Flyr

Investor presentation

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Risk factors

Investing in the Company's shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Presentation. The risks and uncertainties described in this Presentation are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the shares. An investment in the Company's shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Company and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the shares that could result in a loss of all or part of any investment in the shares. The risks and uncertainties described below are not the only risks the Company may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The Covid-19 pandemic may adversely affect the likeliness and/or materiality of the risk factors presented herein, and could also impose additional risks that have not yet been identified by the Company or considered as material risks at the date of this Presentation.

The order in which risks are presented below does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's business, financial condition, results of operations, cash flows and/or prospects. The information in this risk factor section is as of the date of this Presentation.

RISKS RELATING TO THE COMPANY'S BUSINESS AND THE INDUSTRY AND MARKET IN WHICH THE COMPANY OPERATES

The Company is newly established with no operating history and commencement of operating activities is dependent on numerous factors, including obtaining sufficient funding and necessary regulatory approvals for air traffic operations

In order to commence air traffic activities, the Company is dependent on obtaining an air operating certificate ("**AOC**") from the Civil Aviation Authority of Norway (the "**NCAA**"). The Company submitted an AOC application to the NCAA on 28 October 2020. In order to receive the AOC, the Company must comply with stringent requirements for procedures, routines and documentation describing how all elements of its air traffic operations are handled (e.g. technical and safety procedures both in air and on the ground). The Company is dependent on hiring qualified personnel to serve as nominated post holders of the different parts of the Company's operations, who must demonstrate its knowledge with the Company's procedures and be approved by the NCCA. There are no guarantees that the Company will fulfil all of these requirements and obtain the AOC in order to commence activities within the contemplated timeline of starting flights within the first half of 2021, or that an AOC is obtained at all.

Risk factors (cont'd)

In addition to the AOC, the Company must obtain an operating license for transportation of passengers in commercial air traffic from the NCAA. To achieve this, the Company must demonstrate to the NCAA that it can meet its actual and potential obligations for a period of 24 months from the start of operations, as well as demonstrating that it has available funds to pay fixed and operational costs for a period of three months from the start of operations. As the Company is newly established and has no income from operations, it is dependent on raising sufficient funding to fulfil such financial conditions.

In addition to regulatory approvals, the Company is dependent on executing agreements with all relevant airports for its desired routes from and to such sites.

If the Company does not receive an AOC, raises sufficient funding, obtains an operating license for air traffic, or is not able to execute commercially viable agreements with airports for its contemplated air routes, the Company will not be able to start operating activities, and, thus, start generating revenue. There is no guarantee that the Company will be able to have all approvals and agreements in place to start flying during the summer of 2021, or at all.

The Company's financial ambitions and aspirations does not provide any indication of actual future financial performance and the Company's results after commencing operating activities may be completely different than its ambitions

This Presentation includes certain of the Company's financial ambitions and funding aspirations, which are associated with substantial uncertainty. The Company's ambitions and aspirations does not reflect any forecast by the Company of expected financial performance and investors cannot rely on such figures for any indication whatsoever of future results applicable for the Company. The actual activities and financial performance of the Company in the future is subject to numerous risk factors, including those stipulated in this Presentation, but also other circumstances outside the Company's control.

The outbreak of the Covid-19 pandemic has had a dramatic impact on the airline industry and may continue to have negative impacts in the future

The outbreak of the Covid-19 virus was recognized as a pandemic by the World Health Organization in March 2020. The airline industry was, and still is, severely impacted the by extraordinary health measures and restrictions imposed by authorities in Norway and across the world to combat this pandemic. Airlines has since March 2020 reported major losses. A recent report from the UN's air transportation agency confirms that there was a dramatic fall in international passenger traffic due to the Covid-19 pandemic, with a 60% decline over 2020[1]. Norway's largest, state-owned operator of airports, Avinor, reported a decline of 63% in passenger traffic in 2020 compared to 2019[2]. As Covid-19 related restrictions to a great extent are still being enforced worldwide, the airline industry is also expected to continue to be significantly affected by the Covid-19 pandemic in the short term.

It is impossible to predict how long the Covid-19 pandemic will last. Thus, there is great uncertainty related to when current travelling restrictions and recommendations will be abolished and the demand for commercial flight travels will return to a pre-Covid-19 level. Consequently, no assurances can be given that there will be a demand or available market for the Company's flights if and when these are offered in the summer of 2021.

Sources: (1) https://www.icao.int/Newsroom/Pages/2020-passenger-totals-drop-60-percent-as-COVID19-assault-on-international-mobility-continues.aspx
(2) https://kommunikasjon.ntb.no/pressemelding/avinor-lost-6-out-of-10-passengers-in-2020?publisherId=17507039&releaseId=17898939

Risk factors (cont'd)

Even if Covid-19 related restrictions are gradually lifted going forward, outbreaks of new mutations of Covid-19 or new pandemics may entail reinforcement of restrictions causing a new negative hit to the commercial travel and airline industry. For example, at the end of December 2020, the British government announced that a new, mutant variation of the Covid-19 virus was spreading throughout parts of the United Kingdom. In January 2021, an outbreak of this British mutation of the virus was discovered in Nordre Follo, Norway, and the Norwegian government reinforced restrictions causing a new "lockdown" of Norway's capital, Oslo, as well as numerous other municipalities in the eastern part of Norway. Accordingly, even if commercial air traffic activity speed up during the course of 2021, restrictions may be reinforced from time to time with short notice, creating an unpredictable market for air travels, which may have a material negative impact on the Company's activities, income and results.

Airlines are subject to extensive and complex regulations, which can restrict, hinder or delay the Company's activities

The aviation industry is subject to extensive regulations and the Company's business is subject to a set of complex rules and regulations, both imposed in the EEA and in Norway. The regulatory regime includes safety and security standards such as requirements and procedures relating to, without limitation, certification and supervision, flight operations, weather conditions, aircraft performance and equipment, maintenance, flight crew, cabin crew and transportation of dangerous goods. Moreover, detailed EU regulations also implemented in the EEA relating to airport slot allocations, flight compensation requirements and air carrier liability will apply to the Company, as well as requirements relating to environmental approvals for aircrafts and reporting of emission levels.

Any changes to the regulatory environment in which the Company will operate can have a material adverse effect on the Company's estimated costs, marketing strategy, business model and its ability to expand, which may in turn have significant negative impact on the Company's activities, income (or potential of income), financial condition and results. Also, if the Company is not able to comply with the extensive and complex regulations to which it is subject, it faces risks of, inter alia, having its license for air traffic revoked and not being allowed to continue its business.

Demand for airline travel and the Company's business is subject to strong seasonal variations

Prior to the outbreak of the Covid-19 pandemic, the commercial airline industry has historically been subject to seasonal variations where demand normally increase from May to October and decrease from November to April. If the Company is not able to predict these variations correctly and plan its operations accordingly, the Company's flights may be subject to over- or under-capacity, which in turn may negatively affect the Company's business, financial condition, income or results. Moreover, it may also be difficult to predict the flying patterns and frequency of consumers after travelling and other restrictions imposed under the Covid-19 are abolished. If the demand for air travel does not increase at the rate anticipated by the Company after abolishment of current Covid-19 restrictions, this may have a material adverse effect on the Company's timeline for commencing activities and growth, which may in turn have a material impact on the Company's future income and financial condition.

Risk factors (cont'd)

The Company is also dependent on being able to predict and adapt to changes in customer behaviour and preferences. For example, there is an increasing trend of consumers booking travels nearer to the time of travel than what has traditionally been the case. This trend may be further intensified in the future due to the reduced visibility on travelling restrictions and self-quarantine requirements related to the Covid-19 pandemic. This change in booking behaviour might make seasonal planning and capacity adjustments more difficult for the Company, which in turn can have a material adverse impact on the Company's working capital. This risk is increased by the Company having high fixed costs, see descriptions of this risk factor below.

The Company is dependent on leasing or purchasing aircrafts on commercially viable terms

The Company intends to lease or purchase existing aircrafts for its flights, but there are no guarantees that aircrafts will be available for lease or purchase at the time needed. If the Company is not successful in acquiring a sufficient number of aircrafts at commercially viable terms at the right time, the Company may not be able to offer flights at its contemplated routes and destinations, which in turn can have a material adverse effect on the Company's potential for income and future prospects. Moreover, and on this background, the Company will be dependent on making forecasts of demand and capacity and plan leasing/purchase of aircrafts accordingly. If these assumptions and estimates prove to be incorrect, the Company faces risk of not utilizing the full capacity of aircrafts that are acquired by the Company, which can impact the Company's profit from operations.

The Company may experience capacity constraints at airports or an inability to acquire and maintain airport slots or overflight rights

As described above, the Company will be dependent on obtaining agreements with airports to commence flights. Air traffic is limited by the infrastructure of airports and the number of slots available for aircraft arrivals and departures. The Company is dependent on access to the right airports at the locations for its contemplated routes and there is no guarantee that the Company will be able to obtain access at a cost level or on other terms and conditions that is favourable to the Company, which may have a material adverse effect on the Company's earnings. Airports might also introduce new restrictions or limitations relating to, inter alia, operational hours, noise levels, use of runway or total numbers of daily departures, which may affect the Company's ability to offer services as such airports in the future or increase its flight activity.

The price and availability of over-flight rights, which allow airlines to fly over individual countries or territories, as well as the cost of traffic charges, such as arrival, departure and navigation charges, may significantly affect the Company's business. Decisions on slots, overflight rights and/or absence of such rights may affect the Company's ability to offer attractive and affordable routes, which may affect the customers' demand for the Company's services.

Risk factors (cont’d)

The Company's strategy is to gradually scale operations and it might experience difficulties in achieving and managing growth

As the Company's development and commercialization plans and strategies for its services continue to develop, it may need additional managerial, operational, sales, marketing, financial and other resources. The Company has also entered into several agreement with suppliers that will support the Company in its growth phase, and there is a risk that the co-operation with these suppliers may not succeed or proceed as planned. There can be no assurance that the Company will actually be successful in achieving and realizing its development and commercialization plans, and its contemplated upscaling of operations. The Company's business, results of operations and financial position and the development and commercialization of its services will depend, in part, on its ability to manage future growth effectively.

Risk relating to compliance with environmental requirements

There has generally been an increased focus and concern about climate change, greenhouse gas emissions and environmental matters during the last few years, both among governments across the world and the public at large, and there is a risk that environmental regulations as a general trend will increase in stringency. It is difficult to predict how and when any stricter environmental regulations will be imposed, however, any new requirements could impose limitations on the Company's operational flexibility, business model, growth strategy and impose new significant costs, which can have a material adverse impact on the Company's future prospects. Moreover, the Company may experience a reduced demand for its services if customers become more reluctant to travel by air because of the increased focus on the environmental impact of air travels.

The airline industry is exposed to extensive taxes and fees that can affect the demand

The airline industry is subject to numerous fees and charges, such as ticket and passenger taxes, aviation and licence fees, take-off charges, emission charges, noise charges, terminal navigation charges, which will comprise a substantial part of the Company's operating costs. Current airport fees may be increased for several reasons, e.g. due to new security measures. Airline tax and charges are normally imposed by national legislation and may regularly be subject to adjustments.

Any increase of existing, or introduction of new, airport or flight taxes and charges may imply increased costs for the Company. Even if the Company to some extent can pass new fees and taxes onto customers through ticket prices, increased prices may significantly impact the Company's competitiveness in the commercial air travel market as more established airlines may to a greater extent be able to bear the cost of new fees and taxes. Moreover, increased flight taxes and fees may in general reduce the demand for airline travel. Accordingly, any increase in taxes and fees may substantially affect the Company's income and/or results from operations.

Risk factors (cont'd)

The Company is vulnerable to small changes in demand due to high fixed costs for airline business

A significant part of the operating expenses of an airline are fixed costs that cannot be scaled against the number of tickets sold, number of passengers or flights flown. Such costs include aviation fees, taxes and charges as well as the cost of the aircraft and employees. Consequently, the Company's results from operations may be significantly affected by smaller negative deviations in demand as the Company often will not able to reduce costs accordingly. The Company may be particularly vulnerable to these factors as the Company is a start-up and has no operating history to look to when predicting demand. Furthermore, the Covid-19 pandemic and related restrictions can make predictions about trends in air travel during the coming years generally very uncertain.

The Company is subject to risk related to the volatility of global economic and social conditions

A number of macroeconomic factors impact the air travel industry and, thus, will affect the demand for the Company's services. For example, spending on leisure travel is discretionary and economic conditions in the Company's markets may be a significant driver for such demand. Adverse developments such as recession, increasing unemployment rates, or increases in interest rates, direct or indirect taxes, or the cost of living could reduce consumers' disposable income and therefore cause significant reduction in demand for travel as consumers reduce or eliminate their spending on travel. Both in Norway and globally, the Covid-19 pandemic has had serious adverse economic consequences, including declining economic growth and increased unemployment, which may in turn have negative impact on the demand for the Company' services.

