

KTEK Resumes Deliveries as Supply Chain Constraints Ease, Targeting Production Ramp to 150 Units Per Month

Highlights

- Supply chain and logistics constraints arising from the Middle East conflict have eased, with production and delivery operations resuming following the easing of supply chain and logistical constraints.
- Initial shipment sent, consisting of advanced composite airframe components to an existing major drone platform OEM customer, equating to approximately A\$500,000 in revenue.
- Deliveries anticipated to increase on a regular and progressive basis following the initial shipment to cover for delays during the conflict period.
- Production ramp up targeting 150 units per month within approximately five months, covering current contracted order volume with capacity to scale on demand.
- IPO funds to be used to further increase delivery schedule over the rest of 2026

KTEK Aerosystems Limited (ASX: KTK) is pleased to advise that supply chain and logistics constraints arising from the Middle East conflict have eased and that production and delivery activity has resumed.

An initial shipment of advanced composite airframe components has left KTEK's facilities in Europe on its way to an existing major drone platform OEM customer. The shipment is expected to generate approximately A\$500,000 in revenue for the Company.

Production Ramp and Delivery Schedule

Following the initial delivery, KTEK intends to ramp production and deliveries as rapidly as practicable. The Company is targeting a progressive increase in monthly output, with regular deliveries scaling from the initial shipment to a run-rate of 150 units per month within approximately five months – covering current contracted order volume with capacity to scale on demand. The Company will provide regular updates as deliveries progress and as additional order milestones are achieved.

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

“This is the moment we have been working toward since listing on the ASX. Supply chain conditions have normalised, and we are back to business as usual - shipping product, generating revenue and building toward our full production run-rate. This first delivery, on its way to our customer, marks the beginning of what we expect to be a regular and growing cadence of shipments. Our focus now is simple: ramp as fast as we can and convert our order book into delivered units and recognised revenue.”

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-turnkey (FTK) sub-assemblies - combining mechanical, electrical and firmware components into qualified ship-ready units - across four 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, mission system infrastructure); and
- systems integration and kitting (MIL-spec harnessing, PCBA integration, firmware loading and acceptance testing). The result is Tier-1 rigour without Tier-1 overhead.

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. This structure enables rapid production scaling in response to new customer demand without the capital expenditure of a traditional defence manufacturer. Positioned as a “picks and shovels” supplier into the defence ecosystem, KTEK benefits from structural tailwinds in global military spending and UAV adoption without the complexity of direct government contracting. Beyond defence, the Company also supplies agricultural and delivery drone operators, providing a further growth dimension independent of defence budget cycles.

KTEK is led by Founder and Managing Director Dekel Keisar, a former IDF Infantry Company Commander (Major) and Mechanical Engineer (B.Sc., Tel Aviv University) with hands-on experience across more than 20 military UAV platforms, and previously Head of UAV Structural Engineering at Israeli Aerospace Industries. The Board is chaired by Howard Digby, who brings 25+ years managing technology businesses in Asia-Pacific, 13 years of involvement with ASX-listed companies, and is the founding Non-Executive Director of Elsie Ltd (ASX: ELS) - a defence-focused drone communications company that grew from an ~A\$18 million IPO to a market capitalisation exceeding A\$1.5 billion. Non-Executive Director Winton Willesee contributes 25+ years in capital markets with expertise in company development, corporate governance, M&A and company secretarial practice across listed and private companies,. Non-Executive Director Chris Baxter adds 30+ years in financial services and private equity, with recent focus on Ukrainian military UAV technology, advisory roles with leading drone OEM Skyeton, and strong networks across UK and European defence customers and Ministries of Defence.

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