

2019 ANNUAL GENERAL MEETING - PRESENTATIONS

Sydney, 21 November 2019 – Quickstep Holdings Limited (ASX:QHL), the manufacturer of advanced carbon fibre composites, confirms that the Company's 2019 Annual General Meeting is scheduled to commence at 2:00pm today, Thursday 21 November 2019. Enclosed are copies of the Chair's Address and CEO Presentation to be delivered today, together with an overview of proxy votes received for resolutions to be considered during the meeting.

-ENDS-

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About Quickstep Holdings

Quickstep Holdings Limited (ASX: QHL) is the largest independent aerospace-grade advanced composite manufacturer in Australia, operating from state-of-the-art aerospace manufacturing facilities at Bankstown Airport in Sydney, NSW and a manufacturing and R&D | process development centre in Geelong, Victoria. The group employs more than 245 people in Australia and internationally. More information about Quickstep is available at www.quickstep.com.au



QUICKSTEP HOLDINGS LIMITED

2019 AGM Chairman's Address

Thursday, 21 November 2019

Good afternoon, ladies and gentlemen. I am Tony Quick, the Chair of the Board of your Company Quickstep Holdings Limited. Welcome to our Annual General Meeting.

At the meeting today, our managing director and chief executive officer Mark Burgess and I will report on the group's progress and the outlook.

FY2019 was a milestone year for Quickstep as we achieved a net profit and positive operating cashflow position for the full-year, the first in the history of the company, and we continued our journey towards accelerated growth and long-term profitability.

The FY2019 financial results were achieved against significant headwinds - we were adversely impacted by an unforeseen and extended outage of a key machine, some limited industrial action, and we also had some export licencing issues for raw materials associated with ongoing US government processing delays.

Our financial results for FY2019 reflect the success of our management team's resilience, focus on continuous improvement, and efficiency; targeted R&D expenditure; combined with the volume growth from the JSF program. The team should be commended, and the achievements against those headwinds provides us all with even greater confidence for the future.

A maiden full year net profit after tax of \$2.7 million represented a \$5.6 million improvement on the previous year, and included a \$4.6 million lift in EBITDA and \$1.0m tax benefit reflecting future taxable income. The company also delivered \$0.4 million operating cash flow for FY19, its first full year positive result, and at 30 June 2019 reported net debt of \$0.3m, a reduction of \$11.2 million from 31 December 2018.

Operating cash flow improved year on year by \$1.0 million despite a \$3.1 million increase in working capital, principally inventory to support our growth. The much improved debt position was in large part attributable to the successful share placement and Share Purchase Plan (SPP) in early 2019 that raised \$11.7 million net of fees. These funds were used to strengthen our balance sheet to allow flexibility to accelerate future growth projects and reduce debt.

The unprecedented scale of Australian defence procurement and Quickstep's unique position in the Australian defence industrial base has created a very favourable market environment for the company in the US. Based on this we have focused on developing a strong pipeline of new business opportunities in the US market and we have made substantial progress in a number of confidential negotiations with US customers.

We have already announced 10 new JSF parts this year and anticipate further new business awards during this financial year.

In FY2019, we announced that we secured a new project to produce carbon fibre composite housings for an F-35 counter-measure flare for Chemring Australia, further expanding our advanced manufacturing capability.

On the 9th October we were very pleased to have the Prime Minister, the honourable Scott Morrison, open the new Chemring composite housing facility in Bankstown. This is a leading advanced manufacturing cell that demonstrates "cutting edge" high volume carbon fibre production methods with integrated quality control and product traceability for high performance and precision products. Trial production is well underway.

We also signed a Memorandum of Understanding (MoU) with Lockheed Martin for a Long Term Flexible Contract (LTFC) associated with the ongoing supply of C-130J/LM-100J wing flaps for an additional five-years, covering the period 2020 to 2024. We have an existing contract with Lockheed Martin to provide wing flaps for the C-130J/LM-100J aircraft through to end of this year, and this contract extension will see us continue our successful supply chain relationship with Lockheed Martin.

