



ADACEL

INVESTOR PRESENTATION

FINANCIAL YEAR ENDED 30 JUNE 2023

DISCLAIMER

This presentation has been prepared by Adacel Technologies Limited (ACN 079 672281) (Adacel or the Company). The information contained in this presentation is current at the date of this presentation. The information is a summary overview of the current activities of the Company and should be read in conjunction with the Company's disclosures lodged with the Australian Securities Exchange, including the Company's Appendix 4E lodged on 16 August 2023.

This document contains certain "forward-looking statements". Indications of, and guidance on, future earnings and financial position and performance, including Adacel's financial year 2023 outlook, are forward-looking statements, as are statements regarding Adacel's plans and strategies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Adacel, which may cause actual results to differ materially from those expressed or implied in such statements. Adacel cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive, or that Adacel's business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this document and Adacel assumes no obligation to update such information.

This presentation includes certain financial measures that are not recognized under Australian Accounting Standards (AAS) or International Financial Reporting Standards (IFRS). Such non-IFRS financial measures do not have a standardized meaning prescribed by AAS or IFRS and may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Recipients are cautioned not to place undue reliance on any non-IFRS financial measures included in this presentation.

All references to dollars are to American currency (USD) unless otherwise stated. The release, publication or distribution of this presentation in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

ADACEL AT A GLANCE

A LEADER IN AIR TRAFFIC MANAGEMENT, SIMULATION & TRAINING SOLUTIONS

Adacel | Public Company | Founded in 1987 | 200 Employees

 **ADACEL TECHNOLOGIES, LTD.** 
Melbourne, Australia

Direct field support to Royal Australian Air Force (RAAF) and Air Services Australia

 **ADACEL, INC.** 
Montréal, Québec Canada

Air Traffic Management (ATM) and International Simulation & Training business

 **ADACEL SYSTEMS, INC.** 
Orlando, FL, USA

US Simulation & Training and customer support

 **ADACEL TECHNOLOGIES ESTONIA OÜ** 
Tallinn, Estonia

Single & multi-tower remote operations and customer support

PRIMARY CUSTOMERS



**AIR NAVIGATION
SERVICE PROVIDERS**



**DEFENSE & GOVERNMENT
ORGANIZATIONS**



**AVIATION TRAINING
INSTITUTIONS**

GLOBAL FOOTPRINT



250+ LOCATIONS



40+ COUNTRIES

FY2023 - ADACEL KEY FIGURES - USD

REVENUE **\$27.3 million**

GROSS MARGIN **\$8.8 million**
32.3% of revenues

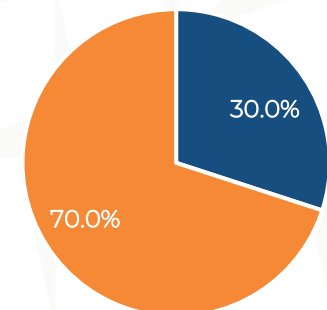
EBITDA **\$2.9 million**

PROFIT BEFORE TAXES (PBT) **\$0.9 million**

PROFIT (LOSS) AFTER TAX **(\$0.1) million**

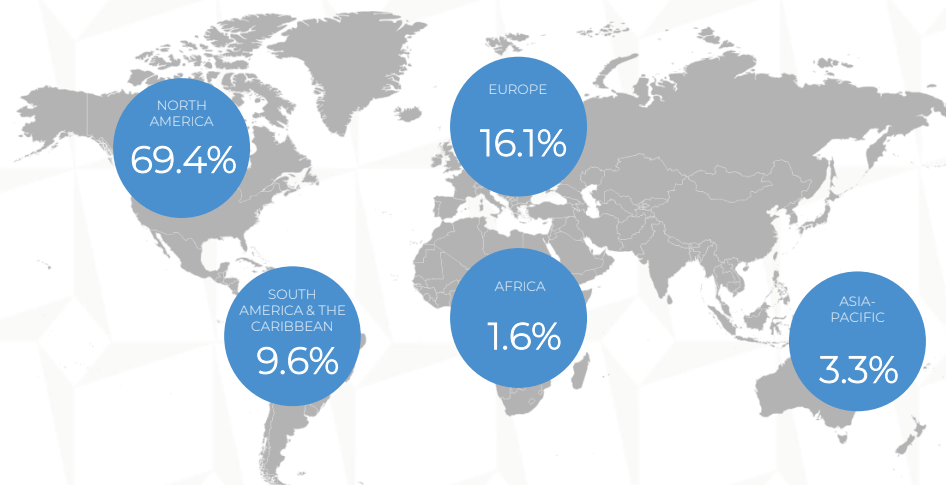
NET CASH **\$0.9 million**

TWO OPERATING SEGMENTS
(breakdown of sales by operating segment)