There is also a risk that the Covid-19 pandemic has fundamentally changed parts of the travel industry that is detrimental for airlines. For example, the pandemic has forced in-person meetings to be held on virtual platforms, which may have evidenced a lesser need for business travels going forward.

The Company is exposed to volatile aviation fuel prices

One of the Company's most material costs will be jet fuel, and, thus the Company's financial performance can be materially affected by changes in the price and availability of fuel. Both the cost and availability of fuel are subject to economic and political factors beyond the Company's control. Any increase in fuel prices may have a material adverse impact on the Company's profitability.

The Company is exposed to the risk of significant losses from aviation accidents involving its operations, including plane crashes, and other disasters

After commencing operational activities, the Company will be exposed to potential significant losses if any of its aircrafts are lost or involved in accidents, terrorist attacks or other disasters. Such losses relates to passenger claims, repairs or replacement of a damaged aircraft and its temporary loss from services. There are no guarantees that the Company's insurances would be sufficient to cover such losses.

In addition, any accident may have a huge negative impact on the Company's reputation and the public perception of the safety and reliability of the Company's aircraft fleet, which in turn may cause air travellers to be reluctant to fly with the Company's aircrafts.

Risk factors (cont'd)

The Company is exposed to risk relating to data protection and data privacy regulations, licenses etc.

From such time as the Company will commence its operations, the Company will receive, store and process personal information and other customer data through its business. This makes the Company exposed to data protection and data privacy laws and regulations it must comply with, which all imposes stringent data protection requirements and provides high possible penalties for noncompliance, in particular relating to storing, sharing, use, processing, disclosure and protection of personal information and other user data on its platforms. The main regulations applicable for the Company are the General Data Protection Regulation (EU) 2016/679 ("**GDPR**") and the local law implementations of GDPR in the EU member states that the Group operates in, including the Norwegian Data Protection Act of 15 June 2018 no. 38.

The Company does not yet have in place necessary and required GDPR compliance, documentation and systems. Any failure to comply with data protection and data privacy policies, privacy-related obligations to customers or third parties, privacy-related legal obligations, or any compromise of security that results in an unauthorized release, transfer or use of personally identifiable information or other customer data, may result in governmental enforcement, actions, litigation or public statements against the Company. Any such failure could cause the users of the Company's services to lose trust in the Company. If third parties violate applicable laws or its policies, such violations may also put users of the Company's services at risk and could in turn have an adverse effect on the Company's business. Any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security or disclosure of users' personal data, or regarding the manner in which the express or implied consent of users for the collection, use, retention or disclosure of such personal data is obtained, could increase the Company's costs and require the Company to modify its services and features, possibly in a material manner, which the Company may be unable to complete and may limit its ability to store and process user data or develop new services and features.

The Company depends on protecting its proprietary intellectual property rights

The success of the Company's business depends to a certain extent on its ability to protect and enforce trademarks and other intellectual property rights. In this respect, it should be noted that the Company has applied for, but not yet been granted, protection of certain trademarks and there are no assurances that the Company will be successful in obtaining sufficient protection of these trademarks. Other than such trademarks subject to registration, the Company will mainly be dependent on protecting its intellectual property rights through provisions in its commercial contracts and through confidentiality undertakings, and there is no guarantee that the Company will be able to provide sufficient protection trough such agreements. The Company may also be required to spend significant resources to monitor and protect such rights its intellectual property rights.

Failure to protect the Company's intellectual property rights could lead to a competitive disadvantage and result in a material adverse effect on the Company's business, prospects, financial position and results of operations.

Risk factors (cont'd)

The Company expects to enter into collective labour agreements for its unionized work groups, and the terms of such collective labour agreements are currently unknown

The Company does currently not have employees organized in labour unions, but it expected that collective labour agreements covering pilots and cabin crew will be entered into within the first year of the Company's operations. The terms of such collective labour agreements are currently unknown, which is showcased by the airline industry's history of strong labour unions and difficult negotiations in respect of collective labour agreements, and there can be no assurance that the Company's future agreements with labour unions will be on terms consistent with the Company's expectations or comparable to agreements entered into by other airlines.

RISKS RELATING TO THE SHARES AND THE CONTEMPLATED ADMISSION TO TRADING ON EURONEXT GROWTH OSLO

The Company may or may not pay any dividend in the foreseeable future. Shareholders may never obtain a return on their investment or may lose their total investment

The Company is currently in a growth phase and is not in a position to pay any dividends. Moreover, there are no guarantees that the Company will be able to distribute dividends in the future or obtain a return on their investment. The payment of future dividends will depend on legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions as well as any restrictions that future financing or other contractual arrangements may place on the Company's ability to pay dividends.

The Company may need additional equity and new equity raises in the future may have a substantial dilutive effect

The Company may in the future decide to offer additional shares or other securities in connection with unanticipated liabilities or expenses, in order to finance new capital-intensive projects, to pursue its growth strategy or for any other purposes. The Company cannot predict what effect, if any, future issuances and sales of shares will have on the price of the shares. Furthermore, depending on the structure of any future offering, existing shareholders may not have the ability to subscribe for or purchase additional equity securities. If the Company raises additional funds by issuing additional equity securities, this may result in a significant dilution of the existing shareholders, including in relation to dividends, shareholding percentages and voting rights.

Exercise of independent subscription rights issued by the Company will have a dilutive effect on shareholdings (Further elaborated on slide 54)

The Company has issued independent subscription rights as further described on page 54 of the presentation giving right to subscribe for and have issued new shares in the Company. Any exercise of these warrants in the future will dilute existing shareholders' ownership in the Company.

Risk factors (cont’d)

The Company is subject to ownership restrictions for non-EEA nationals

The Company is subject to statutory rules requiring them to be more than 50% owned and be effectively controlled by shareholders who are EEA nationals. If non-EEA nationals were to obtain control over the Company, the Company will be at risk for having its license to carry out air traffic operations annulled or temporary revoked. Because of this, the Company's articles of association entitles the Company's board of directors to require shareholders that are non-EEA nationals to sell their shares to the extent this is necessary to ensure that the Company no longer violates the aforementioned provisions. As an alternative to requiring a shareholder to sell shares in the market, the Company can require that the shares are sold to the Company or that the Company redeems the shares by a reduction of the Company' share capital at a purchase price or redemption price (as applicable) set to the closing price of the shares on Euronext Growth Oslo as of the day prior the acquisition or redemption (as applicable) is taking place, deducted by 25%.

An active trading market for the Company' shares may not develop

Prior to the contemplated admission to trading on Euronext Growth Oslo, the Company's shares have not been traded on any stock exchange, other regulated market place or multilateral trading facility and, accordingly, there has been no prior public market for the Company's shares. There is no assurance that the Company's shares will be admitted to trading on Euronext Growth Oslo or, if admitted, that an active trading market for the shares will develop on Euronext Growth Oslo, nor sustain if an active trading market is developed. If an active public market does not develop or is not maintained, shareholders may have difficulty selling their shares.

Potential volatility of share prices

The Company cannot predict at what price the Company's shares will trade upon, if traded at all, if the shares are admitted to trading on Euronext Growth Oslo. In addition there can be no assurance that, if a market for the Company's shares is developed, such a market will be sustained at a certain price level.

An investment in the Company's shares involves risk of loss of capital, and securities markets in general have been volatile in the past. The trading volume and price of the Company's shares may fluctuate significantly in response to a number of factors, many of which are beyond the Company’s control, including the following: (i) actual or anticipated fluctuations in the Company’s quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company’s executive officers, directors and other key personnel; (v) sale of a significant number of the Company's (vi) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (vii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company’s industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Company's shares may decline even if the Company’s operating results, underlying asset values or prospects have not changed.

Risk factors (cont'd)

The Company will incur increased costs as a result of being a publicly traded company

If the Company's shares are admitted to trading on Euronext Growth Oslo, the Company will be required to comply with reporting and disclosure requirements applicable for companies admitted to trading on Euronext Growth Oslo. The Company will incur additional legal, accounting and other expenses to comply with these and other applicable rules and regulations, including hiring additional personnel. The Company anticipates that its incremental general and administrative expenses as a publicly traded company may include, among other things, costs associated with annual and interim reports to shareholders, shareholders' meetings, investor relations, director and officer liability insurance costs and officer and director compensation. Any such increased costs, individually or in the aggregate, could become significant. In addition, the Company's board of directors and management may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with shares listed on Euronext Growth Oslo, which may entail that less time and effort can be devoted to other aspects of the business.

Shareholders may not be able to exercise their voting rights for shares registered on a nominee account

Beneficial owners of the Company's shares that are registered on a nominee account or otherwise through a nominee arrangement (such as brokers, dealers or other third parties) may not be able to exercise voting rights and other shareholders rights as readily as shareholders whose shares are registered in their own names with the VPS prior to the Company's general meetings. The Company cannot guarantee that beneficial owners of shares will receive the notice for the Company's general meeting in time to instruct their nominees to either effect a re-registration of their shares in the manner described by such beneficial owners.

The transfer of shares is subject to restrictions under the securities laws of the United States and other jurisdictions

None of the Company's shares have been registered under the U.S. Securities Act of 1933 (as amended) (the "**U.S. Securities Act**") or any U.S. state securities laws or any other jurisdiction, and are not expected to be registered in the future. As such, the Company's shares may not be offered or sold except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act and other applicable securities laws. In addition, there is no assurance that shareholders residing or domiciled in the United States will be able to participate in future capital increases or right offerings.

Investors could become subject to certain foreign exchange risks when investing in the shares

If admitted to trading on Euronext Growth Oslo, the Company's shares will be priced and traded in NOK and any potential future payments of dividends on the shares will be denominated in NOK. Exchange rate movements of the NOK will therefore affect the value of any dividends paid and other distributions of unrestricted equity for investors whose principal or reference currency is not NOK. Further, the market price of the shares as expressed in foreign currencies will fluctuate in part as a result of foreign exchange fluctuations. This could affect the value of the shares and of any dividends paid on the shares for an investor whose principal currency is anything other than NOK.

Transaction terms and use of proceeds

Issuer	Flyr AS (org. nr: 925 566 004)
Pre-money market capitalization	NOK 150 million (based on 30,000,000 shares outstanding prior to completion of the Private Placement and the Offer Price of NOK 5 per share)
Current share capital	30,000,000 shares outstanding (each with a par value of NOK 0.002) following a share split (the "**Share Split**") pending registration in the Norwegian Register of Business Enterprises that has been resolved (the "**NRBE**"). In addition, 15 million independent subscription rights have been issued, cf. slide 54
Offering size	Up to 120,000,000 Offer Shares to raise gross proceeds of approximately NOK 600 million
Offering price	NOK 5 per Offer Share (the "**Offer Price**")
Use of proceeds	Fully finance the ramp-up and airline operation and for general corporate purposes
Listing	Flyr AS intends to apply for admission to trading of its shares (the **"Shares"**) on Euronext Growth Oslo, a multilateral trading facility (MTF) operated by Oslo Stock Exchange (the **"Listing"**), with expected first day of trading on or around 1 March 2021, subject to inter alia completion of the Private Placement and approval of the Listing application by Oslo Stock Exchange
Bookrunners	Arctic Securities AS, Carnegie AS and SpareBank 1 Markets AS (the **"Managers"**)
Pre-commitments	Cornerstone investors have, subject to certain customary terms and conditions, undertaken to subscribe for, and be allocated Offer Shares, for a total amount of NOK 165 million. Cornerstone investors include: i) Nordea Investment Management (NOK 60 million), ii) Tycoon Industrier AS, a company controlled by Øystein Spetalen (NOK 50 million), iii) Sissener AS (NOK 30 million) and iv) Apollo Asset Limited, a company controlled by Arne Fredly (NOK 25 million)

Note: Flyr AS will be subject to ownership restrictions for non-EEA nationals as described in the risk factors and Flyr AS will therefore implement certain powers for the Board of Directors to ensure compliance with the ownership restrictions

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A Norwegian based LCC

Modern, digital and efficient setup designed by industry experts

Targeting a concentrated, demand driven route offering in high-margin markets

Note: LCC = low cost carrier

01 Why a new airline in Norway?

Existing carriers designed for different market drivers and market environment

Existing carriers focused on and forced to scale down and restructure their balance sheets

Norwegian domestic market highly attractive for a local LCC targeting the right customer demand

02 Why now?

Domestic markets will open first, and Norway is among the strongest markets in Europe

The most profitable routes historically are the ones most likely to stay profitable

Grounded aircrafts and lay offs generates an abundance of aircraft, crew and competence

