

MATRIX SECURES \$30M SUBSEA BUOYANCY AWARD

13 NOVEMBER 2023

Matrix Composites & Engineering Ltd (ASX: MCE, "Matrix" or the "Company") is pleased to announce it has been awarded a significant contract to supply subsea buoyancy equipment to support a Subsea Oil & Gas Riser System for an international offshore project. The project, awarded to Matrix by Subsea 7, is valued at approximately A\$30 million.

The award follows a similar contract win for another Subsea 7 project during 1H FY23, with that circa \$18 million contract now successfully completed.

The new award represents the third major contract win for Matrix specifically in the Subsea, Umbilicals, Risers and Flowlines (SURF) buoyancy market over the last 18 months, totalling in excess of \$90 million for this product offering.

As with the previous SURF buoyancy contracts, all equipment will be built utilising Matrix's state of the art composites production facility in Henderson, Western Australia. The project is currently scheduled to commence production in the June 24 quarter for completion during the December 24 quarter with revenue to be predominantly recognised in FY25. The production plan will be determined during the final design phase with Subsea 7 in the coming months.

Following the latest award, the Company's secured FY24 revenue from subsea work alone is more than double Matrix's FY23 subsea revenue of around \$36 million demonstrating the strengthening market conditions.

Including expected recurring revenue from the Corrosion Technologies and Advanced Materials businesses, Matrix expects FY24 revenue to be in excess of \$80 million with opportunities in the pipeline for further growth in FY24. Revenue will be weighted to the second half with around two thirds of that revenue to be generated in 2H FY24. This project award also supports continued momentum into FY25, underpinning continuous production at the Henderson facility until the end of 2024.

Matrix Chief Executive Officer Aaron Begley said the Company is further elevating the strong growth momentum it generated in FY23 and targeting further growth.


"After securing two major SURF buoyancy contract awards during H1 FY23, we said we were optimistic about further international subsea opportunities and that Matrix would be actively targeting those opportunities," Mr Begley said.

"This latest award validates this initiative, and backed by our world-class manufacturing facility with additional operational capacity we are actively targeting further opportunities.

"With a strong pipeline in the subsea market for our traditional oil & gas products, and with diversified work across the renewable energy and resources sectors, the Company is confident in its 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.