

LETTER TO SHAREHOLDERS Q2 2022



We are pleased to present our Q2 2022 results, which show that our business is returning to some sort of normal. Revenue was strong at \$4.9 million, and likely would have been even stronger without hardware shipment delays resulting from short-term supply chain issues at quarter end. Shipments of modems and associated licenses in the first week of Q3 which were originally scheduled for Q2 amounted to another \$900k in licensing revenue and likely would have pushed revenue closer to record territory. This does though mean that we have a great start on Q3 revenues.

This is also the first quarter that includes full CrossConsense financial results. We are seeing the integration of the teams, products and customers going smoothly with strong synergies being uncovered. We are engaged in trials with existing customers and we are looking for more opportunities in the fall of 2022 as our customers struggle their way out of this pandemic induced chaos that is air travel.

The AFIRS Edge has become FLYHT's biggest opportunity in 20 years. We have received the first manufactured AFIRS Edge units from our supplier and they are currently undergoing the final testing and certification steps. Development on the A320 and B737 Supplemental Type Certificates (STC's) is well underway. The most exciting and rewarding time in the two years since my return was in late June when the team of hardware, software, ground software, product owners and sales staff spent three days huddled in the office with a manufactured Edge 1.0, an MBS setup, iPad, PC and power supply. The team trained staff on the functions of the end-to-end products for WQAR and Remote Avionics Data loading from source, to Edge, to ground and certified for use. We then packaged up the units and delivered them to Japan and Indonesia for demonstrations to 15 airlines. It is a strong testament to our team that in two short years, we have built hardware, software, infrastructure and partnerships with third parties that we feel will solve the problems faced by the demise of 2G and 3G networks with robust multi-function 3G, 4G and 5G compatible solutions for an estimated 15,000 aircraft around the world. We are hopeful that developments this coming quarter will give investors confidence that the two years of COVID disruption have allowed our team the ability to create a fantastic and timely solution that the industry will readily adapt.

The easing of travel and work restrictions is clearly benefiting our business. It's also allowing us to get back in front of customers and investors. The first events we attended in March were exciting as we announced the Edge and MBS partnership. The June trip to the far East was very rewarding and provided validation that we have built a solution the industry needs. We are working with staff to get our operations back in the office while following protocols to make sure we are actively avoiding the COVID situation.

We continue to aggressively market our story through both virtual and in-person investor conferences which we will continue until the change and opportunity is recognized by all.

We believe we are on track to have a very solid year in 2022.

Yours Truly,

A handwritten signature in blue ink, appearing to read "W. Tempny".

William T. Tempny
Interim Chief Executive Officer