



**ORBITAL<sup>®</sup>**  
UAV



**Investor Update**  
**FY20 Preliminary Financial Results**  
(Unaudited)

29 July 2020

# Cautionary statement



This presentation includes statements looking-forward that involve risks and uncertainties. These statements are based upon management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, that could cause actual results to differ materially from such statements. Actual results and events may differ significantly from those projected in the forward-looking statements as a result of a number of factors including, but not limited to, those detailed from time to time in the Company's Annual Reports. Orbital UAV makes no undertaking to subsequently update or revise the forward-looking statements made in this presentation to reflect events or circumstances after the date of this release.

# Statement on COVID-19



**Like many businesses in Australia, the USA and around the world, Orbital UAV is closely monitoring business risks presented by the Coronavirus (COVID-19). The physical wellbeing and mental health of all our employees is a priority.**

At our facilities in Perth, Western Australia and Hood River, Oregon we have implemented measures to minimise the risk of contracting and spreading the virus and are providing additional support where necessary.

## **Measures include:**

- Regular employee updates and the roll out of our Impact Implementation Plan;
- Adopting a working from home policy where possible;
- Implementing social distancing measures within all facilities;
- Providing additional resources such as hand sanitiser and cleaning equipment; and
- Communication of health and hygiene guidelines from relevant government agencies.

All measures are being taken to ensure government health guidelines in Australia and the USA are followed.

## **Customers**

As an advanced aerospace manufacturer supplying global defence prime contractors, our product demand remains unaffected by the COVID-19 outbreak and our development projects continue to progress as planned.

## **Suppliers**

We continue to work closely with our global supply chain and logistics partners to ensure we are able to deliver on our production requirements. Contingency plans remain in place should our current channels of supply and delivery be impacted.

## **Production**

Our sites in Australia and the USA remain fully operational and continue to manufacture as normal.

**Perth** – Western Australia entered Phase 4 of its COVID-19 recovery roadmap on 27 June 2020. All Perth-based employees have now returned to the facility while maintaining the necessary social distancing requirements.

**Hood River** – Hood River county in Oregon is currently in Phase 2 of the COVID-19 reopening plan, as mandated by the State Government. Those Hood River-based employees not directly involved in the manufacture of product continue to work from home wherever possible. Those on site continue to adhere to the necessary health and safety measures and practice social distancing.

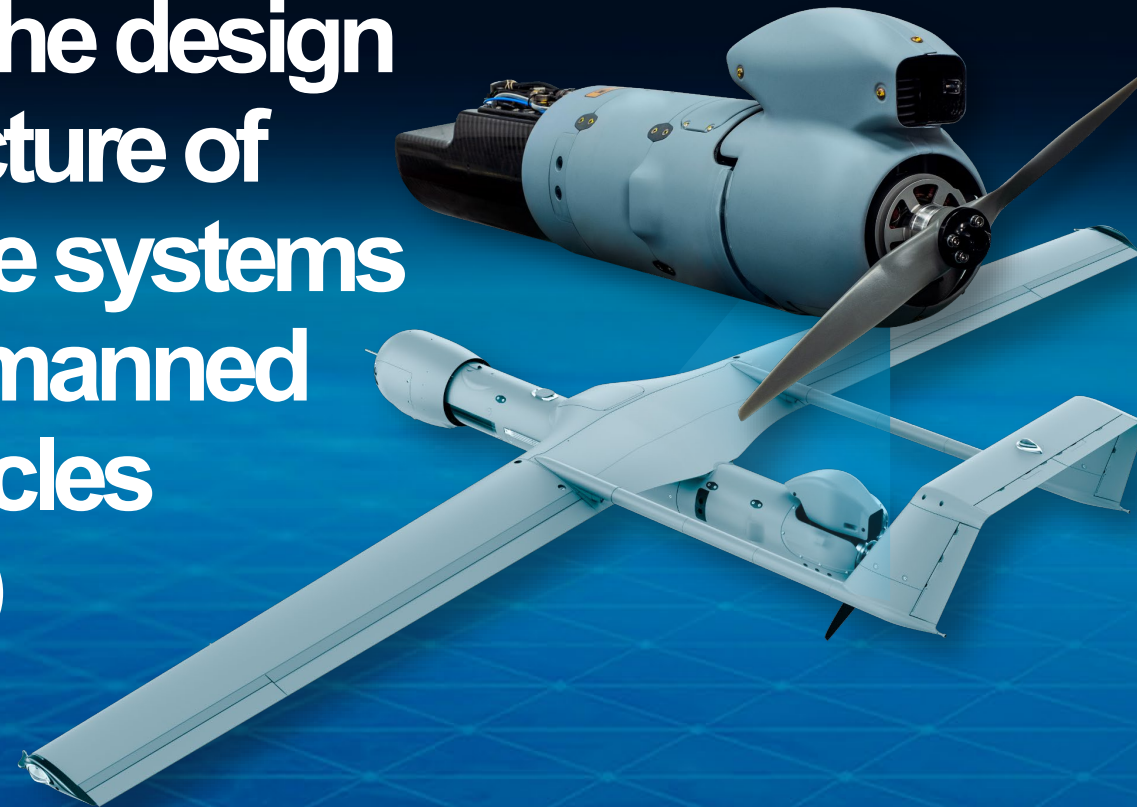
**Orbital UAV will continue to support the public health effort to minimise the spread of COVID-19 and will provide further external updates where necessary.**