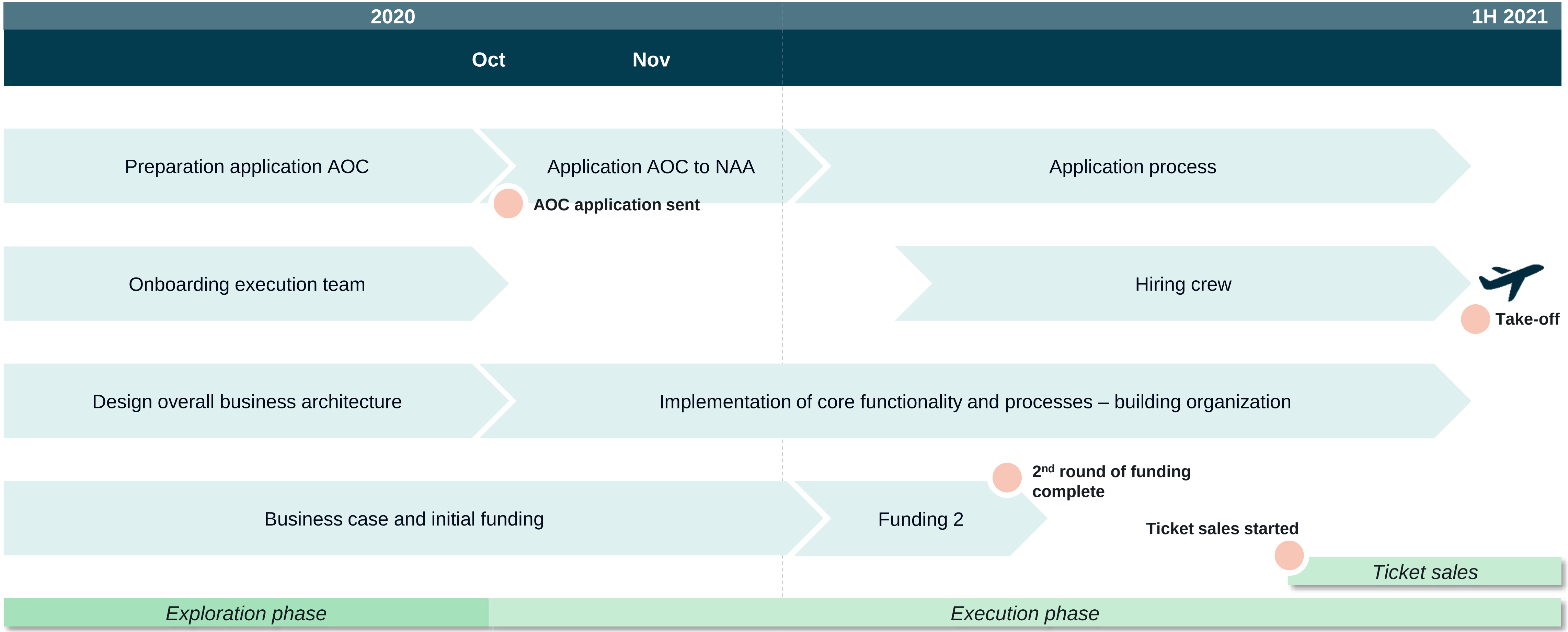
03 How to do it?

Secure best in class operational efficiency through simplicity, optimized resource utilization, and smart use of technology

Establish a lean and rightsized organization adapted for the new market environment

Create a demand driven business model, not being dependent on non-profitable, international growth

First take-off scheduled for summer of ‘21



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A modern and efficiency driven LCC that will renew the Norwegian airline industry

flyr

Start-up of operations in a recovering Norwegian domestic airline market that offers high profitability for a local LCC

Innovative and straight forward service offering, providing great customer experiences at competitive prices

Unique timing to secure modern equipment at historic low prices

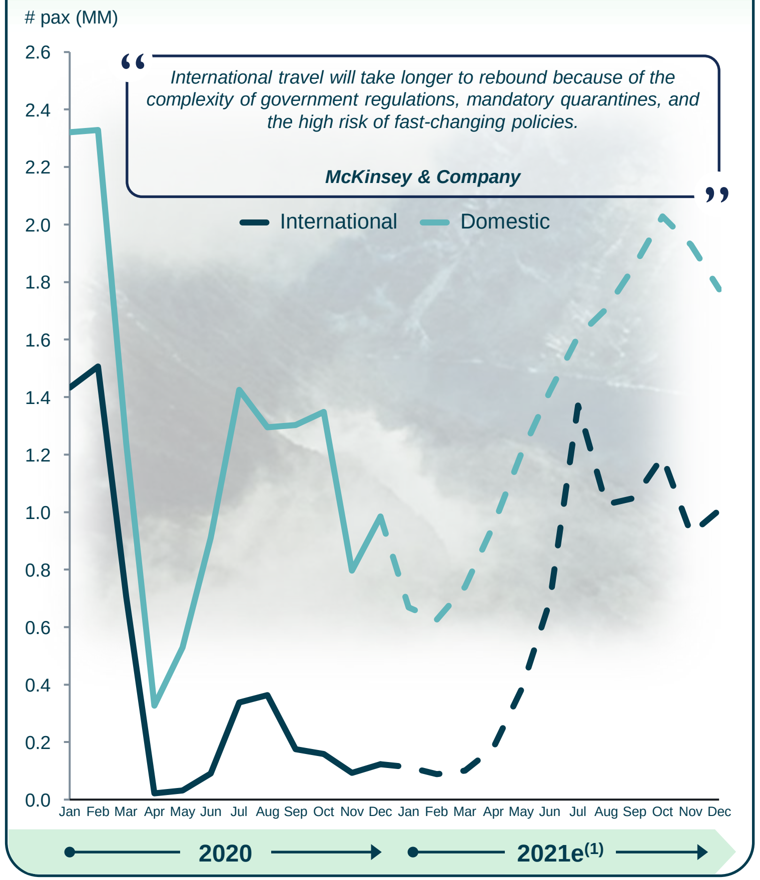
Transparent and solid capital structure with no legacy commitments

Automated platform coupled with a rightsized, lean and highly efficient organization containing no legacy issues

Committed and highly experienced management team and organization in place, backed by renowned industry players

Flyr's target market expected to be an early mover in a recovering airline market

1 Domestic flights leading the recovery in Norway



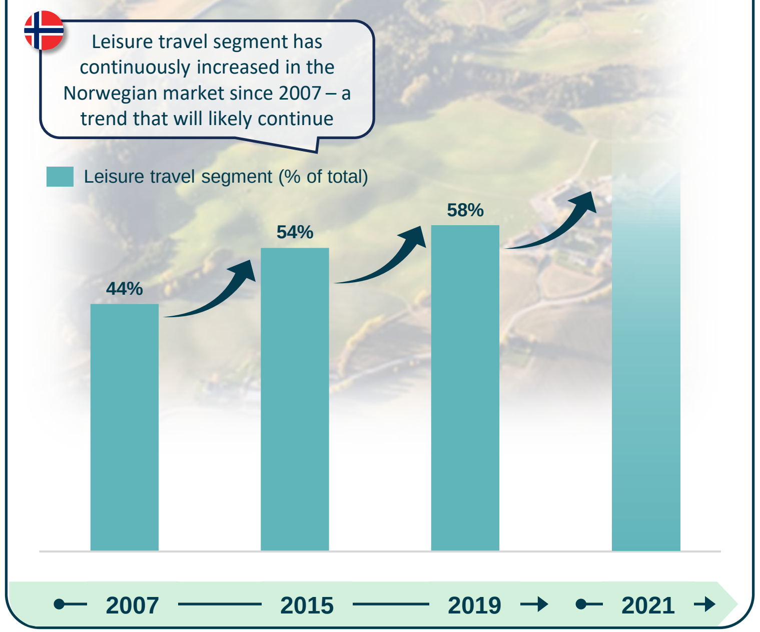
"International travel will take longer to rebound because of the complexity of government regulations, mandatory quarantines, and the high risk of fast-changing policies."

McKinsey & Company

2 Leisure bouncing back as business travel risk returning at a slower pace

"When the COVID-19 pandemic halted travel around the globe, business travellers had to pivot quickly from in-person meetings and events to virtual platforms… our research shows that the postcrisis return will take years and that business travel will return at a slower pace than leisure travel."

McKinsey & Company

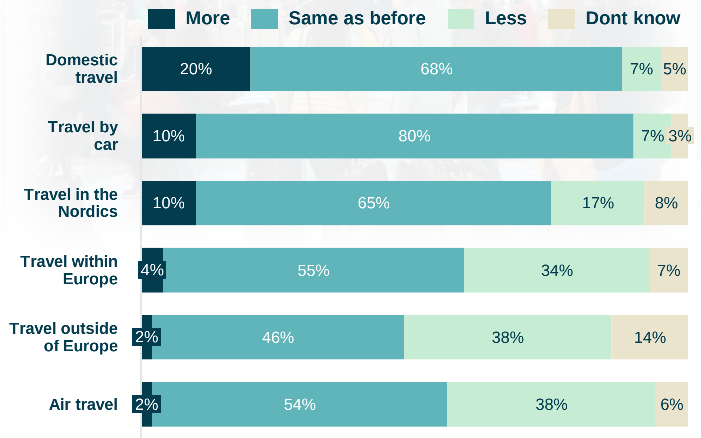


3 Passengers travel preference pivot to destinations closer to home

"20% believe they will travel more domestic after the COVID-19 pandemic than they did before the pandemic hit… more than 50% either wants to travel less or don't know when it comes to travelling outside of Europe."

Institute of Transport Economics

"Imagine a situation after the corona crisis; Do you think you will do more, less or as much of the following as you did before the crisis?"



Note: (1) Base case predictions for 2021; Sources: Institute of Transport Economics (TØI) *Trafikkprognoser Avinor 2023-2050* (2021); McKinsey & Company "For corporate travel, a long recovery ahead" (2020); Avinor *Reisevaner på fly 2019*

Solid fundamentals for a local LCC in the Norwegian airline market

Robust market dynamics

- Historically a stable market composition
- Relatively few competitors compared to larger parts of Europe

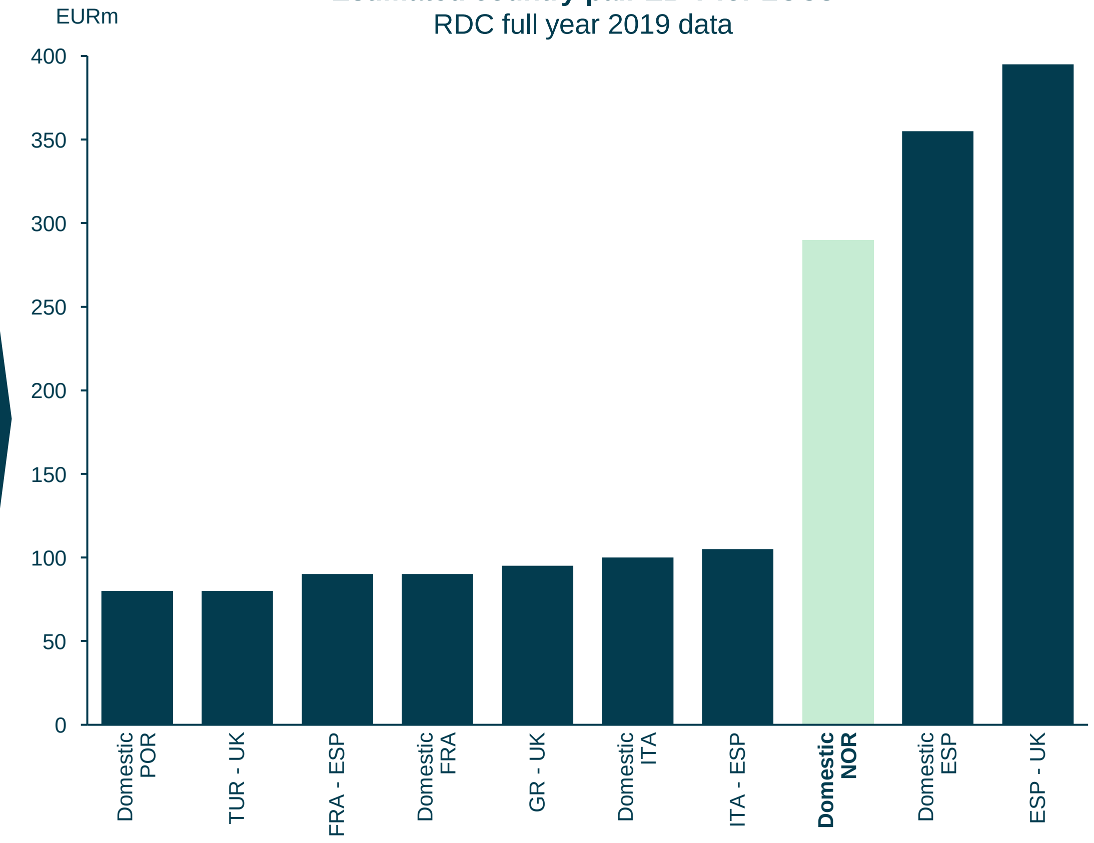
~10x
Pax / population

- Avinor welcomed ~54m passengers travelling to/from/via Norwegian airports in 2019, implying a total pax per population ration of ~10x
- Historically a large market with steady growth, mainly driven by an increase in leisure travel

