

# GLOBALX<sup>®</sup>



**Q2 Investor Update**

August 9<sup>th</sup>, 2023

**NEO:JET | NEO:JET.B | OTCQB:JETMF**

# AGENDA

1. AXAR FINANCING
2. Q2 COMMENTARY
3. Q2 2023 FINANCIAL RESULTS
4. 2023 OUTLOOK
5. FLEET UPDATE
6. CARGO
7. INVESTOR UPDATE



# AXAR FINANCING

ALL \$USD

- Company needed capital to achieve its goals
- Did not want to sell equity at current valuations and take a large amount of dilution
- Wanted to find a partner which understands the business and was willing to provide the capital needed to grow
- Current market conditions for all micro cap companies are very challenging
- Axar is a knowledgeable partner which will help us achieve our very aggressive growth targets

## Key Deal Terms:

- \$35M loan, repayable in 6 years with the ability to repay in as few as 2 years
- 15% interest rate, 1.75% OID
- 10 Million warrants priced at \$1
- Semi annual interest payments



# Q2 HIGHLIGHTS

- Signed LOIs for 2 A320 passenger aircraft and 2 A321 freighters
- Recruited hired and trained 35 pilots, with an additional 22 in training which started in the quarter and 36 flight attendants
- Received our United Kingdom (UK) TCO
- Flew 250 block hours under a wet lease to Wizz, one of the leading ULCCs in Europe
- Started flying a wet lease contract with Lynx Air in Canada



# GLOBALX ARRIVALS | COUNTRIES | CITIES

INTERNATIONAL FLIGHTS FLOWN SINCE AUGUST 1, 2022



ARRIVALS  
2500



COUNTRIES  
51



CITIES  
116



# Q2 2023 RESULTS

Revenue of \$31.5M  
 Actual EBITDA of (\$6.3M)  
 Adjusted EBITDA of (\$1.5M)\*  
 Actual EBITDAR of \$498k\*  
 Adjusted EBITDAR of \$5.2M\*

## Root Causes

- 5.1 Aircraft months lost to maintenance and deliver delays
- Freighter delivery delays -
  - Second freighter delayed to June 20<sup>th</sup>
- Accelerated crew training required for summer
- Zero ICE work
- Gain on sale from parts program below budget

## EBITDAR Earnings Before Interest, Taxes, Depreciation, Amortization and Rent

Key metric in aviation to properly compare airlines who purchase aircraft vs lease aircraft

## EBITDA IMPACT

\$1.3M impact  
 \$1.5M impact  
  
 \$4.2M impact  
 \$1M impact  
\$300k impact  
**\$8.3m Total Impact**

\*\* Adjusted for \$607k in share based compensation, \$4.2M for pilot training in excess of current requirements



# Q2 2023 RESULTS – Improving Margins

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
<b>Operating Revenue</b>	\$ 31,475,076	\$ 17,441,980	\$ 63,625,630	\$ 33,821,992
<b>Operating Expenses</b>				
Salaries, Wages, & Benefits	12,139,961	7,251,870	23,307,554	13,116,732
Aircraft Fuel	6,087,480	4,387,135	14,036,442	7,637,689
Maintenance, materials and repairs	1,766,857	964,352	2,859,904	2,155,175
Depreciation and amortization	443,016	79,898	886,155	103,212
Contracted ground and aviation services	5,201,126	3,087,023	9,994,254	6,037,266
Travel	1,346,980	830,208	3,600,813	2,125,530
Insurance	1,054,425	909,181	2,370,117	1,766,450
Aircraft Rent	6,830,359	3,834,230	12,474,387	7,193,904
Other	3,381,335	2,629,323	6,402,458	4,980,561
Total Operating Expenses	38,251,540	23,973,220	75,932,083	45,116,519
Operating Loss	(6,776,463)	(6,531,240)	(12,306,453)	(11,294,527)
<b>Non-Operating Expenses</b>				
Interest Expense	694,560	234,417	1,236,275	250,631
Total Non-Operating Expenses	694,560	234,417	1,236,275	250,631
Loss before income taxes	(7,471,023)	(6,765,657)	(13,542,728)	(11,545,158)
Income tax expense	—	—	—	—
<b>Net Loss</b>	(7,471,023)	(6,765,657)	(13,542,728)	(11,545,158)
<b>Loss per share:</b>				
Basic	\$ (0.13)	\$ (0.13)	\$ (0.24)	\$ (0.22)
Diluted	\$ (0.13)	\$ (0.13)	\$ (0.24)	\$ (0.22)
<b>Weighted average number of shares outstanding</b>	<u>56,857,629</u>	<u>51,505,095</u>	<u>55,680,815</u>	<u>51,373,939</u>
<b>Fully diluted shares outstanding</b>	<u>56,857,629</u>	<u>51,505,095</u>	<u>55,680,815</u>	<u>51,373,939</u>