# What we do



**World leader in the design  
and manufacture of  
integrated engine systems  
for tactical unmanned  
aerial vehicles  
(UAVs)**



# At a glance



FY20 revenue \$33.8M (FY20 revenue guidance \$25M to \$35M)

Primary engine supplier to Insitu Inc. (a Boeing Company)

Two of five engine models in production for Insitu,  
third engine model in development

New engine development contracts with Northrop Grumman  
and one of Singapore's largest defence companies

Maturing negotiations with additional Tier 1 defence companies

Targeted FY21 revenue guidance of \$40M - \$50M

# Key highlights FY20



<b>*All FY20 figures unaudited</b>	<b>FY19 \$'000</b>	<b>FY20 \$'000</b>
<b>Revenue</b>	15,253	33,782
<b>EBITDA</b>	(4,593)	4,218
<b>EBIT</b>	(5,328)	2,337
<b>NPAT</b>	(5,906)	1,714
<b>Cash</b>	7,487	9,333
<b>Cash &amp; Trade Receivables</b>	15,127	14,679
<b>Debt</b>	(8,277)	(8,610)

## **REVENUE \$33.8M**

top end of guidance (\$25M to \$35M)

## **EBIT \$2.3M**

transition to sustainable underlying earnings

## **NPAT \$1.7M**

commitment to ongoing profitability

## **Cash & Trade Receivables \$14.7M**

strong balance sheet to fund growth

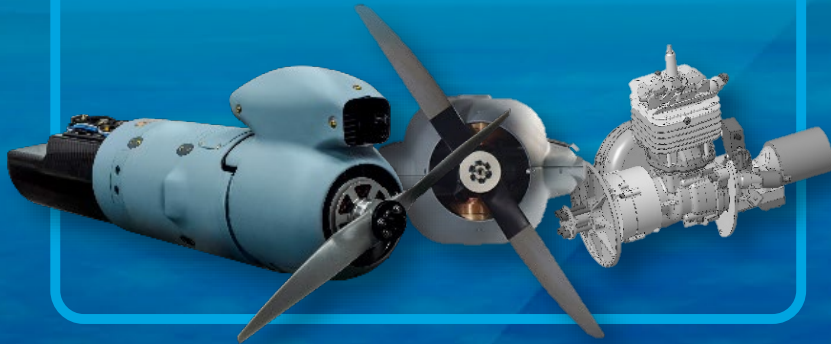


# Revenue guidance FY21



Targeting Revenue of **\$40M - \$50M** in FY21

Sales of Propulsion Systems



Flight Critical Components & Overhauls



Engineering & Product Development



Delivering improving earnings and profitability

# Delivering on the Insitu Long Term Agreement



Orbital UAV was designated Insitu's primary engine supplier for the 5 engine models covered by the Long Term Agreement in March 2020



Status:

**IN PRODUCTION**

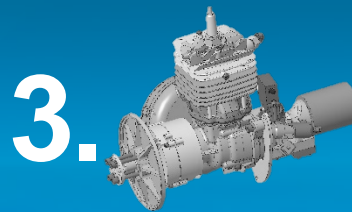
1.



Status:

**IN PRODUCTION**

2.



Status:

**IN DEVELOPMENT**

3.



Status:

**Development timeline TBD**

4.



Status:

**Development timeline TBD**

5.

