



ASX ANNOUNCEMENT

FOR IMMEDIATE RELEASE TO THE MARKET

PPK Group Limited – ASX Code: PPK

Wednesday 13 April 2022

CIB benefits from significantly increased demand

PPK Group Limited (ASX Code: PPK) is pleased to announce that Craig International Ballistics (**CIB**) is experiencing a significant and sustained increase in customer demand.

CIB is a manufacturer of high-quality body armour, shields and panels, based on the Gold Coast. CIB is a supplier to the Australian Defence Force and State police forces, along with a number of other defence and police forces around the Asia Pacific region.

CIB has recently signed a three-year supply agreement with a leading military customer, with the option for three further one year extensions. CIB has also shipped almost 50 pallets of composite hard armour plates to international customers over the past six weeks.

The combined effect of the above is that CIB's manufacturing operations are now close to 100% of capacity in their current format. CIB's forecasted pipeline anticipates that this demand is likely to continue for at least the next three years across the mix of the CIB product suite.

The delivery and installation of a US-made 5 metre autoclave is scheduled for late May 2022. Once commissioned, it is expected to allow CIB to further diversify its hard armour plate offerings and continue to grow revenues. At the date of acquisition of PPK's interest (FY20), CIB's revenues were \$11.3m. Since then, revenues have grown significantly with FY22 revenues forecasted to be in the region of \$19-\$20m (subject to broader supply chain constraints).

Lastly, PPK continues to progress its research on the addition of BNNT into body armour to create a product with improved strength and reduced weight.

This announcement has been made and authorised by the PPK Group Board.

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