We are continuing to seek new opportunities in the Defence sector and to develop the appropriate process and people capabilities to support new business opportunities in commercial markets. This is a major focus for the Quickstep team in FY2020.

Your Company is a very different Company to the one I joined back in 2013. We have taken our two main contracts, JSF and C-130J, and moved them from the initial production process to reliable on-time delivery. We have stepped up to the mark and delivered the program growth where other JSF suppliers have struggled. We have also identified where our technology can genuinely deliver a source of competitive advantage and created the data to prove that. Where the technology cannot provide a genuine competitive advantage, we have ceased investment. The introduction of "OneQuickstep" created a focus to deliver a profitable base for further growth.

I announced last year that we were starting the process of a planned and structured Board renewal and I am very pleased with the progress we have made.

Leanne Heywood joined the Board in February 2019 and is the Chair of our Audit and Risk Committee. Leanne brought considerable experience as a non-executive director and senior executive through an international career in the mining, rural, government and not-for-profit sectors, and in addition to her role Chairing the Audit and Risk Committee she has provided a strong strategic focus, and has brought her mining experience to bear on our Health and Safety activities.

Lis Mannes joined the Board in August 2019. Lis has over 30 years of international experience in Industrial and Fast-Moving Consumer Goods companies across Europe and Australasia.

She brings global leadership skills and has an impressive depth and breadth of experience in operational excellence and business transformations.

Our Chemring composite housing facility is an example of where we are applying high volume manufacturing expertise to Aerospace manufacturing. Lis' experience in advanced volume manufacturing and the organisational issues associated with managing this growth are extremely valuable and highly relevant.

I would also like to sincerely thank Bruce Griffiths for the support and hard work he has provided during his tenure. Bruce resigned as a Non-Executive Director of the Board at the end of August 2019. He joined the Board in February 2013 and has seen the Company through a period of considerable change and growth leading to profitability. He can be very proud of his significant contribution to the business over the past six and a half years.

At the end of today's meeting James Douglas will retire from the Board, having joined the Board in December 2015. James has brought a wealth of experience in investment banking and strong knowledge of the carbon fibre and automotive industries. He has consistently ensured that we focus on our clear sources of competitive advantage and has provided significant support during his association with the Company. We wish James all the best for the future.

The Board renewal process continues and I anticipate another appointment in the near future. We will continue with the renewal process over the next 12 months and I anticipate leaving the Board at the end of the process.

Finally, I would also like to sincerely thank Mark Burgess, the executive management team and all of our staff at Quickstep, for the significant contributions they have made throughout FY2019.

We have had an extraordinary year in FY2019 and the outlook for the year ahead is extremely promising. Quickstep remains focused on successfully delivering our existing defence program contracts, on implementing further improvement and efficiency initiatives, on developing our process and people capabilities and on converting our pipeline of opportunities into production programs.

Our strong long-term order book and advanced manufacturing technologies and capabilities will provide us with the opportunity to further accelerate our global growth and provide all our stakeholders with long-term sustainable profitability and improved value for you our shareholders.

I will now hand over to Mark Burgess who will provide more detail.

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Quickstep Holdings Limited

AGM Presentation

Thursday 21 November 2019

Mark Burgess, CEO and Managing Director



PRESENTER

Mark Burgess

CEO & Managing Director

- / Joined Quickstep in May 2017
- / 22 years global aerospace and defence experience
- / Previously with Honeywell & BAE Systems
- / Extensive experience in Europe, USA, Middle East and Asia Pacific



AGM PRESENTATION OVERVIEW

Platform for Growth

Shareholder Support

FY20 Outlook

Business & Market Development

Technology Driven Growth



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PLATFORM FOR GROWTH

Key Highlights FY19

- / Sales up 24% to \$73.3 million
- / Maiden NPAT \$2.7 million and EPS of 0.44c
- / \$5.8 million EBITDA (7.9% of sales)
- / Gross margin of 22.3%, up from 16%
- / New customers – Boeing, Chemring, Lockelec
- / Aerospace Business of the Year 2019