Images stylised for confidentiality reasons

To power Insitu's entire UAV fleet



ScanEagle2



Integrator™



ScanEagle®



ScanEagle3



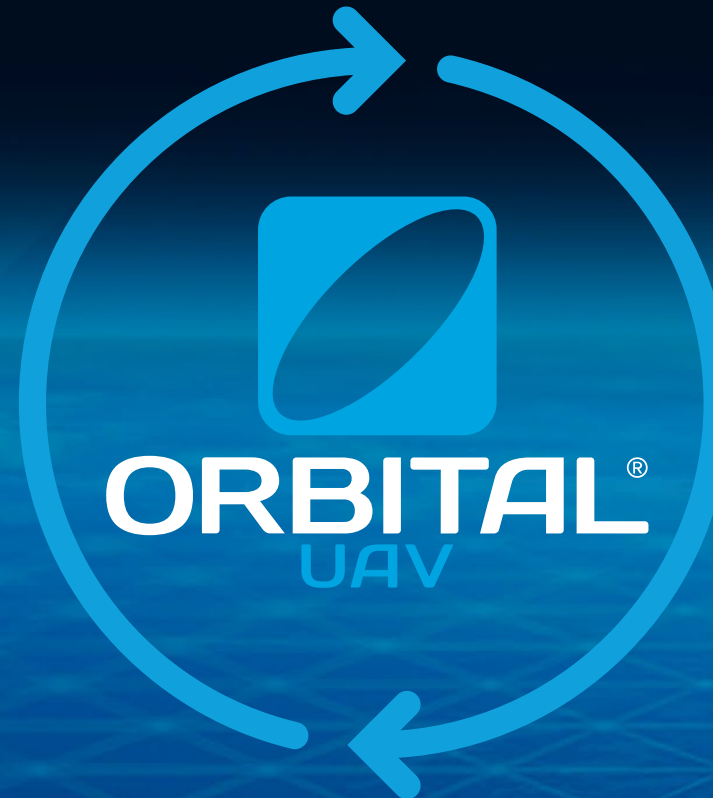
# Growing our Tier 1 client base



Designated Primary Supplier Status  
for 5 engine models to power Insitu's  
entire fleet of UAVs



Contract to design and develop a hybrid  
propulsion system for the next generation of  
vertical take-off and landing UAVs



## TEXTRON Systems

Delivering flight critical  
components since 2013



**SINGAPORE  
DEFENCE  
COMPANY**

New engine design & development  
contract with one of Singapore's  
largest defence companies

# UAV defence market opportunities



## Global replacement of the Shadow 200 Tactical UAV

### United States Army FTUAS Program

**NORTHROP  
GRUMMAN**



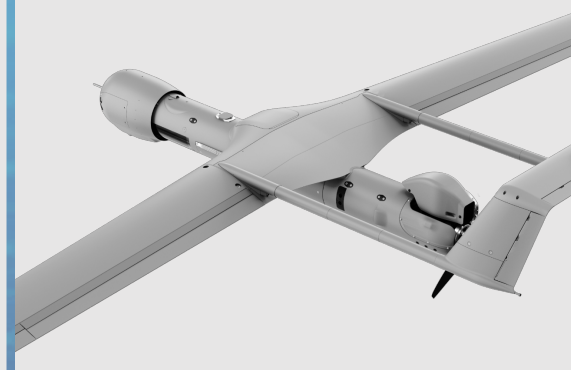
**ARCTURUS UAV™**

**TEXTRON** Systems



### Australian Defence Force LAND129 Program

**INSITU PACIFIC**  
A Boeing Company



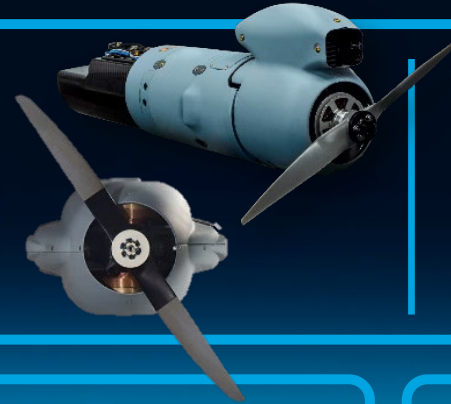
**TEXTRON** Systems



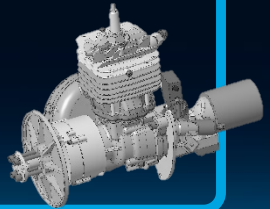
# FY21 outlook



Two engines in  
production



Third engine  
in production  
H2 FY21



**NORTHROP  
GRUMMAN**

Engine development work underway for  
Northrop Grumman and Singapore defence company



Targeting additional  
new customer  
contracts and  
involvement in  
Defence UAV programs

Revenue guidance of **\$40M-\$50M**





# *Ready to fly...*

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