along with uplifts in both the Aftermarket and Applied Composites businesses,
- An unaudited underlying net loss of \$3.9 million* reflects the challenges the business has encountered through the course of CY22 and into early CY23 however with a profitable Q4 FY23 there is confidence the business is moving into a more stable operating environment,
- In March FY23 Quickstep conducted a successful refinancing with CBA which has provided support to the business in managing day to day activities while continuing to invest in key growth initiatives.

The more stable operating environment which was achieved in Q4 FY23 saw record sales delivered and a return to profitability for the Company. Strong customer demand remains a positive indicator into FY24 and with an ongoing focus on productivity we believe the business will continue its recovery.

In FY24 planning we are seeing forecast demand signals which would drive an uplift in average monthly revenue of 11% from the prior year. The first half of FY24 sees the Aerostructures business, traditionally the core business, deliver forecast revenue representing circa 84% of the Company's total forecast revenue, however this eases back to circa 76% in the second half where growth in Aftermarket and Applied Composites is expected to have a greater impact. With Aerostructures margins forecast to remain consistent with those delivered in Q4 FY23 the Company has a solid foundation on which to continue its diversification and growth strategy.

** The unaudited underlying net loss of \$3.9 million excludes the impairment of goodwill associated with the acquisition of the Aftermarket business (\$2.3 million) recognised in H1 FY23.*

-END-

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

This release contains forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements of the Company to be materially different from those expressed or implied in this release including, amongst others, changes in general economic and business conditions, regulatory environment, exchange rates, results of advertising and sales activities, competition, and the availability of resources. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release. Except

as required by law, the Company assumes no obligation to update or correct the information in this release. To the maximum extent permitted by law, the Company and its subsidiaries and officers do not make any representation or warranty as to the likelihood of fulfilment of any forward-looking statements and disclaim responsibility and liability for any forward-looking statements or other information in this release.