- Norway is more dependent on air transportation than many other countries with few adequate alternatives to air travel
- Air travel will therefore always be an important part of infrastructure expected to return to pre-pandemic levels quite fast
- Market dynamic reflected in the domestic pax per population ratio[1] for Norway (3.0x) compared to Spain (0.9x), Italy (0.5x), Portugal (0.5x), and France (0.5x)

High profitability potential in the Norwegian domestic market

Estimated country-pair EBIT for LCCs
RDC full year 2019 data



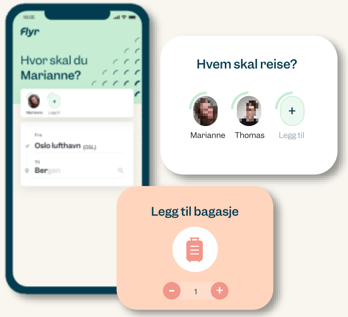
Note: (1) Domestic passengers (2019) | Sources: Avinor; Eurostat 2019: “National transport; Passengers on board”; RDC`s Apex 2020

Aim to deliver great customer experiences at competitive prices

Relevant marketing

- Merchandised offers
- Personalized and dynamic pricing
- New distribution channels and retail-like optimization

Best-in-class mobile app



- Simple booking via app and online
- Innovative product solutions
- Fully digital customer experience catering to every need

Honest and straight forward offering

- Frictionless point-to-point journey
- No unforeseen charges or costs for the customer
- Profile suited for both leisure and business travellers

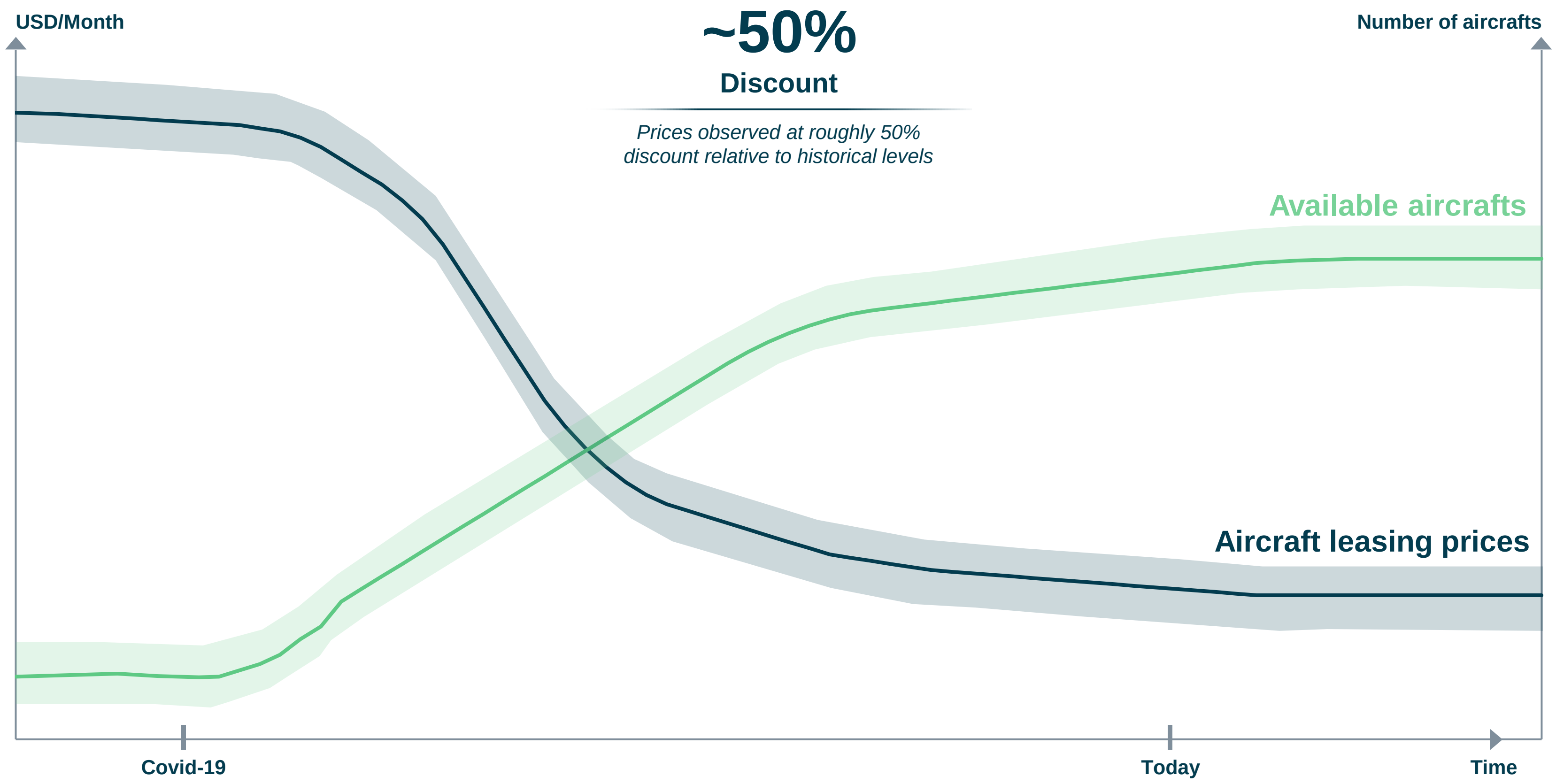
Digital and personalised customer journey

- Data-driven personalization across all relevant channels
- Customers will have an easy-to-understand One Order with a single ID throughout their journey, fully tracked and personalized

Covid-19 has created a unique window of opportunity

Market dynamic now making it possible to secure modern aircrafts at historically low prices

Illustrative ranges reflecting number of aircrafts available in the market and price at a given point in time



Increasing supply of aircrafts

- Industry now experiencing an overhang of aircrafts with low utilization
- Existing airlines faced with the decision to scale down and restructure
- A large flow of attractive lease offers in the market
- Modern equipment now obtainable that under normal circumstances would not be
- Provides a great level of flexibility
- Important to balance attractive terms with the right duration and structure

Decreasing prices

Source: Company

A transparent and solid capital structure with no legacy commitments, enables Flyr to realize a profitable strategy

Best-in-class platform and organizational structure key for realizing a profitable and competitive local LCC offering

One Order Sales & distribution systems combined with integrated CX platform

- Reduce cost pr. booking with 5-10 NOK
- Increase share of ancillary revenue with 5%-points
- Higher conversion rates on ticket sales due to personalized and dynamic pricing
- Decreased marketing spend due to personalized and efficient communication in all digital touchpoints

Digital processes and data driven decision making

- Lean, efficient and flat organizational structure with a high degree of digital and automated processes reducing the number of FTE's needed
- Digital planning processes based on data driven decision making, increasing utilization on crew and at the same time decreasing FTE's in planning functions
- Data-availability (no purge PNR etc.) facilitates customer segmentation and thereby targeting/recommendation for upselling
- More efficient revenue and pricing processes leading to higher yield

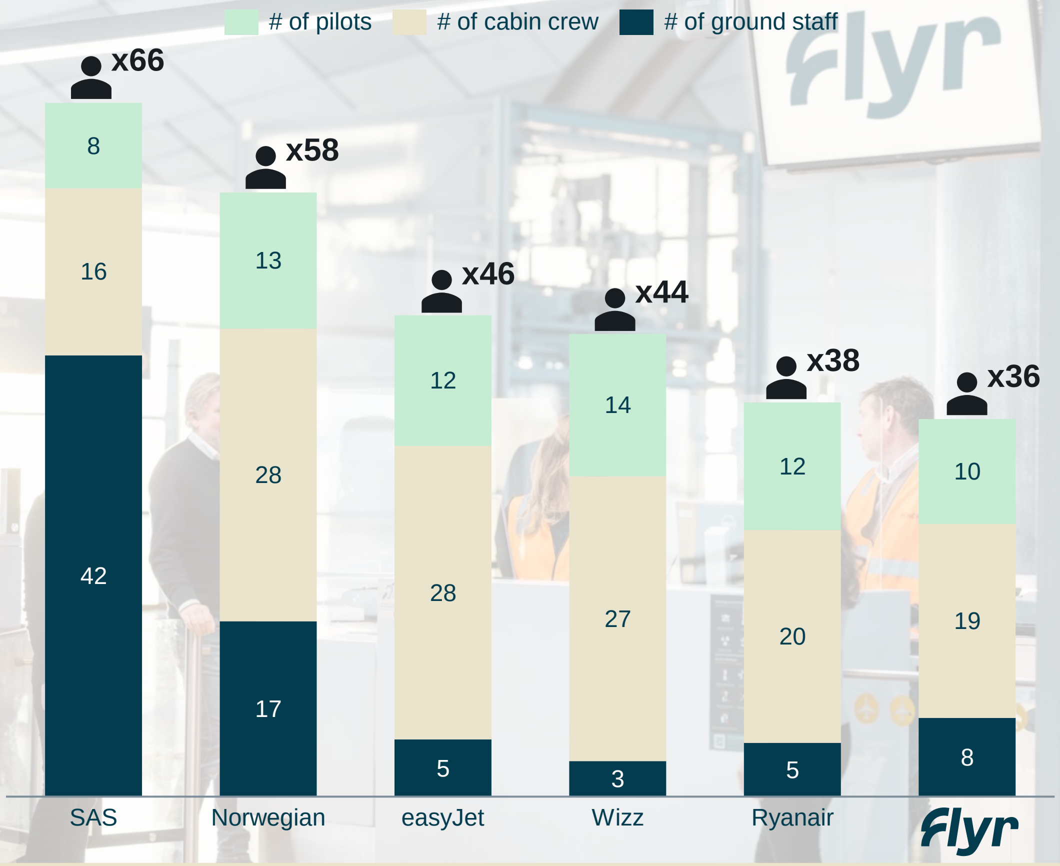
Existing airlines will need to invest triple digit millions and spend a considerable amount of time to implement a platform to achieve similar effects

Source: Flyr management

Target of industry leading employee utilization and organizational efficiency

KPI's for operational efficiency	Flyr Y5
# of AOC's	1
# of aircraft families in fleet	1
# of bases	1
# of countries with bases	1
# of routes	~50
# of destinations	~35
# of aircraft	28

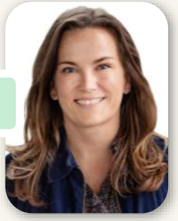
Number of employees per aircraft(1)



Note: (1) #AC As of year-end 2019 for SAS, avg. year-end 2018 & 2019 for easyJet, Norwegian, Ryanair and "equivalent AC 2019" for Wizzair. Year 5 estimates for Flyr | Sources: Company reports

Committed and highly experienced management team and organization in place, backed by renowned industry players

Number of years with airline industry experience

~11 yrs.

Tonje Wikstrøm Frislid
Chief Executive Officer
COOR, norwegian, UNIBUSS

~19 yrs.

Brede Huser
Chief Financial Officer
norwegian, EY, Orkla

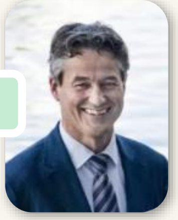
~22 yrs.

Thomas Ramdahl
Chief Commercial Officer
SAS, norwegian, HÖEGH AUTOLINERS, BRAATHENS


Erik G. Braathen
Shareholder and industry expert
Gjada, norwegian, BRAATHENS

~41 yrs.

Asgeir Nyseth
Chief Operating Officer
LUFTTRANSPORT, norwegian, SAS, babcock

~23 yrs.

Alf Sagen
Chief Information Officer
nagarro, norwegian, IBM, SJ, FORSVARET, amadeus, HURTIGRUTEN

~18 yrs.

Frode Berg
Chief Legal & Strategy Officer
norwegian, simonsen vogtwiig

~33 yrs.

Bjørn Erik Barman-Jenssen
Chief Ground Operations Officer
SAS, norwegian, BRAATHENS


Tord Meling
Shareholder and industry expert
Gjada, norwegian, Deloitte.