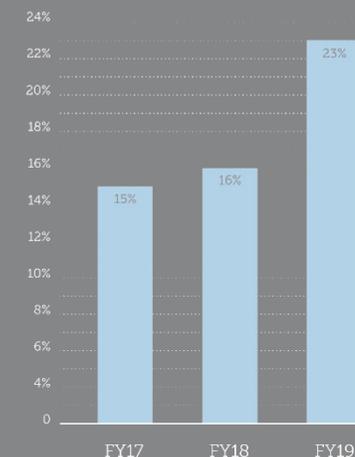
Drivers & Opportunities

- / Lean/Continuous Improvement programs
- / Labour productivity and process efficiency
- / Cost control
- / Volume growth & build-to-specification

Revenue in AUD millions



Gross Margin Percentage



Key Profit Metrics (AUD millions)



Net Debt (AUD millions)



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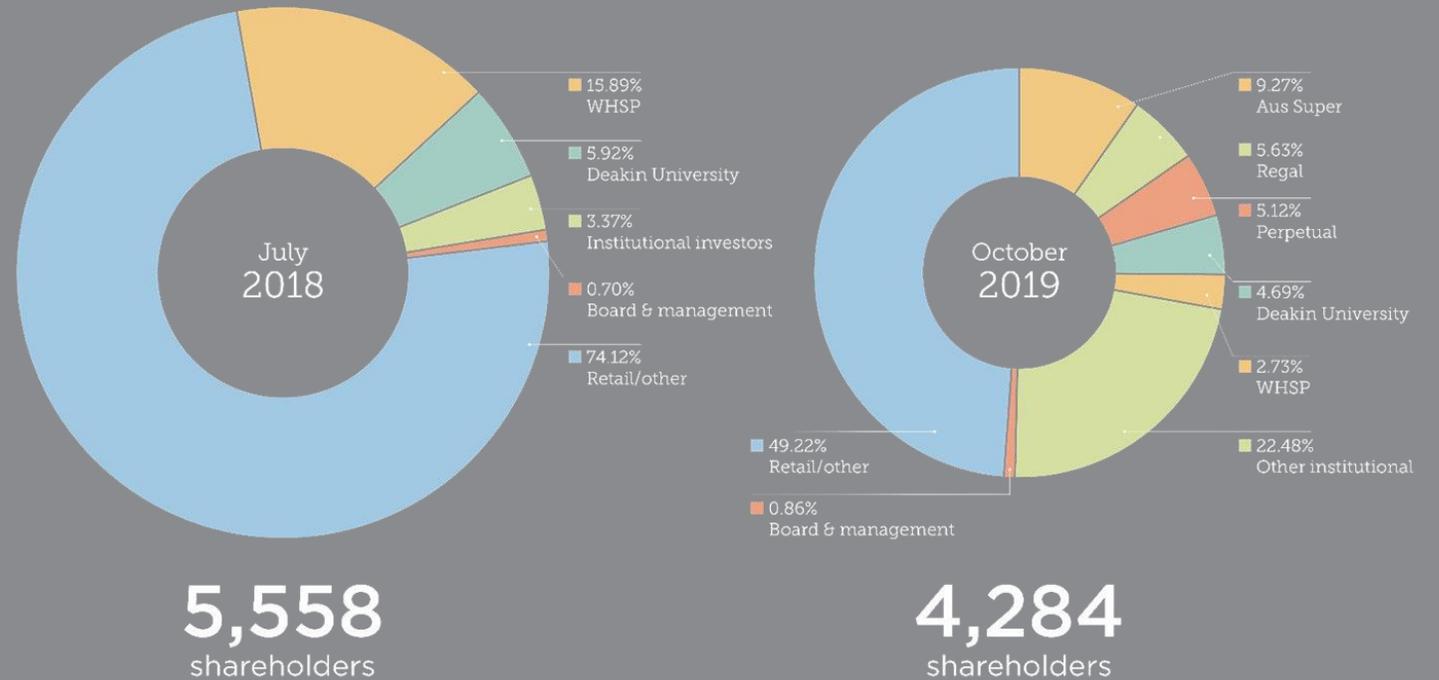
SHAREHOLDER SUPPORT

