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ADACEL

INVESTOR PRESENTATION

FISCAL YEAR ENDED 30 JUNE 2024

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ADACEL AT A GLANCE

A LEADER IN AIR TRAFFIC MANAGEMENT, SIMULATION & TRAINING SOLUTIONS

Adacel | Public Company | Founded in 1987 | 230 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

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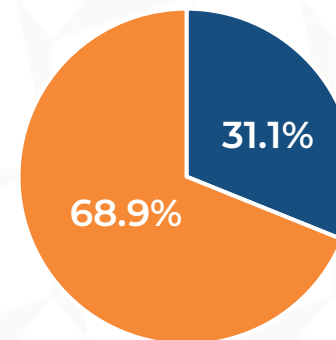
FY2024 - ADACEL KEY FIGURES - USD

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| | |
|---|---|
| REVENUE | \$31.0 million |
| GROSS MARGIN | \$7.2 million 23.3% of revenues |
| NORMALIZED EBITDA* | \$1.1 million |
| EBITDA | \$(1.4) million |
| NORMALIZED PROFIT (LOSS) BEFORE TAX (PBT) | \$(1.6) million |
| PROFIT (LOSS) BEFORE TAXES (PBT) | \$(4.1) million (13.2%) of revenues |
| PROFIT (LOSS) AFTER TAX | \$(4.4) million |
| NET CASH | \$(1.9) million |

TWO OPERATING SEGMENTS

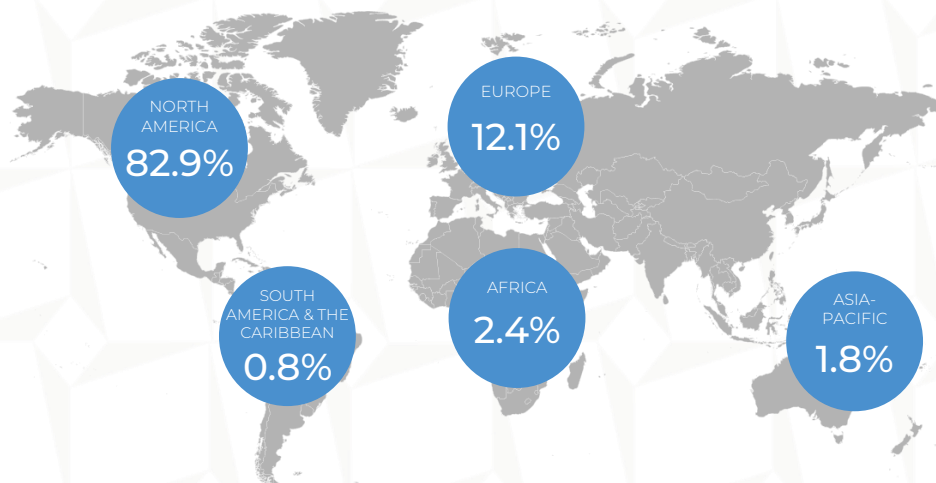
Breakdown of sales by operating segment



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

DIVERSIFIED GEOGRAPHICAL PRESENCE

(breakdown of sales by geographic region)



Normalized EBITDA excludes non-cash impairment charge of \$1.9 million and restructuring costs of \$0.6 million

FY2024 HIGHLIGHTS

Services Segment

- Services revenues – 69% of total revenues
- Revenues increased by 12% driven by the FAA Hardware Support Contract and Software Support Contract offset by lower revenues from our USAF program
- Gross margin at 31% compared to 41% in FY2023. The decrease in margin mainly attributable to the revenue mix and lower margins on new FAA contract

Systems Segment

- Systems revenues – 31% of total revenues
- Revenues increased by 18% driven by the FAA Hardware Support Contract and the School House 21 project offset by lower revenues in from USAF and our ATM programs, specifically Seychelles and Martinique which progressed during FY2023 and completed in FY2024
- Gross margin at 7% compared to 12% in FY2023. The decrease mainly attributable to the revenue mix and lower margins on new FAA contract which includes the delivery of new hardware at the multiple FAA training sites

FY2024 HIGHLIGHTS

- Revenues of \$31 million as both segments realized increases in revenues
- Normalized EBITDA of \$1.1 million, excluding non-cash impairment charge of \$1.9 million and restructuring & other charges of \$0.6 million
- Non-cash impairment charge of \$1.9 million related to the remote tower business
- One-time restructuring costs of \$0.6 million
- Loss before interest, taxes, depreciation and amortization (“EBITDA”), of \$1.4 million
- Gross margin for FY2024 stood at 23.4%, a decrease when compared to 32.3% in FY2023. The decline is mainly due to the revenue mix when compared to the prior year

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UPDATE ON PIPELINE

MaxSim

- Signed over \$100 million of contracts in the last 18 months.
- Further opportunities exist to continue to deliver growth to our flag-ship MaxSim product.