	Three Months Ended June 30,		Inc/(Dec)
	2023	2022	
<b>Operating Fleet</b>			
A320	8.0	5.3	2.7
A321	2.7	1.0	1.7
<b>Total Operating Average Aircraft Equivalents</b>	10.7	6.3	4.4
Net Aircraft Available	7.8	5.9	2.0
Total Block Hours	3,585	2,108	1,477
Average Utilization per available aircraft	457.9	358.5	99.4

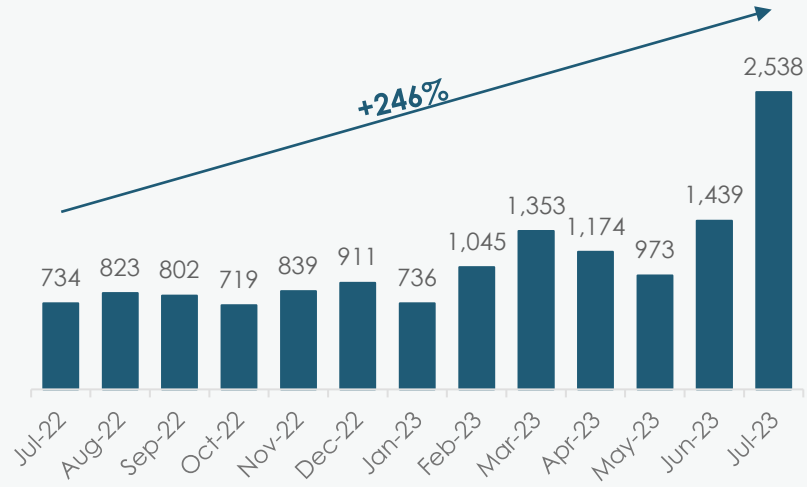
## Key Takeaways: Q2 2023 vs Q2 2022

Revenue grew 80%  
Costs only increased 59%

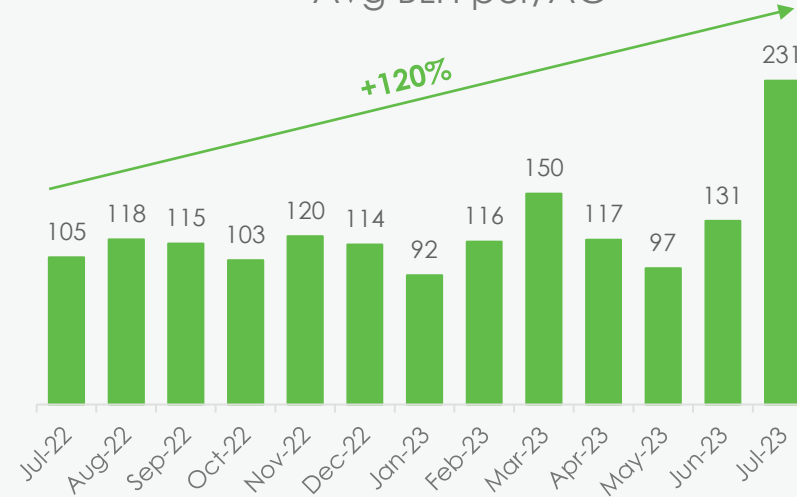
Available aircraft grew 33%  
Block hours increased 70%