Change in Register

- / Top 20 shareholders = 47%
- / Institutional investors = 49.9%

Substantial Holders

- / Australian Super
- / Regal



* Data as at October 9th, 2019

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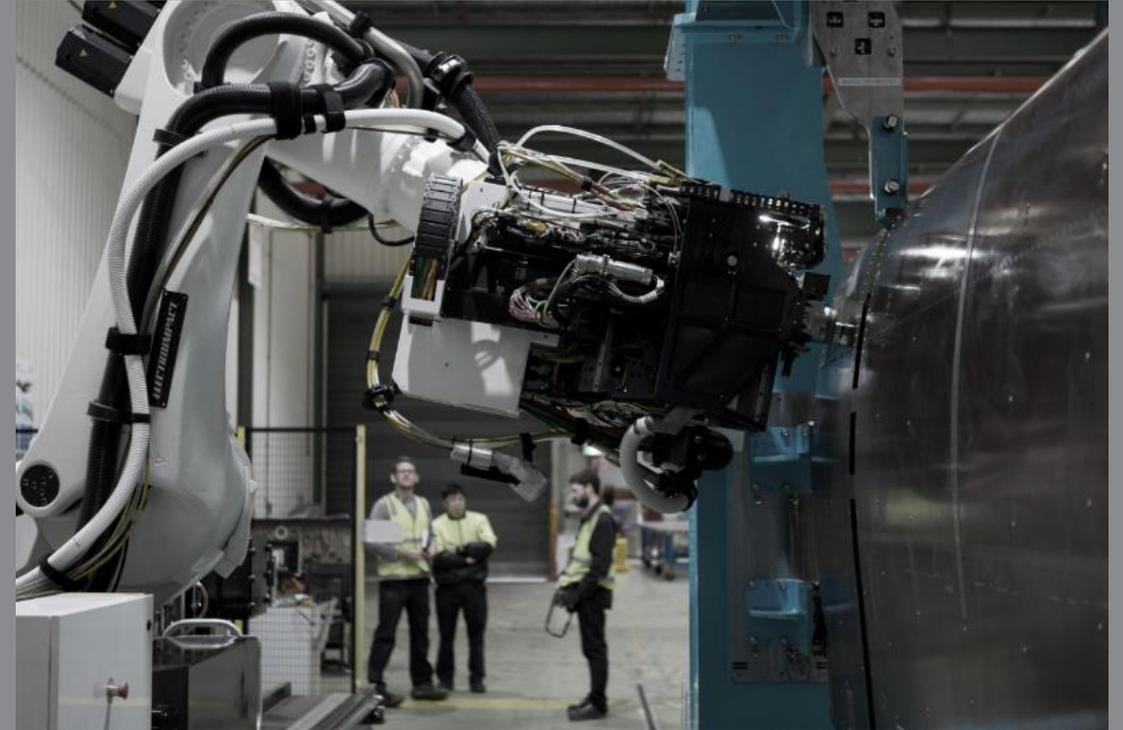
FY20 OUTLOOK

FY 20 Quarter 1

- / Confidence builder for FY20

FY 20 Forecast

- / Like-for-like revenue growth 8-10%
- / EBITDA 8-10% of sales
- / 30% increase growth-related investment
- / Positive gross margin trajectory
- / Material improvement in operating cashflows
- / Increased commercial market focus



BUSINESS & MARKET DEVELOPMENT

Defence Aerospace

- / ~\$80m base revenue FY20
- / 2x Defence Aerospace revenue by 2024
- / Key focus on the US market