■ Systems Revenue (%) ■ Services Revenue (%)

DIVERSIFIED GEOGRAPHICAL PRESENCE
(breakdown of sales by geographic region)



FY2023 HIGHLIGHTS

Systems

- In FY2023, Adacel recorded an increase in its Systems segment revenues, from USD\$6.9 million to USD\$8.2 million as we made significant progress on our programs in Martinique and St. Lucia.
- Gross margin, as a percentage of revenues increased to 12.1% in FY2023 compared to 11% in FY2022.

Services

- Services segment revenues were lower in FY2023 at USD\$19.1 million compared to USD\$20.6 million in FY2022. The decrease is attributable to lower revenues from our Advanced Technologies and Oceanic Procedures (ATOP) program resulting from lower volumes received from the FAA.
- As a result, the Systems segment recorded lower gross margins in FY2023 as compared to FY2022.

FY2024 OUTLOOK

- For FY2024, the Company forecasts EBITDA between USD\$5.0 million and USD\$5.25 million and PBT between USD\$3.0 million and USD\$3.25 million.
- In FY2023, the Company focused on investments in our product functions and features as well as increased business development activities. With the recent contract award from the US Army we are confident that our strategy is beginning to pay dividends.
- Our pipeline is robust across our three product lines, and we are actively pursuing very specific and significant opportunities that are expected to be awarded in the next 12 months.

ADACEL'S SOLUTIONS

FLAGSHIP SOLUTIONS: REVAL



A wide spectrum of digital tower solutions: consulting services, design, development, deployment, support



Part of Single European Sky ATM Research (SESAR) solution pack



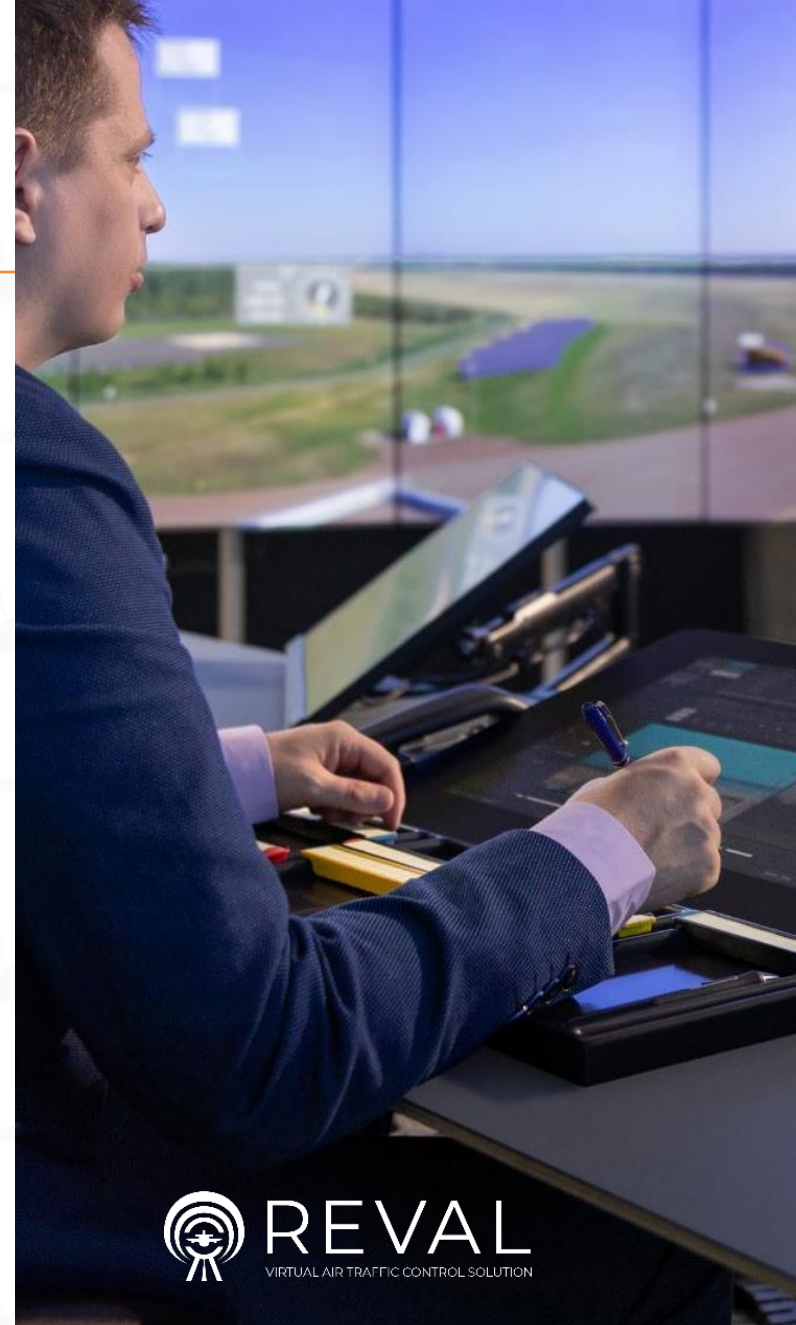
Built on modular, open architecture principles, suitable for a variety of aerodrome operational needs



