



KTEK recommences deliveries and advances production scale-up

Highlights

- **KTEK has recommenced deliveries under its principal production program, achieving the September 2026 restart target outlined in the Company's June quarterly activities report.**
- **The initial production batch is ready for collection from KTEK's European manufacturing network for onward delivery to an existing defence customer.**
- **The milestone returns KTEK's principal program to active delivery and re-establishes the pathway to customer invoicing as products are delivered and accepted.**
- **KTEK has increased its monthly manufacturing capacity to a new level of 200 units per month**

KTEK Aerosystems Ltd (ASX: KTK) (KTEK or the Company), a Tier-2 supplier of composite airframes and electromechanical assemblies for military and commercial unmanned aerial vehicles (UAVs), is pleased to announce that it has recommenced deliveries under its principal production program.

The initial production batch comprises completed subassemblies (or sets) manufactured through KTEK's European partner network. The products are being shipped for onward delivery to an existing OEM customer under the applicable export pathway with the ultimate destination being defence customers in various countries including the USA.

The shipment follows the successful completion of the manufacturing, tooling and quality-assurance activities required to restart deliveries. It delivers on the Company's previously stated September timetable and represents a key execution milestone following KTEK's ASX listing in May 2026.

With product now moving through the delivery pathway, KTEK has returned its principal production program to active delivery and established the operating base for higher monthly volumes.

Production ramp-up

KTEK intends to build monthly deliveries progressively from the initial batch. Using its current manufacturing pathway, the Company has increased its total monthly production capacity to 200 units per month and will progressively ramp up output over the coming months. Based on the 2025 revenue of \$5.3m annually, with an average of 50 units per month, this increased capacity translates to a monthly run rate of \$1.66m of revenue per month if operating at full capacity.

KTEK has also implemented quality controls across its manufacturing and delivery pathway, together with customer acceptance processes. This provides a disciplined framework for increasing production while maintaining the standards required by the customer.



Additional expansion opportunities

The Company is also assessing how its Netherlands and broader European footprint could support future customer assembly and delivery requirements as relevant customer programs expand in Europe. Together, these initiatives have the potential to broaden KTEK's manufacturing network and position the Company closer to key end markets.

Strategic significance

The delivery restart is an important execution milestone for KTEK. It converts the manufacturing and qualification work completed over recent months into product moving to the customer and provides the operating base from which the Company can build production cadence.

The program also demonstrates the scalability of KTEK's asset-light Cordless Factory model, which combines in-house engineering, quality assurance and program management with a qualified international manufacturing network. This model enables KTEK to pursue increased production and geographic expansion without the capital intensity of a traditional defence manufacturer.

Dekel Keisar, Founder and Managing Director of KTEK Aerosystems, said:

"Recommencing deliveries on schedule is an important execution milestone for KTEK. Product is now moving through our European manufacturing network to the customer, marking the return of our principal production program to active delivery."

"Our focus now is on progressively increasing production towards the new manufacturing capacity we have created and beyond this, creating even more capacity to fill the high levels of demand that we see in the marketplace."

Next steps

KTEK will continue the production ramp-up, monitor performance through each stage of the delivery pathway and progress the qualification of additional manufacturing sources. The Company will update the market on material changes to production cadence, customer orders or manufacturing capacity in accordance with its continuous disclosure obligations.

The timing and volume of future deliveries remain subject to manufacturing performance, component availability, customer acceptance, logistics and applicable export controls.

This announcement has been released with the approval of the KTK Board.

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About KTEK Aerosystems

KTEK Aerosystems (ASX: KTK) is a Tier-2 supplier of composite airframes and electromechanical assemblies for military and commercial UAVs. The Company delivers built-to-spec, Full Turn-Key (FTK) sub-assemblies, combining mechanical, electrical and firmware components into qualified ship-ready units, across five product lines:

- composite airframes (UAV fuselage structures, wings and control surfaces, lightweight aerospace composites);
- electromechanical assemblies (actuation modules, avionics trays and mounts, power distribution systems);
- rugged defence systems (shock-isolated racks and cabinets, EMC-hardened enclosures and mission-system infrastructure);
- systems integration and kitting (MIL-spec harnessing, PCBA integration, firmware loading and acceptance testing); and
- SATCOM components and sub-assemblies (RF-transparent radomes, lightweight antenna structures and integrated assemblies for mobile defence and commercial platforms).

KTEK operates a scalable, asset-light Cordless Factory model, retaining engineering design, structural analysis and quality assurance in-house while outsourcing physical manufacturing to a certified global partner network across Israel, Europe, Thailand and the United States.

Website: <https://ktek.tech/>