Maurice Mason
Shareholder and low-cost airline developer
allegiant, viva aerobus, tigerair, IRELANDIA AVIATION

More than 200 years of combined airline industry experience

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Sustainable business model built on demand in target markets

Traditional LCC model focused on constant growth

- Rely on constantly growing fleet size, network and passenger figures
- In case of low demand artificially induce demand by offering extremely low fares
- Not adapted to the “new normal” post Covid-19

Not environmentally or economically sustainable in the Norwegian market in the long run

Model built on natural demand and high yield on flights

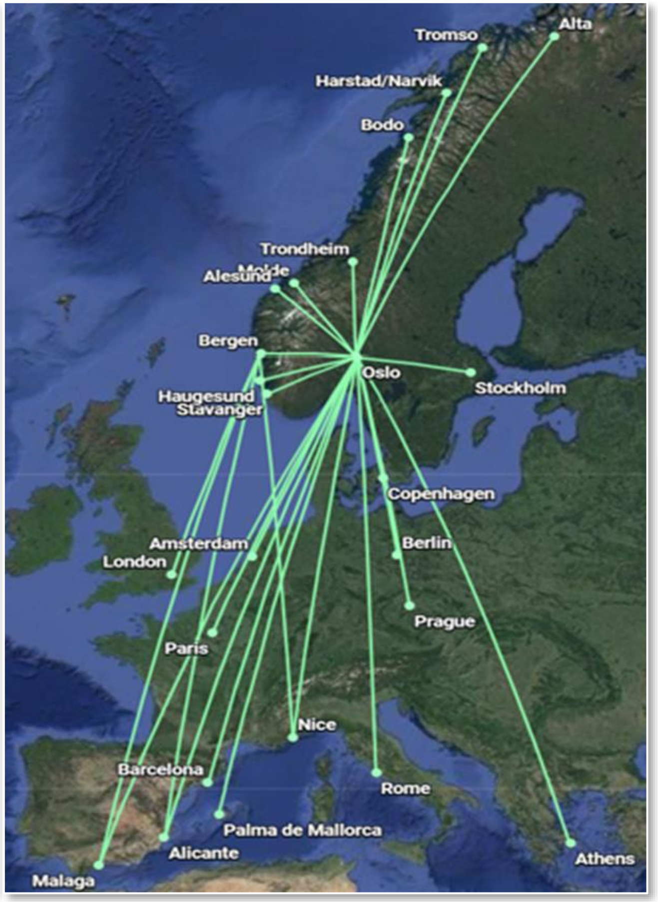
- Adapt and optimize scale and production to demand from day 1
- Do not fly at times and destinations where demand needs to be artificially induced by ultra low prices in order to attain satisfactory load factors
- Do not fly on routes where adequate connections by more environmentally friendly means of transport is readily available

Sustainable business model competitive and profitable on a lower scale of operation

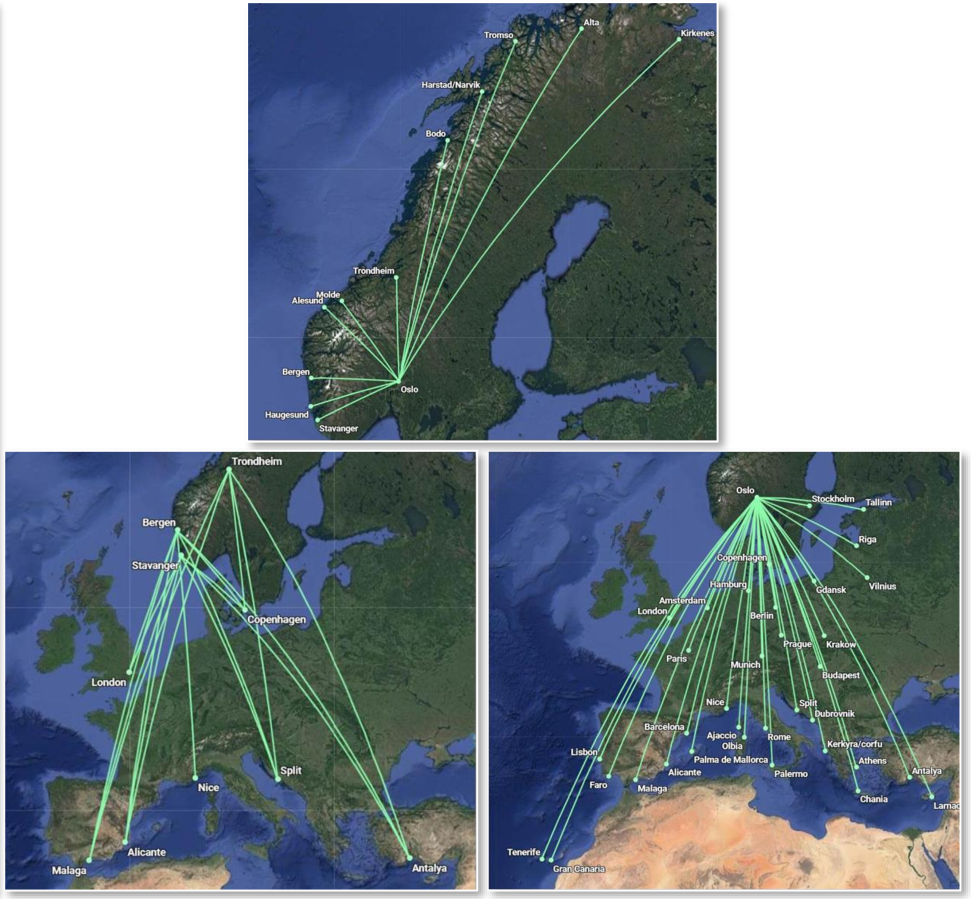
Gradually expanding the offering when the timing is deemed opportune

Phase 1

Phase 2

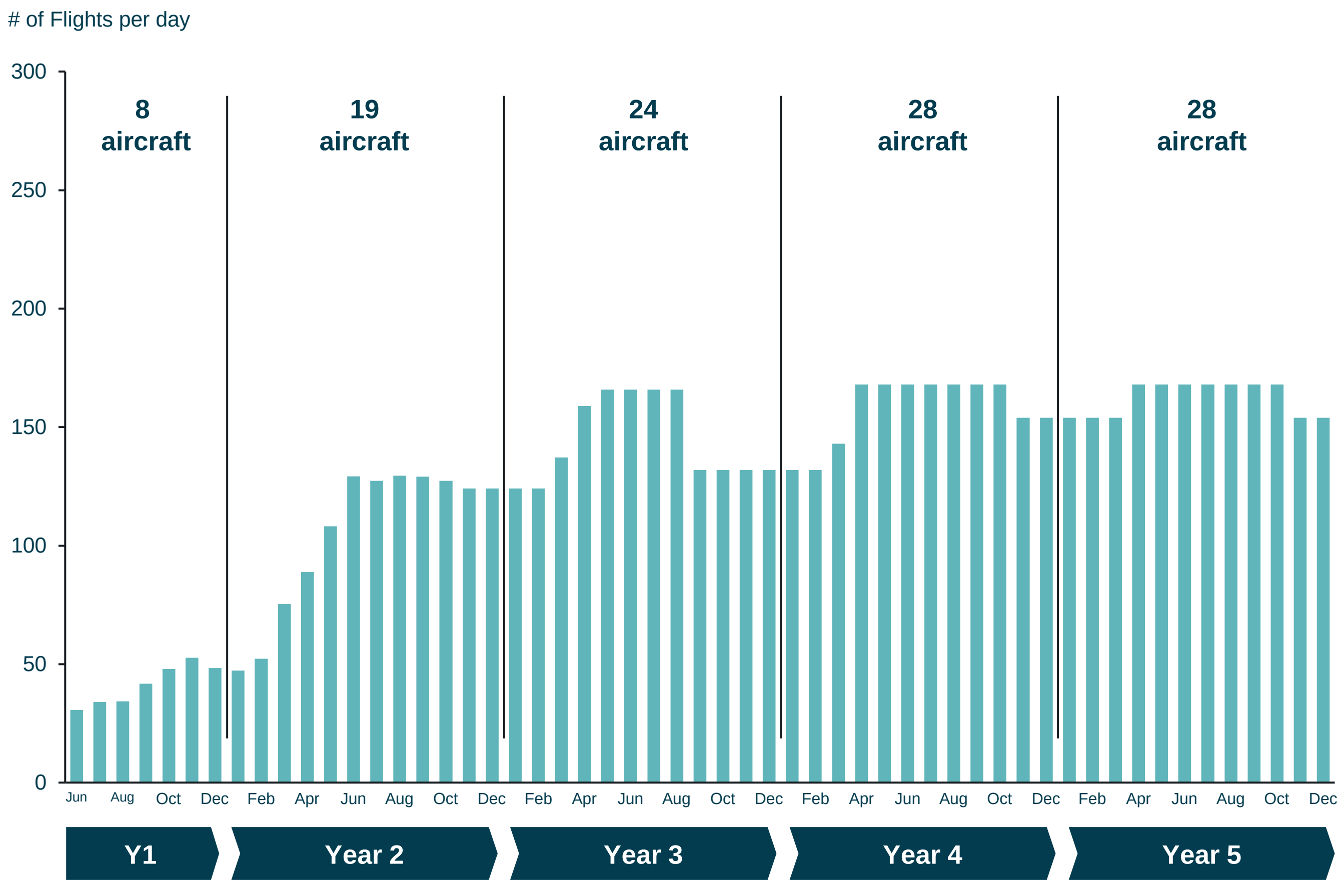


Phase 3



Flexibility to target a demand driven ramp-up of capacity and operations

Ramp up phase – Base case



Flexibility

- Rapid scaling possible due to availability of crew and aircraft from lessors

Growth

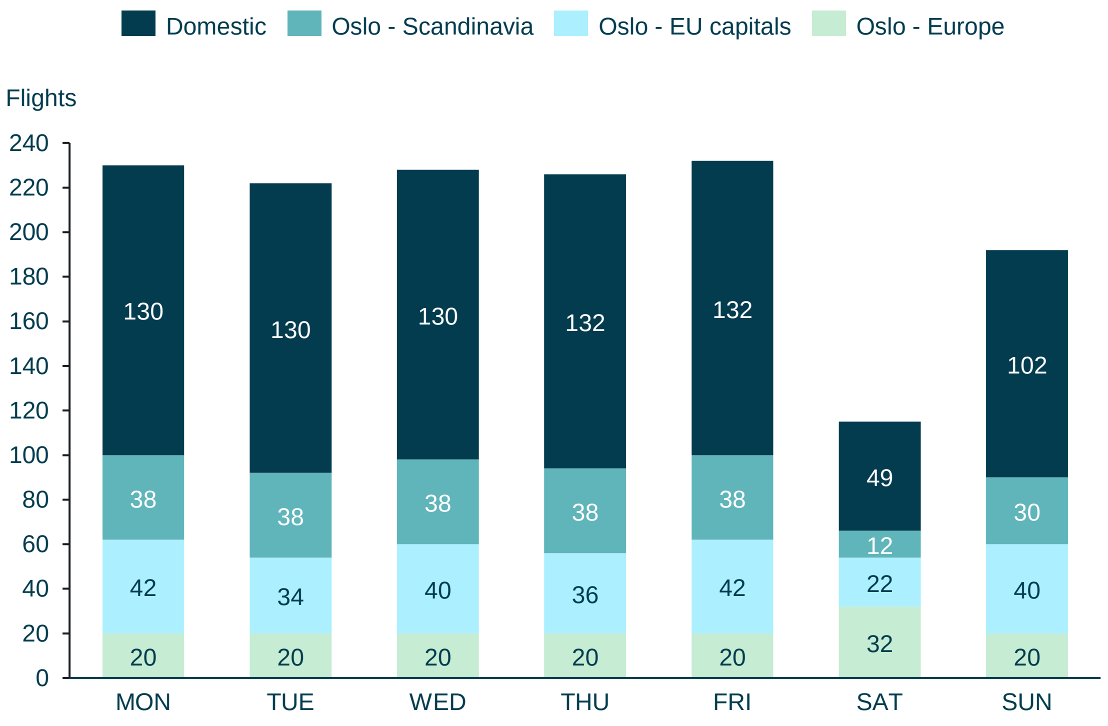
- Gradually scaling operations to uptick in demand with a sustainable approach

Start

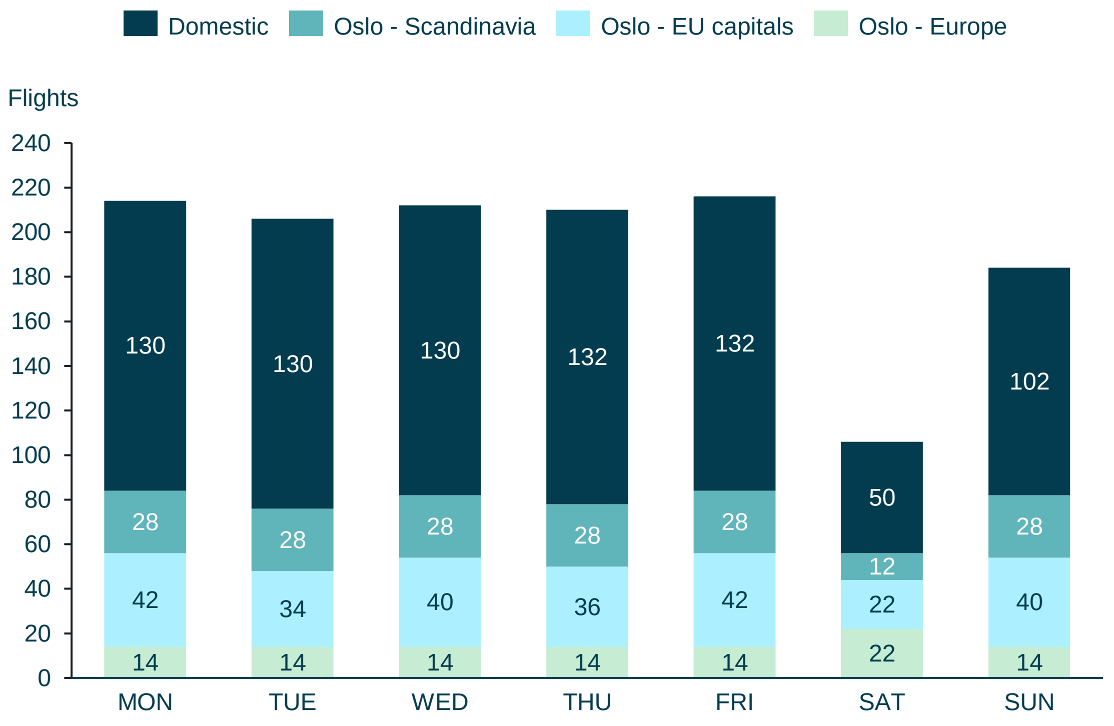
- Initial focus on Norwegian domestic flights
- Ensuring efficient domestic transportation

