

26 June 2020

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

**Windar Photonics plc**  
("Windar" or the "Company")

### **Trading Update and Extension for Reporting 2019 Financial Results**

Windar Photonics plc (AIM:WPHO), the technology group that has developed a cost efficient and innovative LiDAR wind sensor for use on electricity generating wind turbines, announces an unaudited trading update for the year ended 31 December 2019 ("FY19") and also for 2020 year to date. In addition, the Company has been granted a three month extension by Companies House for the reporting and filing of its financial results for FY19.

#### **2019 trading update**

- Revenue €1.2 million (2018: €3.5 million)
- Operating costs (ex. depreciation, amortisation and warrant costs) of €2.5 million (2018: €2.2 million)
- EBITDA loss of €1.9 million (2018: loss €0.4 million)
- Net cash of €1.4 million including restricted cash holdings\* of €0.4 million (2018: €2.2 million and €0.5 million, respectively)
- Trade receivables at 31 December 2019 of €0.5 million (2018: €0.6 million)
- Order backlog at the end of 2019 for deliveries in 2020 totalled €0.1 million (2018: €1.0 million)

Further to the Company's trading update on 8 November 2019, trading conditions remained challenging for the rest of FY19 with the conversion of the sales pipeline into confirmed orders being slow. At the same time, the Company experienced a slowdown in development of mainly Chinese projects. As with previous years, the OEM market remained sluggish in 2019 and agreeing test schedules with them was often drawn out. In addition, the Company's distribution agreement with Vestas had a very slow start.

Trade receivables as at 31 December 2019 were €0.5 million (2018: €0.6 million) of which €0.4 million were more than 6 months old (2018: €0.4 months). Whilst most of these overdue balances are with large and reputable clients, it is possible that some of these will need to be impaired, in whole or in part. The Company is actively seeking payment of these receivables and will provide a further update in its FY19 final results.

\* Restricted cash balances relate to transactions entered into between the Group and external financial parties.

#### **2020 trading update and COVID-19 update**

The Company has remained in operation during the COVID-19 pandemic with those able working from home and those required in the facility, including manufacturing personnel, doing so under government guidelines. The safety of our colleagues has been foremost during this time and we have taken prudent actions to provide a safe work environment. The Company has undertaken cost reductions to maximise its cash position, but has not sought any government grants or funding, and no staff have been furloughed.

Given the Company's concentration of contracts for projects in China and with Chinese clients generally, there has been a slowdown in delivery of LiDAR and other equipment compared with internal budgets, principally due to the global slowdown resulting from the COVID-19 pandemic. Despite this, the Company has obtained orders in 2020 to date for more than €1.7 million for delivery in 2020.

The current order backlog and sales pipeline for the rest of 2020 and 2021 are stronger than as at 31 December 2019. In addition, 2020 is seeing, for the first time in the Company's history, sustained progress from the OEM market with order intake for OEM sales being larger than the retrofit market, and at the same time, improved progress with Vestas on retrofit projects.

However, given the inherent uncertainties surrounding COVID-19, the Board continues to believe it is inappropriate to provide forward looking guidance to investors and analysts at the current time.

Further information will be provided in the final results for FY19 which are expected to be released in early September 2020.

**For further information:**

<b>Windar Photonics plc</b>	Martin Rambusch, General Manager	+45 21689476
<b>Cantor Fitzgerald Europe</b> <i>Nominated Adviser and Broker</i>	David Foreman	+44 (0)20 7894 7000

**About Windar:**

Windar Photonics is a technology group that develops cost-efficient and innovative Light Detection and Ranging ("LiDAR") optimisation systems for use on electricity generating wind turbines. LiDAR wind sensors in general are designed to remotely measure wind speed and direction.

<http://investor.windarphotonics.com>