# Q3 HAS STARTED STRONG

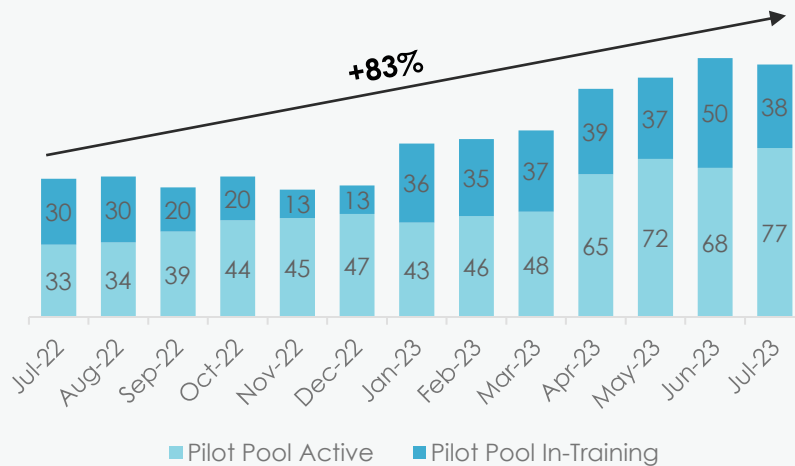
Total BLH per/Month



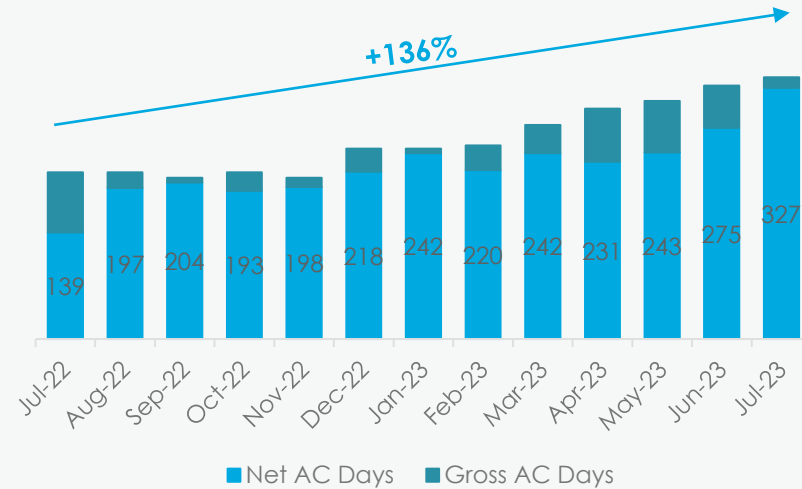
Avg BLH per/AC



Pilot Pool



Net AC Days per/Month





# OUTLOOK 2023

- Increasing 2023 revenue forecast \$150+ Million with over 75% contracted
- Over \$50m in identified targets/outstanding quotes for August - December
- 13,629 hours contracted for 2023 to date with the potential to contract up to 7,000 additional hours depending on aircraft delivery dates
  - This compares to 10,615 total hours contracted in 2022
- 2023 fleet size target @ year end
  - Passenger – 12 aircraft
  - Cargo – 6 aircraft



GLOBALX



**N285GX**

**READY TO BE DELIVERED**

# AIRCRAFT DELIVERY PLAN

## Base Plan

1. N837VA - A320P - #9 – Delivered
2. N411GX - A321F - #2 – Delivered

## Current Plan

1. N285GX - A319P - #10 – August
2. N412GX - A321F - #3 – late Q3
3. N288GX – A320P - #11 – Q4
4. N453GX – A321F - #4 – Q4
5. N454GX – A321F - #5 – Q4
6. N436GX – A321F - #6 – Q4
7. N289GX – A320 - #12 – Q4



# CARGO

- Two freighters are operating today and are fully sold

We are developing distinct business lines for the A321 Freighter:

	<u># of Aircraft</u>
US Government	- 2
Miami - Caribbean	- 1
Miami - Central America	- 1
Ascent Automotive/Manufacturing	- 1
Latin America - Colombia AOC	- 1
Spare/additional capacity for all business lines	- 1
Total:	7

All A321 Freighter deliveries in 2023 have been allocated to business lines/customers



# UPLISTING

## NEO:JET | NEO: JET.B | OTCQB:JETMF

- With the Axar financing there is no pressing need to raise capital
- We have the option to determine when the best time to uplist based on market conditions, share price and financial performance
- CEO/CFO investing time marketing several institutional investors to garner interest in the company in anticipation on an uplisting

## CAP TABLE

COMMON	38,875,739
CLASS A	5,537,313
CLASS B	13,046,309

Apr 28, 2021 Equity Financing	7,537,313	1.50	29-Apr-26
Mar 28, 2022 Debenture Financing	4,838,707	1.24	28-Mar-24
August 2, 2022 Note Offering	10,000,000	1.00	30-Jun-30

Total Options	470,668
Total RSUs	5,199,589
Total Outstanding Shares	57,459,361
Fully Diluted	85,505,638