

# XTEK Ltd

15:23 10 Aug 2020

## XTEK raises \$9.2 million and launches share purchase plan; on track for record revenue growth

XTEK Ltd (ASX:XTE) has completed an oversubscribed share placement to institutions and sophisticated investors to raise about \$9.2 million.

The placement comprises the issue of 13,291,802 new shares at 69 cents each.

XTEK's placement will be followed by a share purchase plan (SPP), which is not underwritten, targeting to raise up to \$2 million at the same price as the placement.

Shareholders who are registered as on Friday, August 7, 2020 (record date), with a registered address in Australia and/or New Zealand are invited to participate in the SPP, up to a maximum of \$30,000 investment.

The proceeds from the placement and the SPP will be used to execute XTEK's international ballistic strategy and commercialisation, including increasing XTclave manufacturing capability in the US which effectively doubles XTclave revenue capacity in anticipation of strong pipeline growth.

Further investment will also be made to accelerate growth in actionable intelligence and advanced composite materials businesses.

### Unique actionable intelligence solutions

XTEK managing director, Philippe Odouard said: "We are pleased to welcome new institutional investors to our share register.

"Their support for this transaction reflects the endorsement of our financial performance, business strategy, progress made in commercialising XTclave products and exciting outlook.

"We look forward to accelerating our ballistics commercialisation strategy by increasing our manufacturing capacity in the US, effectively doubling XTclave revenue capacity.

"We are excited to continue commercialising our unique actionable intelligence solutions, which is gaining significant traction and market interest. In addition, we continue to leverage key collaborations to advance the use of our technology in advanced composite materials initiatives.

"Lastly, we are well-positioned to capitalise on the anticipated growth and look forward to executing our ballistics strategy to unlock the lucrative US defence market which provides a clear pathway to achieving our medium-long term target of A\$100m revenue."

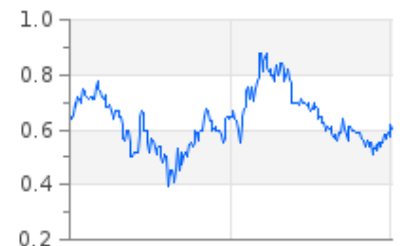
### Record FY20 results and updated FY20 earnings guidance

XTEK has provided an updated FY20 earnings guidance, following the initial FY20 revenue guidance announced on July 6, 2020.

**Price:** 0.61

**Market Cap:** \$43.22 m

#### 1 Year Share Price Graph



December 2019 June 2020 November 20

#### Share Information

**Code:** XTE

**Listing:** ASX

**52 week High Low**  
0.91 0.385

**Sector:** Aerospace

**Website:** www.xtek.net

#### Company Synopsis:

XTEK Ltd (ASX:XTE) is focused on the delivery of protection and sustainment solutions for the government, law enforcement, military and commercial sectors.

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The company, on an unaudited basis, expects to achieve a record revenue of about \$42.7 million in FY20, an increase of ~12.7% to FY19 revenue (\$37.9 million).

In addition, XTEK expects to deliver FY20 gross profit of about \$9 million (FY19: \$6.9 million), representing a FY20 gross margin of ~21% (FY19: 18%), and FY20 EBITDA of about \$800,000 (FY19: \$300,000).

The expected FY20 earnings are underpinned by the HighCom contribution in the US and ongoing SUAS (small unmanned aerial vehicle) supply and support.

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