Tailored run-rate route program targeting the right demand

Run-rate summer program



Run-rate winter program



- Clear focus on domestic routes – enabling low-cost transportation between the Norwegian cities
- Consistent route offering with several flights per day, also connecting Norway and Scandinavia to the continent

A fully integrated and data driven customer platform is key to realizing the revenue potential

SAP ERP system

Crew and aircraft planning

CRM and Personalization engine

NDC ONE order distribution

DCS and passenger handling

A unified and data-driven omnichannel CX Platform

A best-in-class mobile app reducing friction, enabling AI and machine learning optimization and ancillary revenue boost

Compliant, relevant and personalized communication across multiple customer journeys and channels

A state of the art cloud based CX platform enabling data-driven personalization across all relevant channels

Customer

Being able to implement a CX platform without having to consider IT legacy or migration issues, combined with implementing NDC One order from day 1 gives the company a considerable financial and competitive advantage

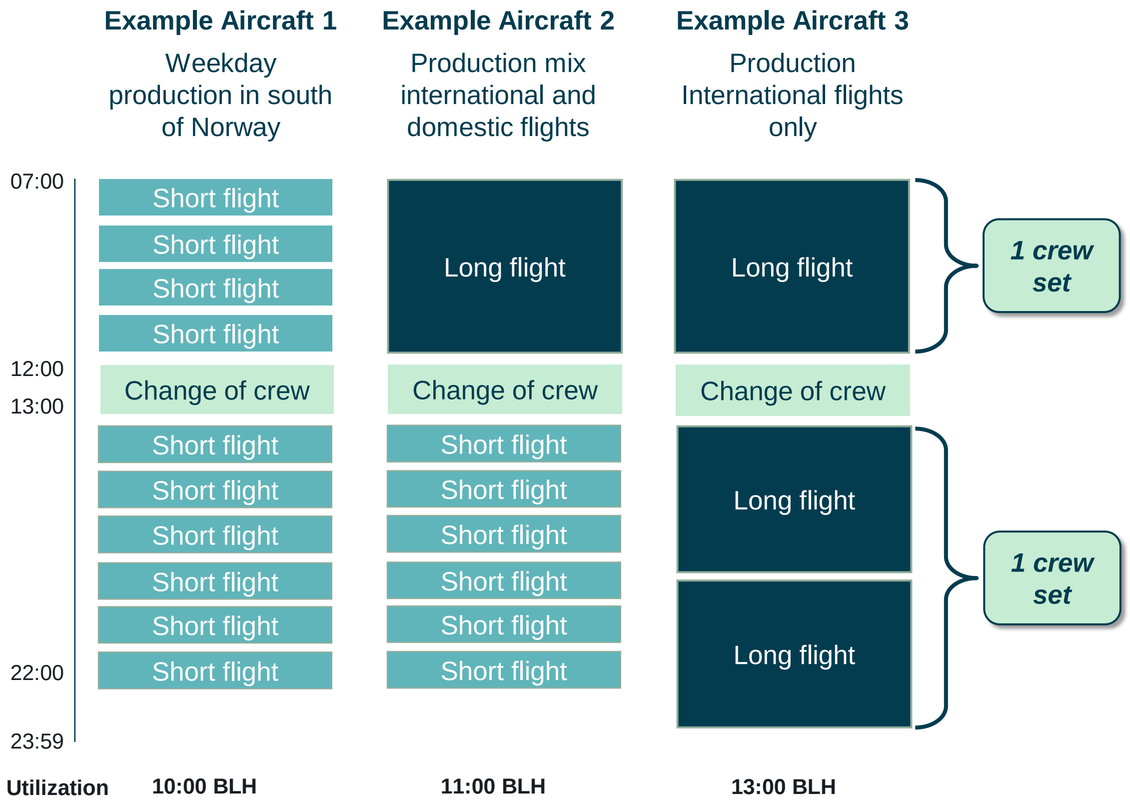
One of the first Native NDC One Order airlines, implementing state of the art IT systems throughout the value chain

Historical and current airline IT architecture	NDC One Order IT architecture
Multiple and rigid booking, ticketing, delivery and accounting methods	Single booking, ticketing, delivery and accounting method
Limitations of the paper world were mirrored into ticket databases of airlines with manual, paper-based processes made electronic	Automated processes with structured data, utilizing current and future digital technologies
A significant lack of a unified overview of all customer details and journey touchpoints	A unified and data-driven omnichannel CX platform covering all touchpoints
Customers are challenged by multiple booking references and IDs and limited in which products are available depending on sales channel	Customers will have an easy-to-understand One Order with a single ID throughout their journey, fully tracked and personalized
Customers are more tech-savvy, have new and heightened expectations, seeking alignment to online retailers	Customers will enjoy merchandised offers, personalized and dynamic pricing, new distribution channels and retail-like optimization
Airlines are hampered in innovation due to legacy processes and systems, both internally and when selling 3rd party ancillary products	Cost reducing, revenue driving, simplified architecture enabling innovation, machine learning capabilities and lean implementation
Transactional, flight and PNR based processes and batch jobs for data interchange	Real-time interactions, centred on customer journey and customer experience as well as optimised business processes

Less complexity   Agility and innovation   Yield   Cost reduction   Customer satisfaction

Stringent planning principles essential to realize the goal of best-in-class crew utilization

Optimized crew utilization – 2 sets of crew per AC per day



Flight and crew planning principles

Simplified route network structure to enable efficient crew utilization

- Production mainly in and out of crew base
- Avoid short nights for the crew if overnight stay
- Seasonal route offer depending on demand, however, relatively constant production level throughout the year

Optimize crew per aircraft

- A hard maximum of 2 sets of crews per day per aircraft
- The crew follows the aircraft and avoidance of costly flight delays due to crew changing aircraft during a crew shift

Robust flight schedule

- Optimized flight block hours (BLH) & turn-around times during peak/non-peak hours

Crew change during the middle of day

- Catch up with potential delays from the morning production
- Start the afternoon peak production without delay

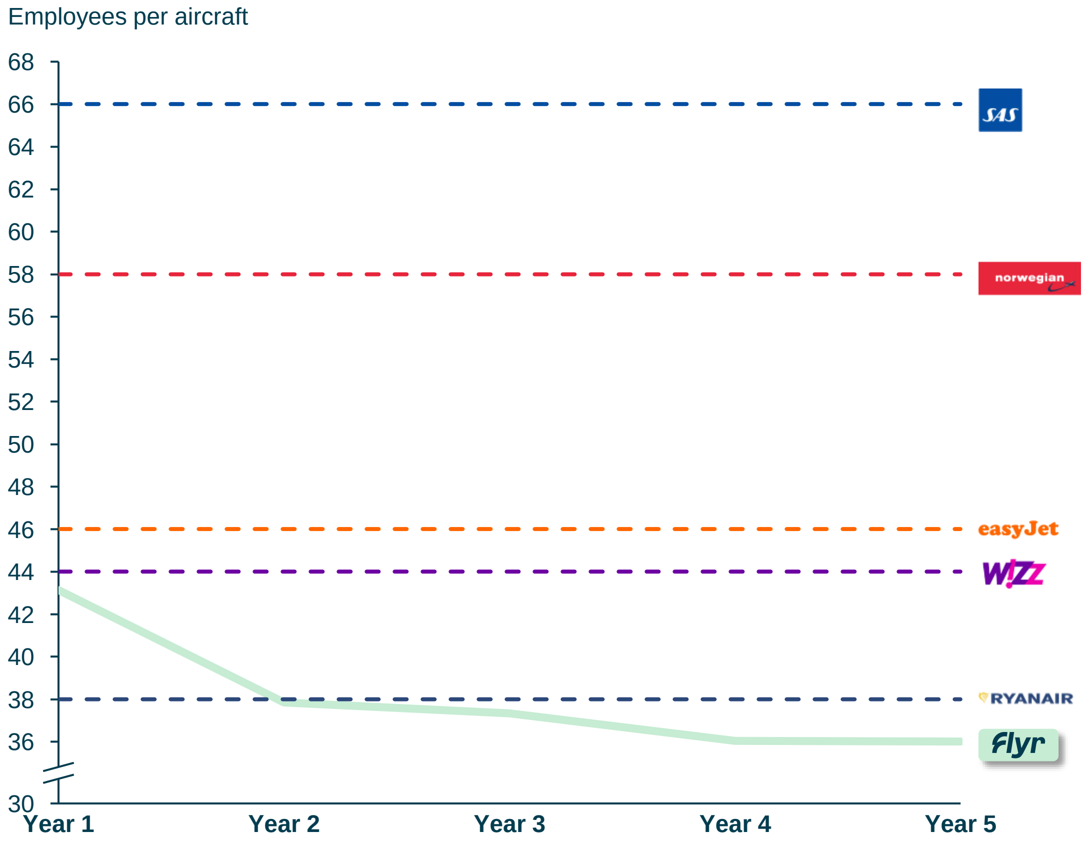
Efficient administration and crew utilization key for a Norwegian airline to stay competitive

BLH pr crew and employees pr AC are critical KPI's

- The target on an efficiency level is to be competitive against the European ULCC
- The extent of the domestic production planned necessitates the use of a local crew base which in turn implies Norwegian salary levels
- The Norwegian salary level makes it challenging to be competitive on cost per employee
- The key to realizing an efficient administration is to create a lean, efficient and flat organizational structure with a high degree of digital and automated processes which in turn will support data drives decision making

850+ BLH Per crew per year	• Targeting 850 BLH pr crew pr year
36 FTEs Per AC	• Targeting 36 employees pr aircraft

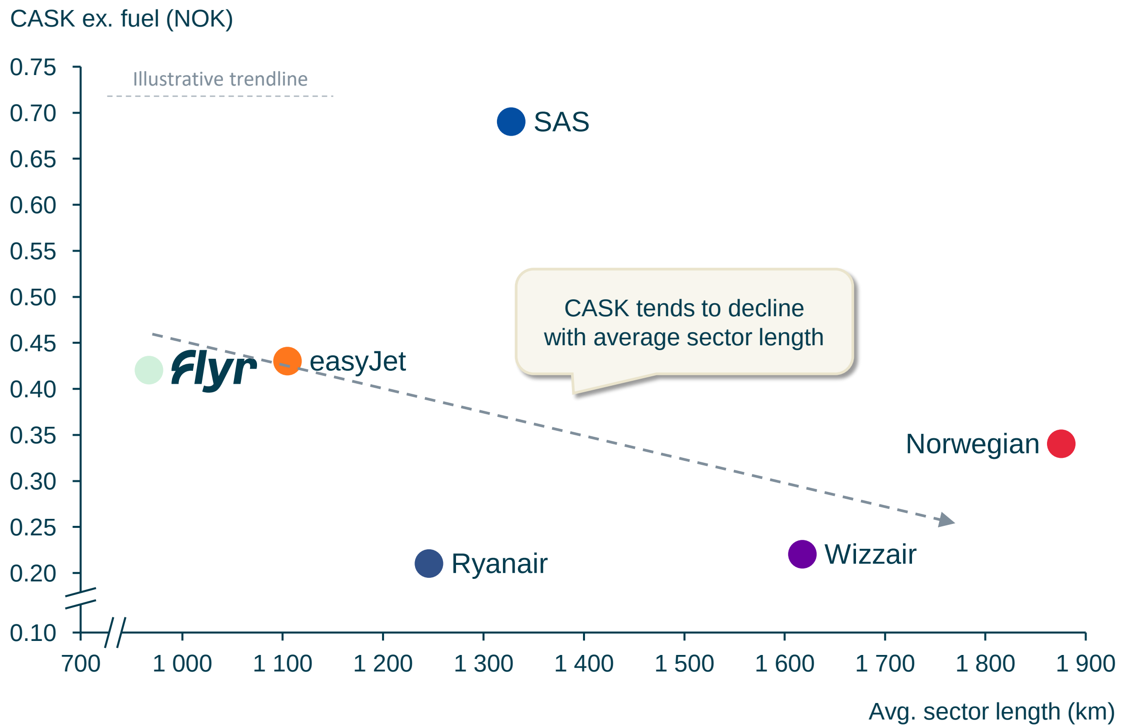
Employees per AC target for year 5 in line with ULCC's(1)



