

Danish Aerospace

C O M P A N Y



Nasdaq First North Growth Market

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Company Announcement

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Danish Aerospace Company A/S Annual Report for 2019

The Board of Directors for Danish Aerospace Company A/S (DAC) has today approved the audited Annual Report for 2019.

Key points from the 2019 Annual Report

- Revenue grew to a new record level of DKK 21,9 mio. while profit before (EBITDA) was DKK 4.1 mio.
- NASA and ESAs "Exploration Exercise Device Downselect" (EEDD) panel has evaluated Danish Aerospace Company A/S's E4D- exercise equipment and unanimously recommended it for future manned space travels for the Moon and beyond.
- DAC signed in 2019 a large new contract with Jacobs Technology, USA, regarding sales of the new FERGO- space ergometers to NASA.
- DAC signed together with Ohmatex and Copenhagen University, a contract with ESA to develop a new muscle monitoring system for astronauts.
- ESA extended DACs contract on a breadboard model of a semi-closed loop water recycling system for space applications.
- The Company was listed on Nasdaq First North Growth Market in Copenhagen with first trading day on May 27th, 2019

The Company's revenue continued to grow and reached a record level of DKK 21.9 million in 2019. Both revenue and earnings are satisfactory and as announced to the market in connection with the IPO. DAC realised earnings from operations before depreciation and amortisation (EBITDA) of DKK 4.1 million. Earnings before tax were DKK 1.7 million. The Company's equity amount increased to DKK 19.3 million.

These good results were achieved alongside considerable cost-intensive initiatives such as employment of additional staff in compliance with our business plan to follow up on the announced strategy, investments in developing future products for space operations and other extreme environments as well as operation of the wholly-owned subsidiary Danish Aerospace Company – North America, Inc. in Houston, Texas, USA.

During 2019, DAC left a significant footprint in the market of exercise equipment for manned space spaceflight and established itself as the leader. In 2019, the Company signed its largest commercial contract outside Europe in recent years through the sale of FERGO space ergometers to the American company Jacobs and the National Aeronautics and Space Administration (NASA). Furthermore, the "Exploration Exercise Device Downselect" panel, with representatives from both NASA and the European Space Agency (ESA), compared DAC's new big initiative, the E4D exercise equipment, with a competing American equipment. The panel concluded and unanimously recommended E4D for future manned spaceflights to the Moon and for flights further out into space.

DAC also signed a contract with Ohmatex on development of a non-invasive muscle-monitoring system (GAIN – Garments for Advanced INsights) for use in space. DAC is a subcontractor and will be responsible for the safety and space qualification of the equipment which will be tested on the International Space Station (ISS) by the European Space Agency (ESA) presumably in 2021.

ESA also expanded and extended the contract with DAC and its joint-venture partner Aquaporin Space Alliance ApS on the development of a prototype for a new water purification system for space application. This work could lead to a new type of water purification system that may in future be tested at ISS and possibly be used afterwards on manned spaceflights to the Moon and Mars. Furthermore, DAC initiated a new large development project in a promising area within space and the commercial market of extreme environments.

Finally, DAC continued its support of the fitness measurements and health monitoring on ISS using its equipment under contract with the ESA. These regular health monitoring of astronauts on the space station are supported directly from the Company's control room in Odense. In addition, DAC had a satisfactory level of other new contract wins, extensions and add-ons to existing development and service contracts.

CEO, Thomas A. E. Andersen:

"2019 has been a very successful year for the Company. Not only DAC became a listed company, but we also signed the Company's largest commercial contract outside Europe, and at the same time, our combined exercise device E4D was recommended as the leading exercise equipment for Manned Space flights to the Moon and beyond by ESA and NASA's panel. All of this will form the basis for an exciting 2020 for Danish Aerospace Company A/S."

Expectations for 2020:

In 2020 Danish Aerospace Company A/S expects:

- A revenue of approx. DKK 23-27 million; and
- A positive operating profit (EBITDA) of approx. DKK 4.0-6.0 million.

There is currently a lower transparency than usual due to uncertainty about the consequences of COVID-19, but the Company is constantly monitoring the situation.

DAC does not expect the announced expectations will be affected to a larger degree by the COVID-19 situation. There may be delays in new orders and shifts in deliveries of existing orders due to challenges with delivery of components and materials, whereas direct cancellation of orders is considered very unlikely.

Danish Aerospace Company A/S Annual General Assembly will take place on April 20th, 2020. DAC expect to publish its interim 2020 Report on August 28th, 2020.

Attached file: DAC Annual Report 2019.

The complete audited Annual 2019 report is available on the company's website:
<https://www.danishaerospace.com/investor-relations>

For further information:

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Om Danish Aerospace Company A/S:

Danish Aerospace Company (DAC) 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 Companys quality system is certified in obligation to BS EN ISO 9001:2015, BS EN 9100:2018 technically equivalent to AS9100D that are 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.