Can be used remote or onsite, for single or multiple aerodrome operations



Developed in partnership with Estonian Air Navigation Services



ADACEL'S SOLUTIONS

FLAGSHIP SOLUTIONS: AURORA



Improves airspace efficiency, levels of service, controller productivity



Latest CNS/ATM Technologies



Advanced ATM automation
Oceanic | En-route | Approach | Tower control



Scalable | Customizable | Affordable | Proven in operational service



ADACEL'S SOLUTIONS

FLAGSHIP SOLUTIONS: MAXSIM



All-in-one Tower, Radar, and Oceanic air traffic control simulation and training system



High accuracy of airports and aircraft, with AeroScene, Adacel's proprietary visual engine



Lexix, a state-of-the-art speech recognition system



Easy customization of training lessons



Agile scalability, from a desktop or mobile system to a 360-degree set up.



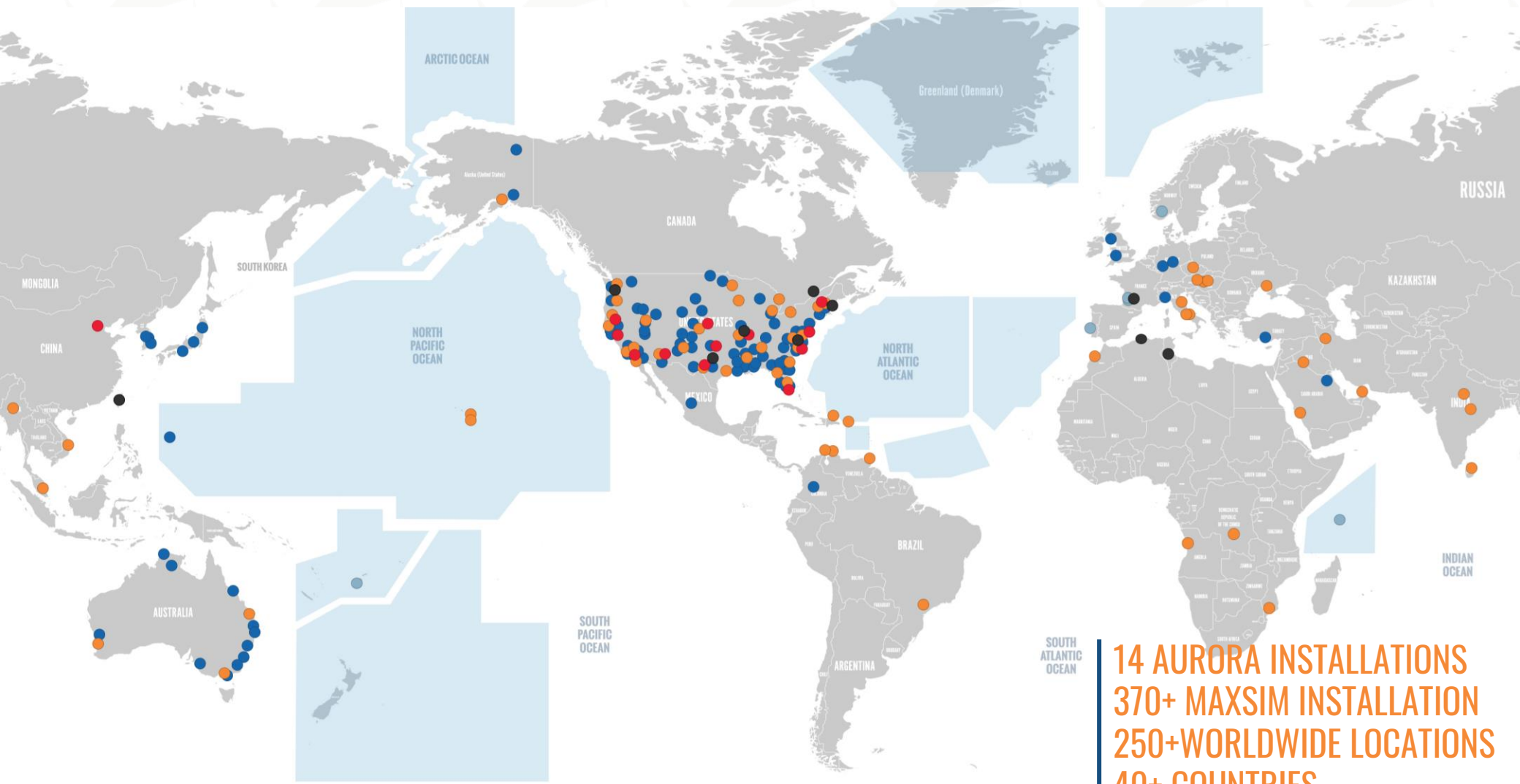
SUPPORT SERVICES

IN CLOSE PARTNERSHIP WITH OUR CUSTOMERS

- Conceptualization, development, and implementation of customers' training programs
- Training new and seasoned air traffic control specialists
- Ongoing systems administration and maintenance
- Field Service Representatives – as needed – deployed at customer locations



GLOBAL PRESENCE



14 AURORA INSTALLATIONS
370+ MAXSIM INSTALLATION
250+ WORLDWIDE LOCATIONS
40+ COUNTRIES

OUR PARTNERS AND CUSTOMERS

AIR NAVIGATION SERVICE PROVIDERS



GOVERNMENT ORGANIZATIONS



ATC EDUCATIONAL ORGANIZATIONS



