ADACEL

ANNUAL GENERAL MEETING

27 NOVEMBER 2024

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All references to dollars are to US Dollars unless otherwise stated.

CEO'S PRESENTATION TO SHAREHOLDERS

FY2024 RECAP

FY2024 HIGHLIGHTS

CONTRACT AWARDS

- Nav Portugal Runway Incursion contract award
- USAF Tower Simulator System contract re-award
- FAA Software and Support contract award
- FAA System Support and Technical Refresh contract continues

STRATEGIC NEW HIRES

- Neil Bowles joined Adacel in January 2024 as Vice President of Air Traffic Management (ATM).
- Mr. Bowles will provide executive leadership to our operational ATM technology Business Units and focus on driving growth and solidifies our position to take advantage of the global the Air Traffic Control equipment market.

OTHER IMPORTANT UPDATES

- Second REVAL virtual tower system goes operational at Kuressaare Airport
- Adacel customers, TCC and OU, become first schools signed to the FAA's Enhanced AT-CTI Program [1]

Note 1: The FAA's Enhanced Air Traffic Collegiate Training Initiative (AT-CTI) is a program designed to address the shortage of air traffic controllers by expediting the training and hiring process for graduates from participating institutions. This initiative allows students to bypass the traditional 16-week training at the FAA Academy in Oklahoma City and proceed directly to on-the-job training at FAA facilities, provided they meet specific requirements.

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

FY2024 UPDATES

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

UPDATE ON PIPELINE

MaxSim

- Signed over $100 million of contracts in the last 24 months.
- Further opportunities exist to continue to deliver growth to our flagship MaxSim product.

Aurora

- High potential 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

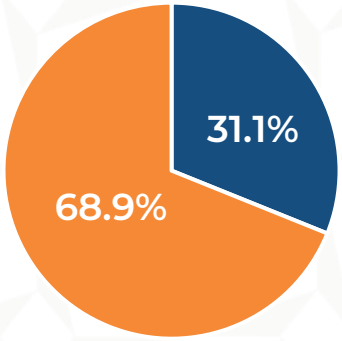
- Fastest growing pipeline.
- High potential Opportunities in excess of $20 million including with existing Aurora customers.

FY2024 - ADACEL KEY FIGURES - USD

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
PROFT (LOSS) AFTER TAX	**$(4.4) million**
NET CASH	**$(1.9) million**

TWO OPERATING SEGMENTS

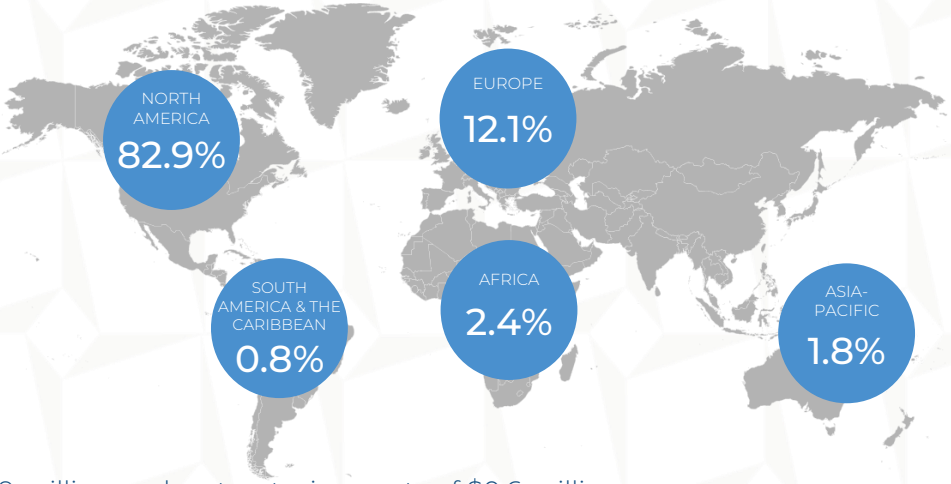
Breakdown of sales by operating segment



■ 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

LOOKING FORWARD – FY2025 & BEYOND

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.

VOLUNTARY DELISTING ANNOUNCEMENT

- On 23 October 2024, Adacel Technologies Limited (Adacel or the Company) announced that it has lodged a request with and received approval from the Australian Securities Exchange (ASX) to be removed from the official list of the ASX.

- Following a detailed review, the Board of Directors of Adacel has determined that the Company's removal from the Official List is in the best interest of Shareholders.

WHY IS ADACEL DELISITING?

- Limited Trading and Liquidity
- Management Time and Effort
- Cost Savings

WHAT IS THE TIMELINE FOR DELISTING?

The indicative timetable for the proposed delisting is set out below:

Delisting	Date
Despatch notice of annual general meeting	28 October 2024
General meeting and special resolution considered	27 November 2024
Trading in ADA securities suspended	6 January 2025
Delisting effective	8 January 2025[1]

[1] Note that the company proposes to continue trading for longer than the minimum 1-month period required by the ASX conditions in order to ensure that Shareholders will continue to have an opportunity to sell their shares on market until after the Christmas/New year holiday period.

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

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