Notes: BLH = block hours; ULCC = ultra low cost carrier; (1) Year-end # of employees and year-end # aircrafts| Source: #AC As of year-end 2019 for SAS, avg. year-end 2018 & 2019 for easyJet, Norwegian, Ryanair and *equivalent AC 2019* for Wizzair. Flyr estimates at year 5 | Sources: Company reports

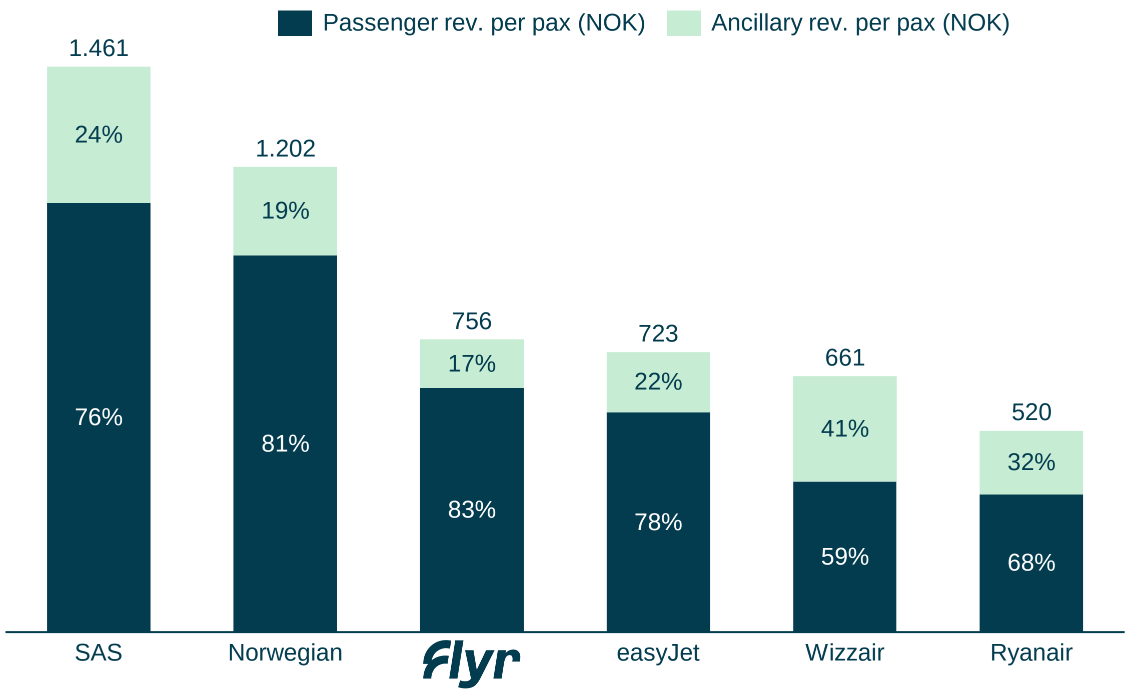
Business model that ensures a highly competitive LCC company

Unit cost is competitive when accounting for average sector length



- Benchmark is based on historical data, but we expect that competitors have to scale down their operation and will experience an increase in unit cost

Revenue reflects a high degree of domestic operations with shorter sectors



- Local competitors are operating a mix of short-haul and long-haul flights
- ULCC’s competing with significantly greater sector lengths

Note: CASK = Cost Available Seat Kilometre | Source: Company reports

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Financial ambitions

Key financial targets (NOKbn)

Base case

Assumptions	Y1	Y2	Y3	Y4	Y5
# of ACs	8	19	24	28	28
Avg. ticket price	612	581	615	621	627
Load factor	67%	75%	81%	83%	85%

- **Revenue growth of > 300% first year, and > 50% second year**

- **EBITDAR break-even in year 2 with a margin of approximately 10%**

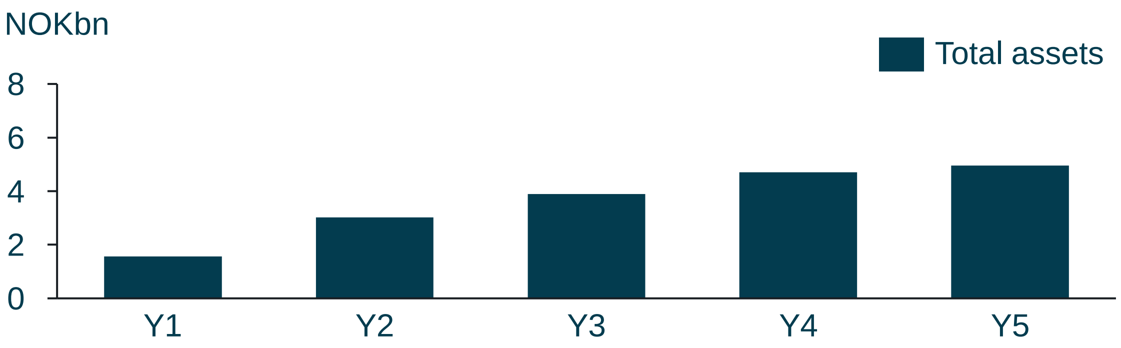
- **Focus on low cash burn to ensure healthy low-cost operations**
- **Cash flow positive in year 2**

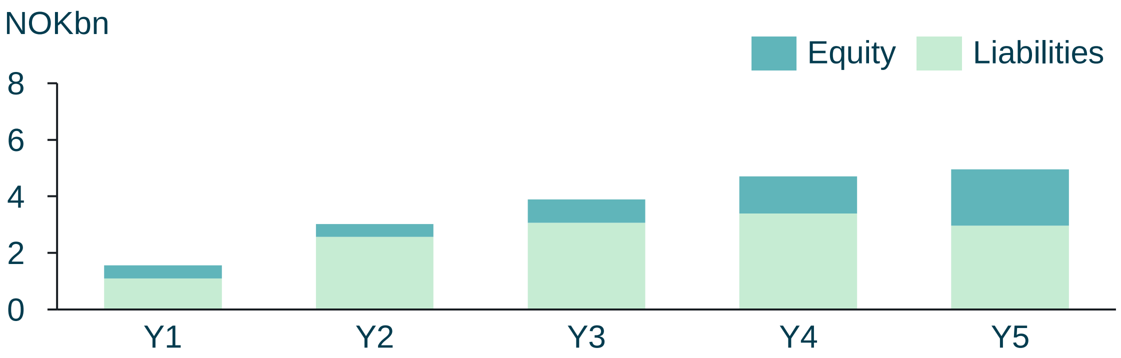
KPI targets

Metric	Year 3	Year 5
Yield (NOK)	0.72	0.65
Passengers (m)	7.9	9.3
ASK (m)	8,489	10,682
RPK (m)	6,838	9,043

Balance sheet and funding aspirations

Balance sheet development	Preliminary funding estimates





First funding: Prosjekt D AS
NOK 50m
To establish operation –
Pre phase 1 – ramp-up phase

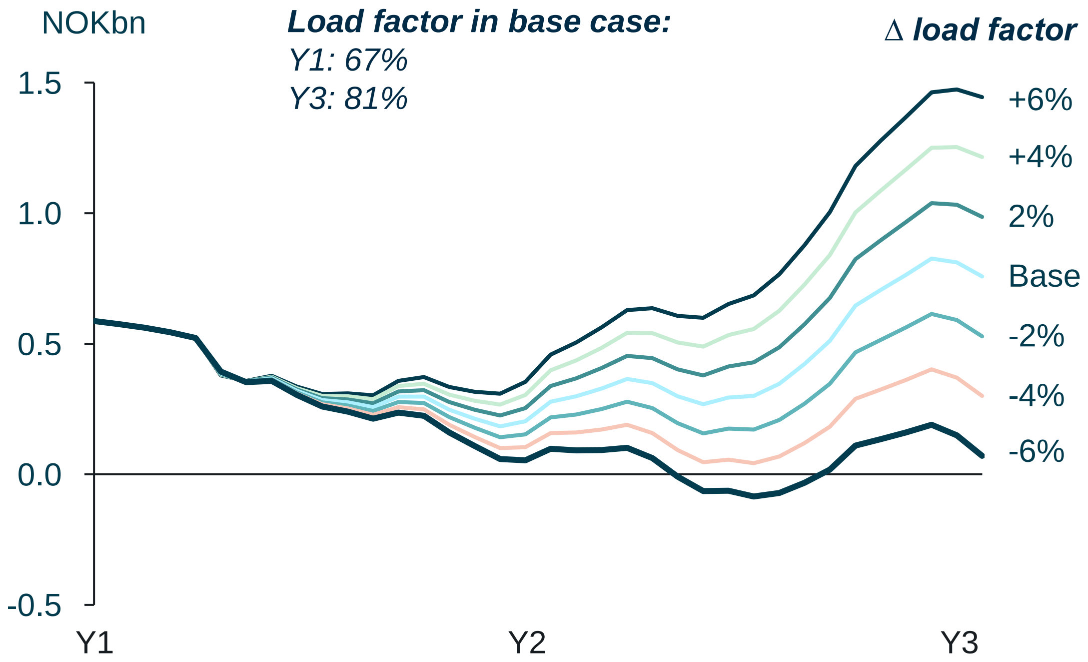
Project phase

New permanent equity –
Airline operation
NOK 600m

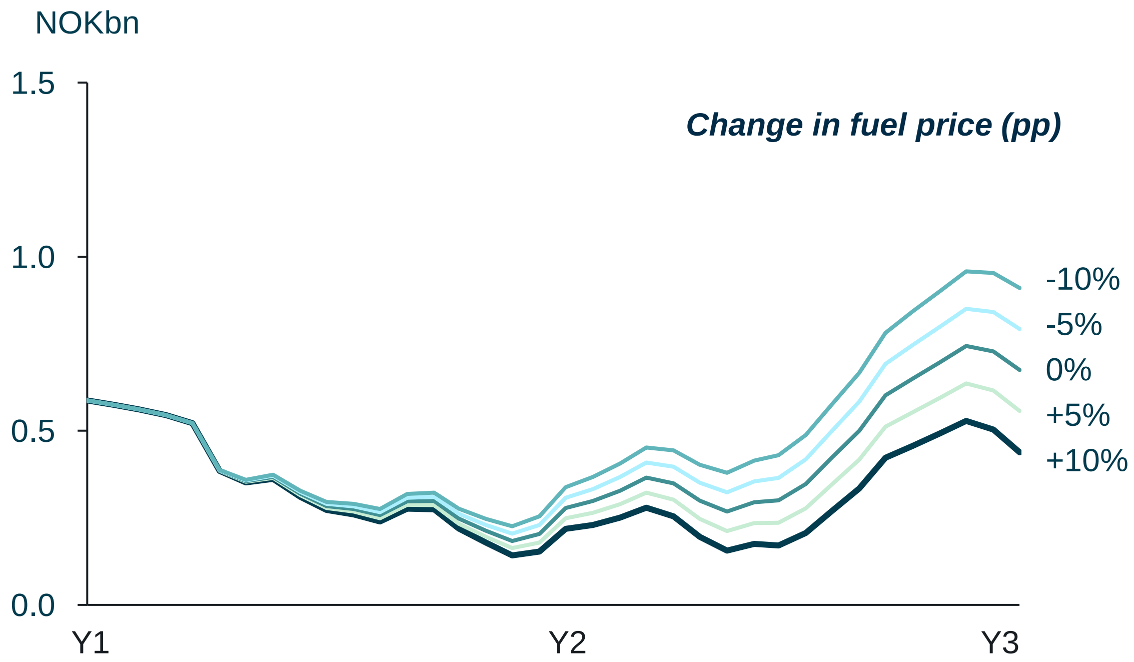
Ramp-up and airline operation

Sensitivity analysis on projected cash positions

Projected cash position under varying load factor



Projected cash position under fuel price fluctuations



Flyr will be well capitalized and resilient to a more challenging market

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Flyr offers a simple value proposition of connecting people through easy and affordable air transportation

Purpose
We connect people through easy and affordable air transportation

Mission
We have passion for our customers and the industry we serve

Values
Safety, Innovation, Performance and People

Brand
Flyr is the honest, straight forward and passionate airline

Great customer experience lays the foundation for our product offering

Simple	Flexible	Customer friendly
Simple app and online booking	Rebooking is free of charge for all tickets	No hidden fees or complex terms and conditions
A profile suited for business and leisure travellers	Free from concern weight limit on checked bags	Fully digital and friction free customer experience
“One bag is one bag”	24-hours free cancelation with full refund	Loyalty program with unique benefits
Innovative and time-saving boarding process	Hop on an earlier flight if seats are available	Innovative product solutions