OTHER CUSTOMERS



INDUSTRY PARTNERSHIPS OVER THE YEARS



CORPORATE OVERVIEW

Appendix

ADA Price / Volume
July 1, 2022 - June 30, 2023 (FY2023)



CAPITAL STRUCTURE

Shares on issue **76.2m**

Share price
June 30, 2022 **AUD\$0.79**

Share price
June 30, 2023 **AUD\$0.55**

Market Capitalisation **AUD\$41.9 million**

Net cash
as of 30 June 2023 **USD\$0.9 million**

FY 2023 Dividend per share **AUD 1.50 cps**

MEET OUR TEAM

Senior Management



Daniel Verret
CEO & Interim CFO



Kevin Pickett
Vice President
Operations



Michael Saunders
Vice President
Business Development and Strategy

Board of Directors



Michael McConnell
Non-Executive Chairman



Peter Landos BEco (ANU)
Non-Executive Director



Silvio Salom
Non-Executive Director



Natalya Jurcheshin, B.Comm, CA
Non-Executive Director



Eryl Baron
Company Secretary

CONTACT US

ADACEL SYSTEMS, INC

9677 Tradeport Drive
Orlando, Florida 32827
USA

Tel.: +1 (407) 581 1560
Fax: +1 (407) 581 1581

ADACEL, INC

895 De La Gauchetière
West
Suite 300
P.O. Box 48
Montréal, Québec H3B 4G1
Canada

Investor Relations

Daniel Verret

Tel.: +1 (514) 636 6365
Fax: +1 (514) 636 2326

ADACEL TECHNOLOGIES ESTONIA OÜ

29/3 Westside Avenue
Port Melbourne, Vic, 3207
Australia

ADACEL TECHNOLOGIES, LTD

29/3 Westside Avenue
Port Melbourne, Vic, 3207
Australia

Eryl Baron

Tel.: +61 (2) 8016 2895



THANK YOU

This presentation was authorised for release by the Board of Directors