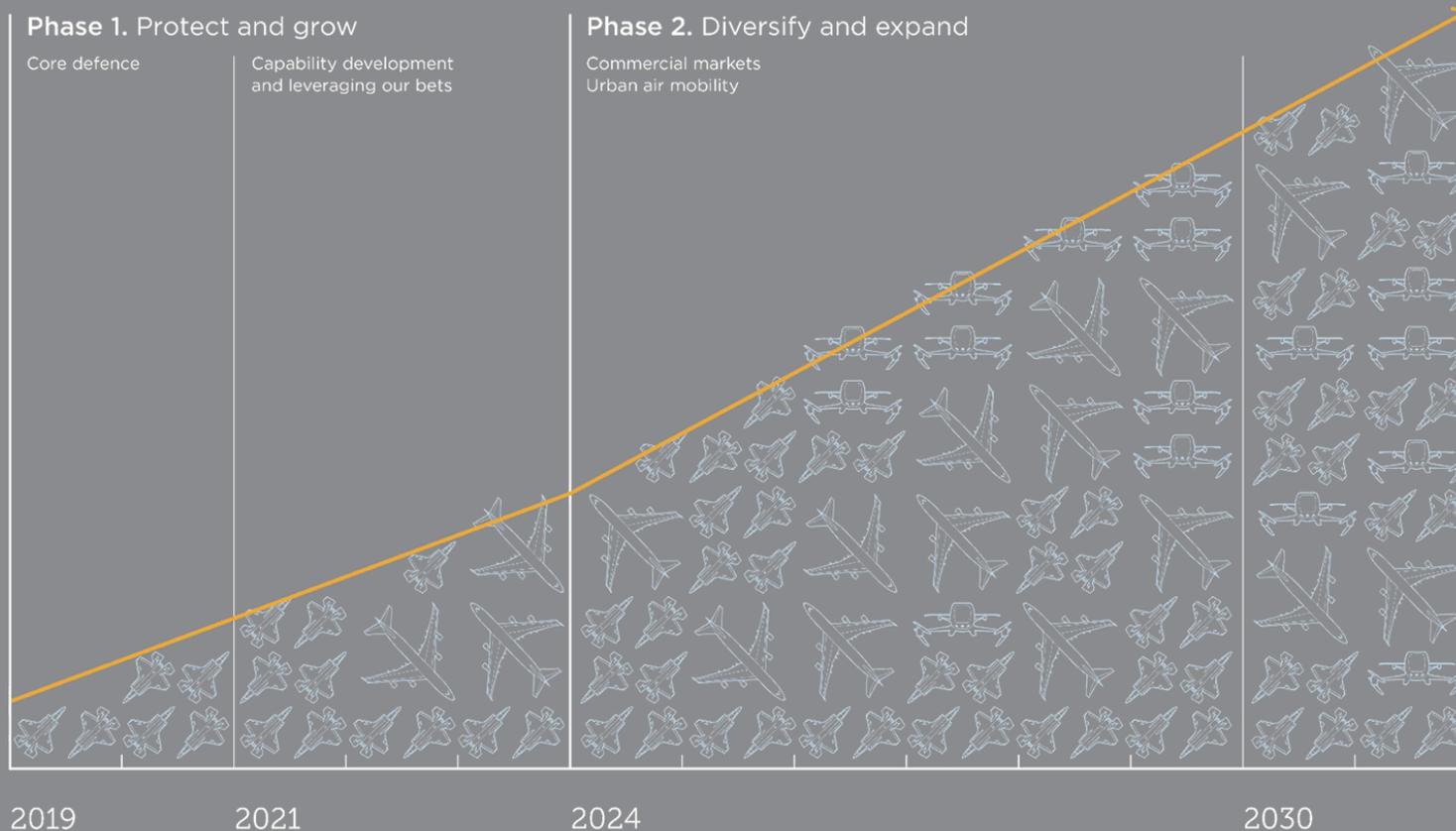
Commercial Markets

- / Technology lead growth
- / Staged growth strategy
- / Additional resources during CY20

Aftermarket Strategy

Organic/Inorganic Strategy

Detailed update H2 FY20



TECHNOLOGY DRIVEN GROWTH

Industry Dynamics

Drivers

- / Cost reduction, scalability, integrated structures

Enablers

- / New processes, new materials, automation & digitisation

MJU-68B Flare Housing Facility

- / Formal launch of QPS4.0

AeroQure Program Launch

- / Record \$0.7 million co-funded grant from AMGC
- / Accelerated \$3 million, two-year R&D program
- / Focused on the global commercial aerospace market