Aurora

- Opportunities in excess of \$20 million including several upsell opportunities from existing customers.
- FY2025 includes a new customer win expected to be signed in H1 FY2025 with a total contract value in excess of \$3 million.

REVAL

- Fastest growing pipeline.
- Opportunities in excess of \$20 million.

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FY2025 OUTLOOK

- For FY2025, the Company anticipates a normalized EBITDA of between \$4 million and \$5 million.
- FY2025 assumes continued delivery of the FAA Hardware Support Contract throughout FY2025 despite the current status of the protest.
- We have assumed one new Aurora ATM contract win with a total contract value in excess of \$3 million of which half is expected to be delivered in FY2025.

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ADACEL'S SOLUTIONS

FLAGSHIP SOLUTIONS: REVAL

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



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



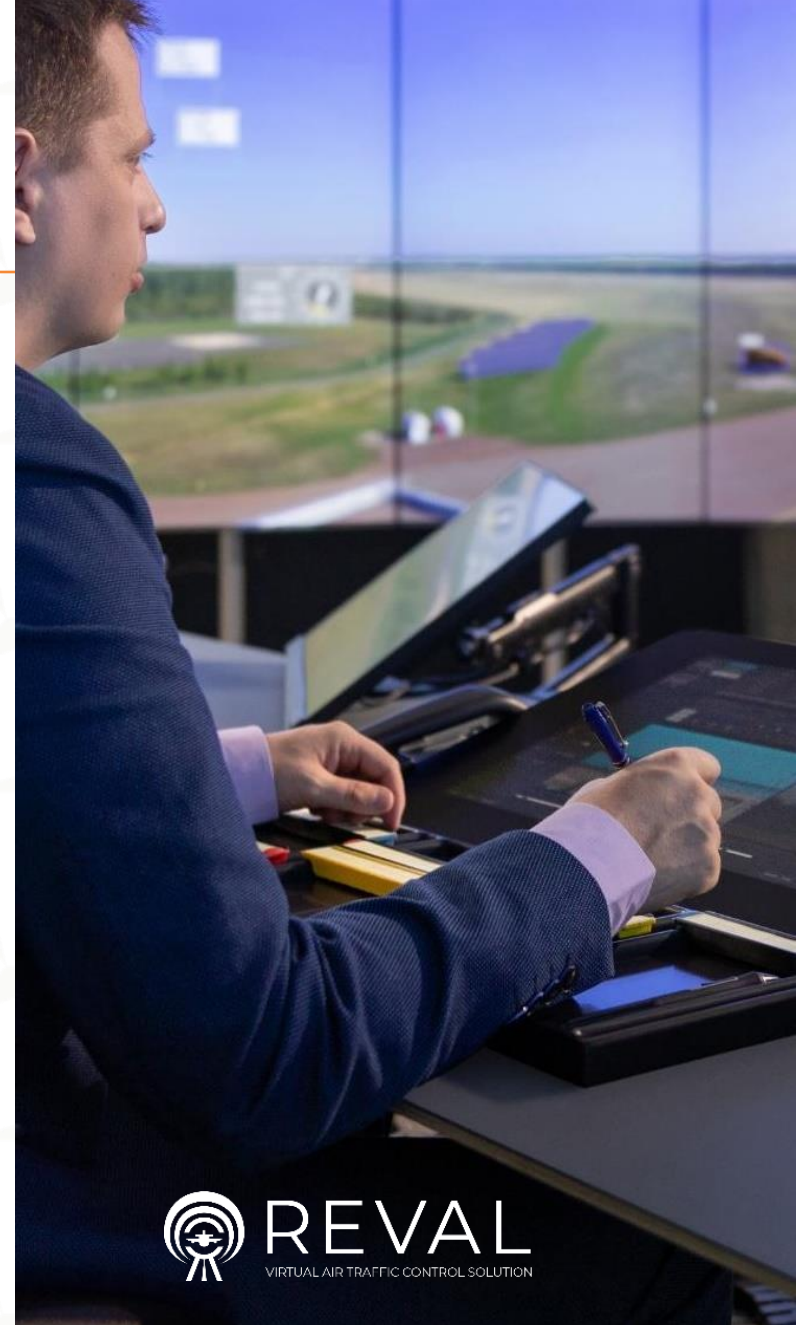
Built on modular, open architecture principles, suitable for a variety of aerodrome operational needs



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



Developed in partnership with Estonian Air Navigation Services



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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



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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