Living the LCC model is in our DNA

1	**Stay relevant to the customer and out of trouble**	• Start as a national player, then international • Partner with airports to develop direct services • Leverage geography where possible (mountains/seas)
2	**Easy and affordable, without complexity**	• Always take the test
3	**Cost is always the driver, keep fares declining, but costs declining faster**	• Drive ancillary revenue/unbundle to improve efficiencies and lower fares • High returns from high efficiency, not from high fares
4	**Get everyone aligned**	• Secure safe, fast and resilient operations through seamless alignment of such as ops centre, crew, maintenance, sales, back office etc.
5	**Ensure top modern systems**	• Data driven, off the shelf, modern and proven systems at all times
6	**Utilize outsourcing flexibility**	• Utilize outsourcing to ensure flexibility, quality and collaboration
7	**Manage routes and frequencies based on cash**	• Every flight counts and will be accounted for → Seats are the primary inventory, not kilometres
8	**Efficient operations**	• Rely on manuals, implement efficiency and excellence
9	**Labour agreements to focus on production and efficiency**	• Allowing for optimization at all times within the regulatory framework • System optimization rather than aircraft optimization • Benchmark revenue/passenger/aircraft per employee
10	**Be world class and paranoid**	• Benchmark and compare with the best in the sector and across sectors

Status of AOC and airport slot allocations

AOC

- Prior to commencing airline operations, Flyr AS must receive an AOC from the Norwegian Civil Aviation Authority
- Flyr AS submitted its application for an AOC in October 2020, and Flyr AS expects to receive this during Q2 2021
- The remaining conditions for obtaining an AOC is considered to be in the control of the Company and the Norwegian Civil Aviation Authority has also expressed that it considers it probable that the AOC will be granted within the second quarter of 2021

Airport slot allocations

- Flyr AS has already secured sufficient airport slot allocations for the summer of 2021 pursuant to its planned traffic program

Highly experienced management team in place facilitates the efficient platform being designed and implemented

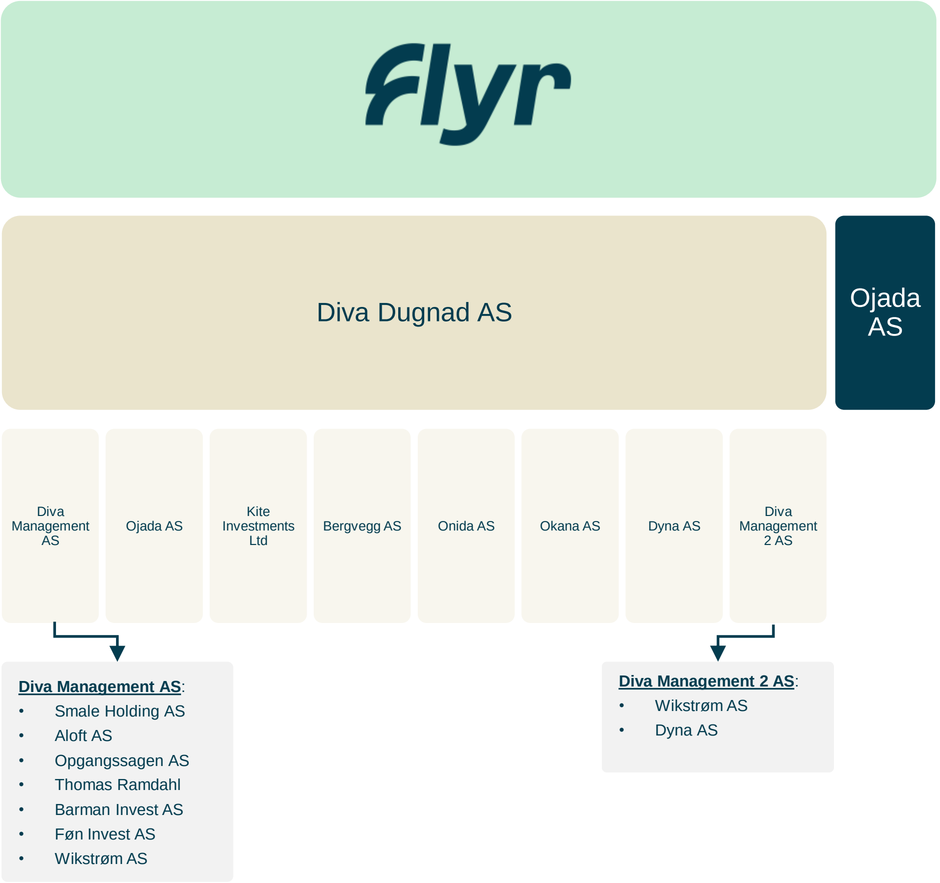
Internal | External

- CEO (Tonje Wikstrøm Frislid)
  - CFO (Brede Huser)
    - VP Business Controlling (Eirik Tveito) (from 01.02.21)
    - Acc. and pay. (Ellen Solum - Uniconsult)
    - Corp. Communication
  - CLSO (Frode Berg)
    - VP Strat. and Bus. Dev. (Eline Skogen)
  - COO (Asgeir Nyseth)
    - Compliance (Tom-Arild Bogstad)
    - Continuing Airworthiness/ Technical Director (Steinar Antonsen)
    - Ground Operations (Bjørn Erik Barman-Jenssen)
    - Flight Operations (Torstein Hoås)
      - Chief Cabin Crew (Tonje Aga Lauritzsen)
  - CGOO (Bjørn Erik Barman-Jenssen)
  - CCO (Thomas Ramdahl)
    - VP Network (Madeleine Rieber Waldjac)
    - VP Customer Engagement (Peer Bratlie)
    - VP Customer Experience (Thomas Leary)
    - VP Revenue (Henning den Ouden) (from 01.01.21)
  - CTO (Alf Sagen)
    - IT Development (Marius Grønbæk) (from 01.02.21)
    - IT Project Management (Lena Halvari - Uniconsult)
      - Uniconsult, Nagarro, XAC, Alexander Shaw
    - App Development (Fuse)
    - Brand and Web Design (Unfold)

Shareholder overview

Shareholder	# of shares	Ownership
Erik G. Braathen (Ojada AS, Onida AS, Okana AS, Dyna AS)	23 051 250	76.84%
Frode Berg (Aloft AS)	1 001 175	3.34%
Brede Huser (Smale Holding AS)	1 001 175	3.34%
Tonje Wikstrøm Frislid (Wikstrøm AS)	750 000	2.50%
Maurice Mason (Kite Investments Ltd)	750 000	2.50%
Tord Meling (Bergvegg AS)	750 000	2.50%
Thomas Ramdahl	749 175	2.50%
Bjørn Erik Barman-Jenssen (Barman Invest AS)	748 650	2.50%
Asgeir Nyseth (Føn Invest AS)	748 650	2.50%
Alf Sagen (Opgangssagen AS)	449 925	1.50%
Total Number of shares outstanding[1]	**30 000 000**	**100.00%**

Ownership structure



Note: The overview of the indirect shareholding in Flyr reflects that Erik G. Braathen and affiliated companies have paid in NOK 50m, of which NOK 25m is pending registration; 1) 30,000,000 shares outstanding (each with a par value of NOK 0.002) following a share split (the **"Share Split"**) pending registration in the Norwegian Register of Business Enterprises that has been resolved (the **"NRBE"**)

Independent subscription rights

- Flyr AS has on the general meeting dated 10 February 2021 passed the following resolution when it comes to issuance of independent subscription rights, which are pending registration:
- Flyr AS has issued 15 000 000 independent subscription rights in accordance with the provisions of the Limited Companies Act Chapter 11 III
- Each independent subscription right gives the right to subscribe for one new share in Flyr AS, nominal value NOK 0.002, at a subscription price of NOK 5 per share
- No consideration was payable for the issuance of the independent subscription rights
- The independent subscription rights was issued to Flyr AS' existing shareholders at that time, and is split with 50% on each of Diva Dugnad AS and Ojada AS
- The independent subscription rights may be exercised by written notice to Flyr AS as follows:
  a) A total of 5 000 000 independent subscription rights may be exercised one year after the date of the resolution and a period of 6 months thereafter;
  b) additional 5 000 000 independent subscription rights may be exercised two years after the date of the resolution and a period of 6 months thereafter; and
  c) the remaining 5 000 000 independent subscription rights may be exercised three years after the date of the resolution and a period of 6 months thereafter
- Shares to be issued as a result of the exercise of the independent subscription rights shall carry rights to dividends from the date on which the relevant capital increase is registered with the Register of Business Enterprises
- In the event of any split or consolidation of the Flyr AS shares, the number of independent subscription rights and the exercise price shall be adjusted correspondingly. In case of dividend, the exercise price shall be reduced on a NOK by NOK basis for any dividend paid on each share
- The independent subscription rights shall not carry any special rights in the event of a liquidation or transformation of Flyr AS

Employee shareholding

Overview of employee indirect shareholders

Employees investing through Diva Management AS

Employee	Investment Company	Shares*	Ownership	Indirect ownership Flyr AS
Brede Huser (CFO)	Smale Holding AS	1907	19.1 %	1 001 175
Frode Berg (CLO/CSO)	Aloft AS	1907	19.1 %	1 001 175
Alf Sagen (CIO)	Opgangssagen AS	857	8.6 %	449 925
CCO	Thomas Ramdahl	1427	14.3 %	749 175
Bjørn Erik Barman-Jenssen (CGLO)	Barman Invest AS	1426	14.3 %	748 650
Asgeir Nyseth (COO)	Føn Invest AS	1426	14.3 %	748 650
Tonje Wikstrøm Frislid (CEO)	Wikstrøm AS	1050	10.5 %	551 250
Total		**10 000**	**100.0 %**	**5 250 000**

* In addition Ojada AS will own one golden share representing the majority of votes

Diva Management AS' ownership in Diva Dugnad AS	35%
Number of shares held by Diva Dugnad AS in Flyr AS	15 000 000

Employees investing through Diva Management 2 AS

Employee	Investment company	Shares	Ownership	Indirect ownership Flyr AS
Tonje Wikstrøm Frislid (CEO)	Wikstrøm AS	1325	13.3 %	198 750

Diva Management 2 AS' ownership in Diva Dugnad AS	10%
Number of shares held by Diva Dugnad AS in Flyr AS	15 000 000

Employee shareholding

- Certain employees in Flyr AS are indirect shareholders in Flyr AS through their ownership interests in Diva Management AS and Diva Management 2 AS (the "Investment Vehicles"). The Investment Vehicles own again shares in Diva Dugnad AS, which again holds 15 000 000 shares and 7 500 000 Subscription Rights[1)] in the Company
  - The employees indirect shareholding in Flyr AS is set out in the table to the right
- The other shareholders in Diva Dugnad AS are mainly entities controlled by family members of Erik G. Braathen
- For each of the Investment Vehicles, there is a shareholders' agreement in place governing mainly:
  - Ojada AS controls more than 50% of the votes in each of the Investment Vehicles through a golden share and will also be able to appoint the board of each Investment Vehicle
  - The employee may not compete with Flyr AS
  - If an employee leaves Flyr AS on or before the date falling two years after that employee was employed, the employee has an obligation but not a right to sell its shares to Ojada AS. The price per share varies depending on the reason for why the employee's position is terminated, and the employee must as the main rule sell at the lower of cost and market value should the employee terminate its own position
  - Each employee may require that the Investment Vehicle in which it has invested shall terminate no later than three years after the completion of the listing on Euronext Growth

Note: 30,000,000 shares outstanding in Flyr AS (each with a par value of NOK 0.002) following a share split (the **"Share Split"**) pending registration in the Norwegian Register of Business Enterprises that has been resolved (the **"NRBE"**); 1) See separate page on indepentent subcription rights

Employee subscription in private placement, bonus scheme for employees and certain other matters

Employee subscription in Private Placement

- 12 employees have been offered to participate in the Private Placement for a joint amount of NOK 2,925,000

Bonus scheme for certain employees

- Ten employees of the Company are part of a bonus scheme giving a right to bonus equal to 1 year's salary if the Company's equity on 31 December 2023 exceeds the invested equity by more than MNOK 1,500
- Any bonus after tax must be invested in shares in the Company with a 12-month lock-in period

Relation with shareholders and suppliers

- Chief Information Officer Alf Sagen is currently the chairman of the Board of Directors of Nagarro AS, and is also a director with certain other Nagarro entities in Sweden, Denmark and Malta. Nagarro is a supplier of IT services to the Company
- Chief Executive Officer Tonje Frislid has received a work guarantee from main shareholder Ojada AS, under which Ojada AS has promised to provide Frislid with employment for 12 months on the same terms as in her employment agreement with the Company if the Company stops paying salary
- Chairman Erik Braathen is a shareholder and director of Fly Leasing Ltd., a global aircraft leasing company managed and serviced by BBAM, one of the world's largest aircraft lease managers. BBAM is one of 15 leasing companies that the Company has approached in its search for aircrafts
- Ojada AS owns 14.7% of Fusetools AS who has a license agreement with Flyr AS regarding front-end app development and service. Tord Melding is a board member in Fusetools AS

Glossary

Term	Description
AC	Aircraft
ASK	Available seat-kilometre
AOC	Air operator certificate
BLH	Block hours
CASK	Costs per available seat-kilometre
CX platform	Customer experience platform
DCS	Departure control system
LCC	Low cost carrier
NAA	National aviation authority
NDC	New distribution capability
PNR	Passenger name record
RPK	Revenue passenger kilometres
ULCC	Ultra low cost carrier


flyr