



ADACEL

ANNUAL GENERAL MEETING

17 NOVEMBER 2020

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All references to dollars are to Australian currency unless otherwise stated.

STEADY BUSINESS IN UNCERTAIN TIMES

COVID-19 Global Pandemic

- Overall, our business remains steady as we execute on current contractual obligations while pursuing, and winning, new business
- No material impact on Adacel's financials for FY2021

CURRENT BUSINESS OVERVIEW

SERVICES SEGMENT

- **ATOP in line with budget**
 - We expect revenues from our ATOP program (FAA Advanced Technologies & Oceanic Procedures) to be in-line with the prior year
- **US Military Contracts**
 - Revenues from our US Military contracts are expected to be in-line with budget
- **FAA Training Program**
 - We are on track to execute the FAA training program in FY2021 as originally budgeted

CURRENT BUSINESS OVERVIEW

SYSTEMS SEGMENT

- **New orders North America :**
 - At the end of FY2019 we signed an order valued at close to US\$3 million to deliver 63 ACS units (mobile simulation units) to the US Army
 - Over 20% of the units have been delivered and we expect to complete the project by the end January
- **Incremental orders from ongoing programs:**
 - Our long-standing customer, DTI/DSNA, has requested additional functionality related to the Guadeloupe Project, extending the project timeline beyond 30 June 2021
 - New order valued at almost US\$1M

FY 2021 OUTLOOK

Based on year-to-date results and current forecasts for the balance of FY2021, we anticipate to deliver profit before tax of between \$6.5 million and \$7.0 million.

The guidance reflects the following:

- Our combined backlog and high-probability contracts representing approximately over 80% of forecast revenues for the year
- Delivery of remaining ACS units to the US Army
- Extension of our Guadeloupe ATM project, including almost \$1M of new orders received in the first four months of FY2021

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