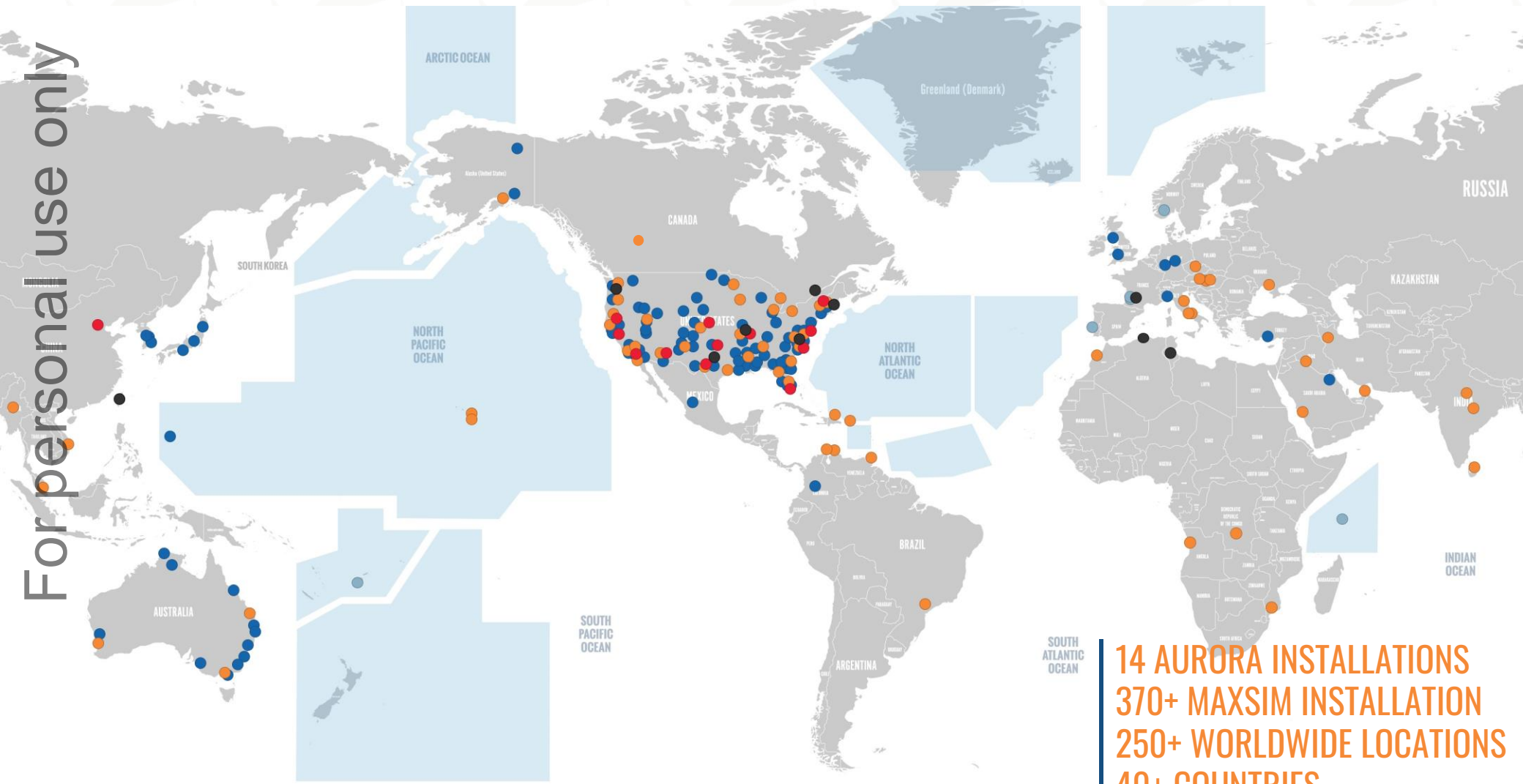
- Conceptualization, development, and implementation of customers' training programs
- Training new and seasoned air traffic control specialists
- Ongoing systems administration and maintenance
- Field Service Representatives – as needed – deployed at customer locations

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GLOBAL PRESENCE

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

OUR PARTNERS AND CUSTOMERS

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AIR NAVIGATION SERVICE PROVIDERS

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GOVERNMENT ORGANIZATIONS

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ATC EDUCATIONAL ORGANIZATIONS

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OTHER CUSTOMERS

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INDUSTRY PARTNERSHIPS OVER THE YEARS

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CORPORATE OVERVIEW

Appendix

ADA Price / Volume
July 1, 2023 - June 30, 2024 (FY2024)

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CAPITAL STRUCTURE

| | |
|--------------------------------|--------------------|
| Shares on issue | 76.2 million |
| Share price June 30, 2023 | AUD\$0.55 |
| Share price June 30, 2024 | AUD\$0.58 |
| Market Capitalization | AUD\$43.8 million |
| Net cash as of 30 June 2024 | USD\$(1.9) million |

MEET OUR TEAM

Senior Management



Daniel Verret
CEO & Interim CFO



Michael Saunders
Vice President
Business Development & Strategy



Neil Bowles
Vice President
Air Traffic Management

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



Sally McDow
Company Secretary

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