TECHNOLOGY DRIVEN GROWTH

MJU-68B Flare Housing Facility

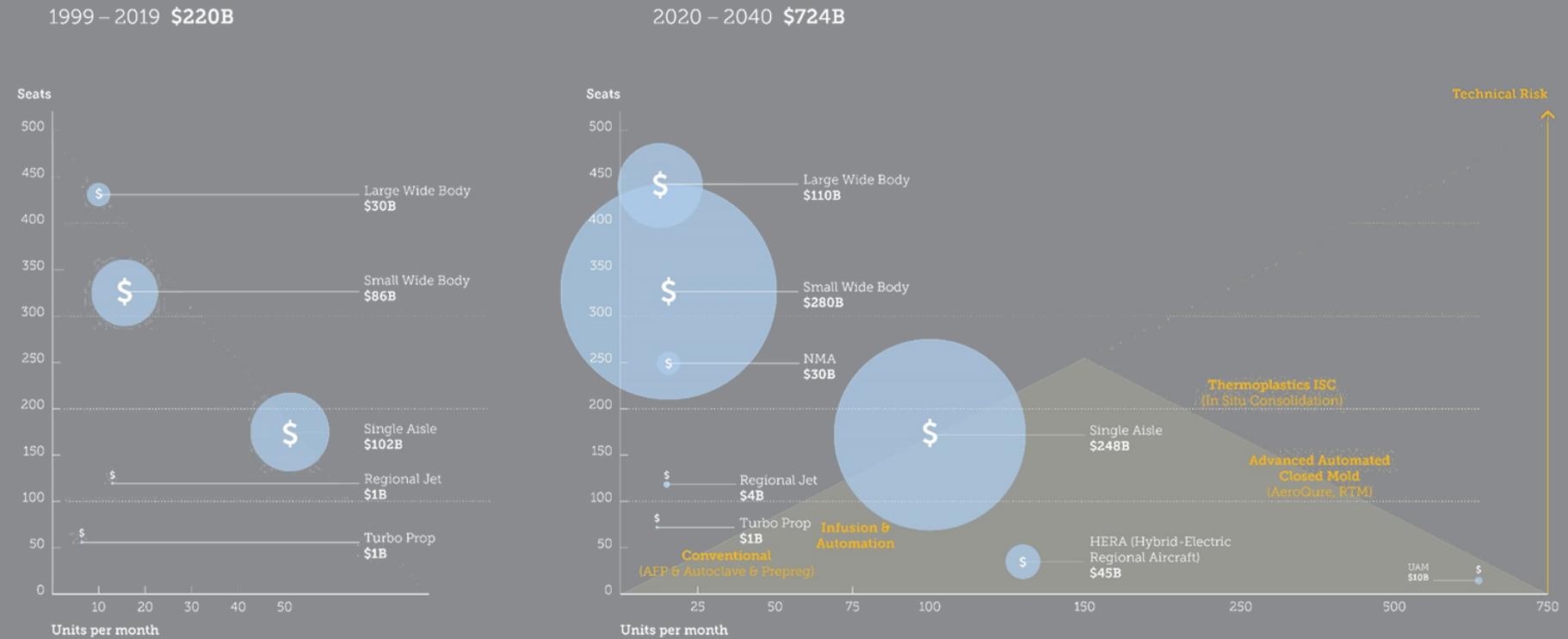
- / Official opening by Prime Minister & Minister Defence Industry October 2019
- / First 10 pre-production units delivered
- / 144 qualification units in production
- / Anticipated rate ~15,000 units per year
- / Important demonstration of QPS4.0
 - / Fully automated ply cutting, preforming & lay-up
 - / RTM injection & cure
 - / Digital thread



