



COMPANY ANNOUNCEMENT

Odense, March 9th, 2021

Company Announcement no. 23 - 09.03.2021

Danish Aerospace Company A/S issues Annual report for 2020

The Board of Directors of Danish Aerospace Company A/S (DAC) have today approved the audited annual report for 2020.

Key points from the 2020 Annual Report

- Revenue grew to DKK 22.1M.
- EBITDA amounts to DKK 3.0M.
- DAC's equity amounts to DKK 19.9M as of December 31st, 2020.
- DAC's work with the multi-functional exercise machine E4D for ESA and the FERGO-ergometer for NASA, is progressing as planned.
- DAC's contract on health-monitoring support of astronauts on ISS has been extended till the end of 2021.
- DAC has become part of the NORDIN 2020 Cohort project, to further explore the potential for wearables and space technology in India.
- The revenue and profit have to some extent been affected negatively by the COVID-19 pandemic, which caused delays in some projects with a subsequent shifting of revenue and profit from 2020 to 2021. No projects nor contracts have been lost during the pandemic.
- Despite the pandemic and its challenges, the DAC employees have kept a great working attitude and cadence in their work, so the projects have continued to move forward.

DAC realized earnings from operations before depreciations and amortization (EBITDA), of DKK 3.0M. Earnings before tax were DKK 0.5M. The Company's equity amounts to DKK 19.9M as of December 31st, 2020.

The company's revenue continued to grow and again in 2020 reached a new record level with DKK 22.1M in 2020. Both revenue and earnings have, to some extent, been affected by the COVID-19 pandemic, as previously reported in the 2019 Annual Report and the 2020 Interim Report. However, in the light of the COVID-19 impact, the Management finds it very satisfactory, that the company has not lost a single order during this period. The annual results, however, have been affected by delays due to the pandemic, which specifically have caused part of the revenue, approx. DKK 2.0M including earnings of DKK 1.0M to be pushed into 2021.



DAC has reached the profit level despite substantial investments in development of future products for space operations and other extreme environments in addition to staff increase in accordance with the business plan to be able to comply with the strategy.

In 2020, the European Space Agency (ESA) extended the company's MOSES-contract (Medical Operation Support & Engineering Services) through 2021, meanwhile adding several additional orders. The contract includes support for the regular health monitoring- and physiological tests, which are conducted on The International Space Station (ISS). The physical tests are completed on the company's CEVIS (Cycle Ergometer with Vibration Isolation and Stabilization System) and PPFS (Portable Pulmonary Function System) health monitoring equipment.

Development of FERGO space ergometers for Jacobs/NASA and of E4D for ESA, as well as other contract activities continued overall as planned, though with minor impacts due to delays at subcontractors related to COVID-19.

Sales promotion initiatives and business development activities have been affected significantly by COVID-19 throughout the year. All planned meetings and conferences post February 2020, both within the space industry and in commercial areas, have been either cancelled or postponed. This caused a decline in the company's business development activities. Despite this, DAC has still seen a solid increase of new contracts, contract extensions and additions to existing development- and service contracts.

DAC continues to see a growing interest for its new E4D multipurpose exercise equipment, which combines four types of exercise in one equipment, and have in this regard applied for and obtained four patents. This growing interest can potentially, over time, result in new contracts, with both private commercial space companies and/or national space agencies.

In the late spring, DAC became part of the NODIN 2020 Cohort project to further explore the opportunities for future collaborations within wearables- and space technology in India. This work is still ongoing and has paved the way for new opportunities, which DAC is exploring further.

Again, this year, the company passed the regular audit of the company's AS/EN9100 standard, rev. D quality control system by Bureau Veritas and are thus still one of the very few space companies in Denmark with this certification.

Despite the pandemic and its challenges, the DAC employees have kept a great working attitude and cadence in their work, so the projects have continued to move forward.



Expectations for the 2021 fiscal year.

DAC expects higher revenue and operating profit in 2021. The company is working determinedly with new internal development projects for promising areas within private space travel and the commercial market for extreme environments. The COVID-19 pandemic is expected to continue to affect the progress in 2021, primarily due to delays within certain activities.

DAC's expectations for 2021 are:

- Revenue of DKK 22-25M; and
- positive EBITDA of DKK 3-5M.

DAC's annual General Assembly will take place on April 12th, 2021. DAC expect to publish its interim report for 2021 on August 24th, 2021.

Attached file: DAC Annual Report 2020. (Colour version)

The final annual report for 2020 will be available on the company's website by April 12th, 2021 via the link below:

[Annual Reports - Danish Aerospace Company](#)

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Danish Aerospace

C O M P A N Y



About Danish Aerospace Company A/S:

Danish Aerospace Company is a high-tech company operating in the area of advanced medical instrumentation and other engineering fields primarily within space applications. Our products are based on many years of specialized research and development. These consist of developing, integrating, and applying new as well as established medical technologies to the challenges of functioning and remaining reliable in space. These products and services bring the potential of space research and experience from space operations down to Earth for the benefit of all Mankind.

Danish Aerospace Company employs engineers and technicians who deliver full engineering, production and technical services for our customers. We have specialized in customer specific design, development, manufacturing, certification, maintenance, testing, and operations.

The company has developed five generations respiratory equipment for spaceflight, bicycle ergometers for astronauts, countermeasures, adapted several commercial medical equipment for spaceflight and has participated in the development of the minus eighty degree celsius freezers.

The Company's quality system is certified in obligation to BS EN ISO 9001:2015, BS EN 9100:2018 technical equivalent to AS9100D that is the acknowledged standard in the area.

Note: *This is a translation of the corresponding Company Announcement in Danish. In case of discrepancies between the Danish wording and the English translation, the Danish wording prevails.*