TECHNOLOGY DRIVEN GROWTH

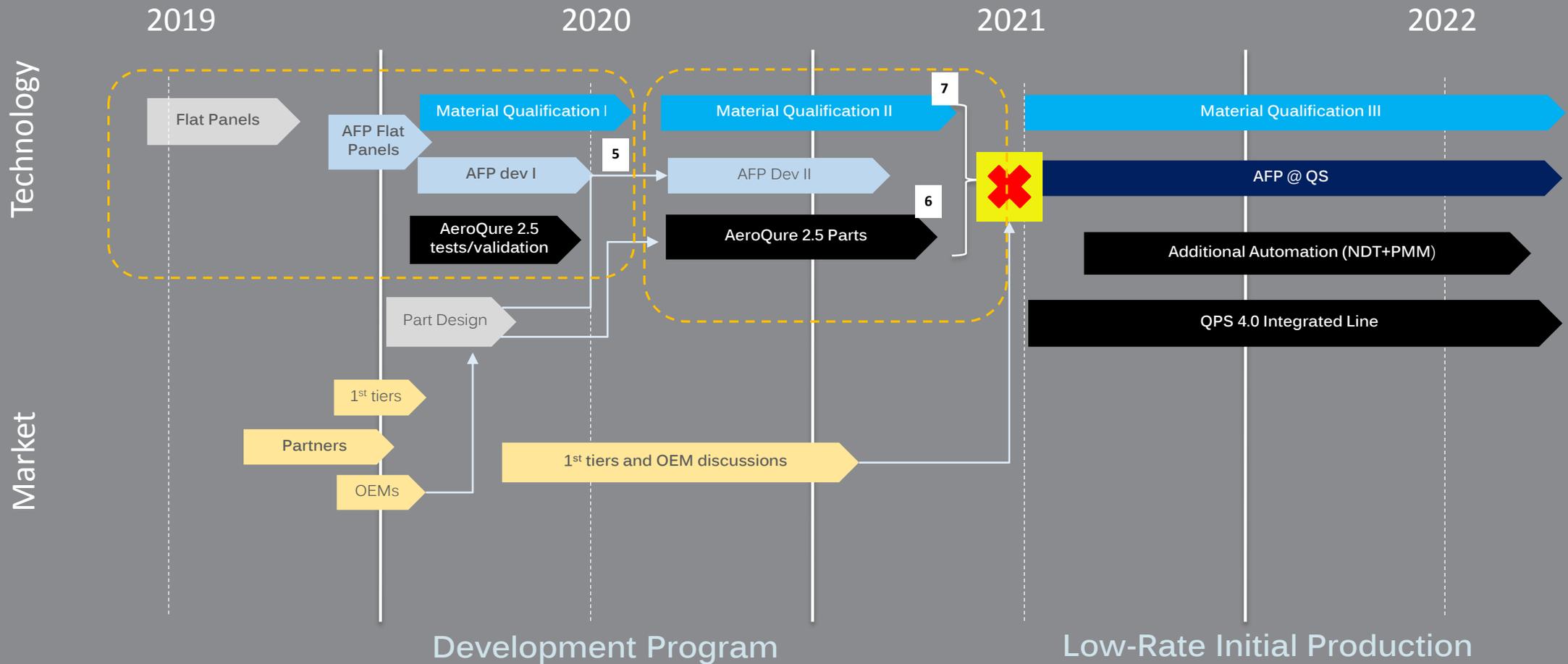
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COMMERCIAL AEROSPACE COMPOSITES



TECHNOLOGY DRIVEN GROWTH

AeroQure Development Plan



TECHNOLOGY DRIVEN GROWTH

Broader R&D Strategy

- / UAM airframe components for first flight prototypes
- / Engagement with OEM & start-ups
- / Application of AeroQure and new technology
- / Exploit metal to carbon fibre opportunities
- / LM C-130
- / Electric propulsion
- / Investment in systems, processes and people
- / QPS4.0: Internal industry 4.0 roadmap
 - / Automated FOD detection & inspection
 - / Augmented reality training tools
 - / Comprehensive digitization & paperless



SUMMARY

- / Significant progress to-date
- / An enviable reputation
- / Continuing growth
- / Exciting technology
- / New markets



Long dated contracts on key programs



High degree of mid-term revenue certainty



High barriers to entry



Excellent reputation with customers



Healthy pipeline of near-term growth opportunities



Balance sheet repaired



Strong financial position



New globally experienced management team

THANK YOU

MARK BURGESS

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Quickstep Holdings Limited

Formal Business of AGM

Thursday 21 November 2019

Tony Quick, Non-Executive Chair



Resolution 1

Adoption of Remuneration Report (Non-binding Resolution)

To consider and, if thought fit, to pass the following resolution as a non-binding resolution:

“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company’s Directors’ Report for the year ended 30 June 2019 be adopted.”

| VOTES – Resolution 1 | | | | |
|----------------------|-------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 237,699,518 | 224,443,981 | 7,497,515 | 5,758,022 | 2,370,755 |

Resolution 2

Re-election of Director – Mrs Leanne Heywood (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mrs Leanne Heywood, a Director of the Company who retires in accordance with clause 13.5 of the Company’s Constitution and offers herself for re-election, be re-elected as a Director.”

| VOTES – Resolution 2 | | | | |
|----------------------|-------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 240,349,125 | 232,769,642 | 1,735,961 | 5,843,522 | 2,290,510 |

Resolution 3

Re-election of Director – Mrs Elisabeth Mannes (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mrs Elisabeth Mannes, a Director of the Company who retires in accordance with clause 13.5 of the Company’s Constitution and offers herself for re-election, be re-elected as a Director.”

| VOTES – Resolution 3 | | | | |
|----------------------|-------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 240,269,125 | 231,733,239 | 1,892,364 | 6,643,522 | 2,290,510 |

Resolution 4

Re-election of Director – Mr Tony Henry James Quick (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That Mr Tony Quick, a Director of the Company who retires by rotation in accordance with clause 13.2 of the Company’s Constitution and offers himself for re-election, be re-elected as a Director.”

| VOTES – Resolution 4 | | | | |
|----------------------|-------------|---------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 239,460,183 | 232,453,412 | 863,249 | 6,143,522 | 2,582,677 |

Resolution 5

Grant of Rights to Managing Director under the Quickstep IRP (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant to Mr Mark Burgess of 3,210,616 Rights under the Quickstep Incentive Rights Plan, as described in the Explanatory Statement.”

| VOTES – Resolution 5 | | | | |
|----------------------|-------------|------------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 238,212,419 | 222,153,320 | 10,472,261 | 5,586,838 | 4,407,216 |

Resolution 6

Ratification of prior issues of securities to the Company's employees (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 1,808,920 Shares to the Company's employees, for the purposes and on the terms set out in the Explanatory Statement."

| VOTES – Resolution 6 | | | | |
|----------------------|-------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 237,936,089 | 228,502,390 | 3,508,601 | 5,925,098 | 4,703,546 |

Resolution 7

Ratification of prior issues of securities to sophisticated & professional investors (Ordinary Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 125,000,000 Shares to sophisticated and professional investors, for the purposes and on the terms set out in the Explanatory Statement.”

| VOTES – Resolution 7 | | | | |
|----------------------|------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 89,587,315 | 78,741,431 | 5,002,362 | 5,843,522 | 5,094,532 |

Resolution 8

Approval of issue of securities under ASX Listing Rule 7.1A (Special Resolution)

To consider and, if thought fit, to pass the following resolution as an special resolution:

“That, pursuant to and for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of (or the entry into agreement to issue) Equity Securities representing up to 10% of the issued capital of the Company (calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A 2) on the terms and conditions set out in the Explanatory Statement.”

| VOTES – Resolution 8 | | | | |
|----------------------|-------------|-----------|---------------|-----------|
| TOTAL (ex Abstain) | For | Against | Discretionary | Abstain |
| 237,433,336 | 226,642,846 | 5,056,614 | 5,733,876 | 5,206,299 |

THANK YOU

TONY QUICK

NON-EXECUTIVE CHAIR

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