QUARTERLY REPORT

Q1 2024

Comments from CEO Martin Hoffman

In the initial quarter of 2024, VeeOne stayed true to our dedication to strategic investments, fueling company expansion and welcoming new clientele aboard. Our efforts to bolster international customer operations and refine our organizational framework have not only primed us for immediate growth but have also laid a robust foundation for sustained expansion in the foreseeable future.

The Q1 results show a favorable outcome and an impressive revenue growth (+387%) vs Q1 2023. Despite the costs associated with our commercial activities, operational results surpassed them. Revenue for January to March 2024 reached a solid 8.9 MSEK, yielding a positive margin of 0.7 MSEK (8% EBIT). Notably, the final month of the quarter contributed to a positive EBIT of 25%. For a detailed breakdown of our financial performance, please consult the attached financial statement.

Our confidence in VeeOne's trajectory remains steady. Our strategic investments and partnerships positions make us confident in continued and strong future growth.

The achievement of contracts with industry leaders like SAS, KLM, Transavia, Discover Airlines, and Finnair validates the value of VeeOne's business model. This reinforce our confidence in the company's future, solidifying our status as an important industry player.

Q1 – Activities and operations

Focus for the first quarter 2024 has been on global sales, establishing new customer contracts and recruiting necessary resources securing growth and expansion.

We've made the move to our dedicated office at Gamla Brogatan 29, which resulted in some one-time additional costs because of overlapping rent for a few months and the necessity to furnish the new space.

VeeOne is currently operating and serving the following customers:

Airlines

Air Baltic: VeeOne is performing an analysis for the summer production. This is expected to be finished during May.

BRA: During Q1 we have continued to do crew pairings for BRA Airbus (A319/A320) production with great results and there is an ongoing discussion to expand the business partnership for BRA.

Brussels Airlines: VeeOne is supporting with analysis capacity.

British Airways: During the quarter VeeOne has increased the commercial operations for BA and are now running rosters for pilots on all of BA's aircraft fleets. One new project has been started in the quarter and there are ongoing discussions to increase the cooperation even further.

Discover Airlines: Development support is ongoing, and the contract has been expanded to comprise training and support.

Finnair: Planning process assessment performed and planning for rostering support has been started.

Transavia: Rostering support for Flight Deck has been started during the quarter and will continue until June with an option for extension.

Scandinavian Airlines: Extensive work for SAS is ongoing in several areas and will continue throughout 2024.

KLM: One planner has been contracted full-time for KLM Cockpit planning with the end date of June 2024. Other activities supporting KLM are ongoing and a long-term support contract is under discussion.

Virgin Australia/Bain & Company: Planning process assessment performed, and pairing analysis is ongoing.

Rail

MTRX: VeeOne are performing all crew planning activities for MTRX and the contract continues until end of June 2024. Future support is discussed.

Arlanda Express: New project to support Arlanda Express when purchasing new planning system has been contracted and initiated. The work will continue throughout the year.

Other

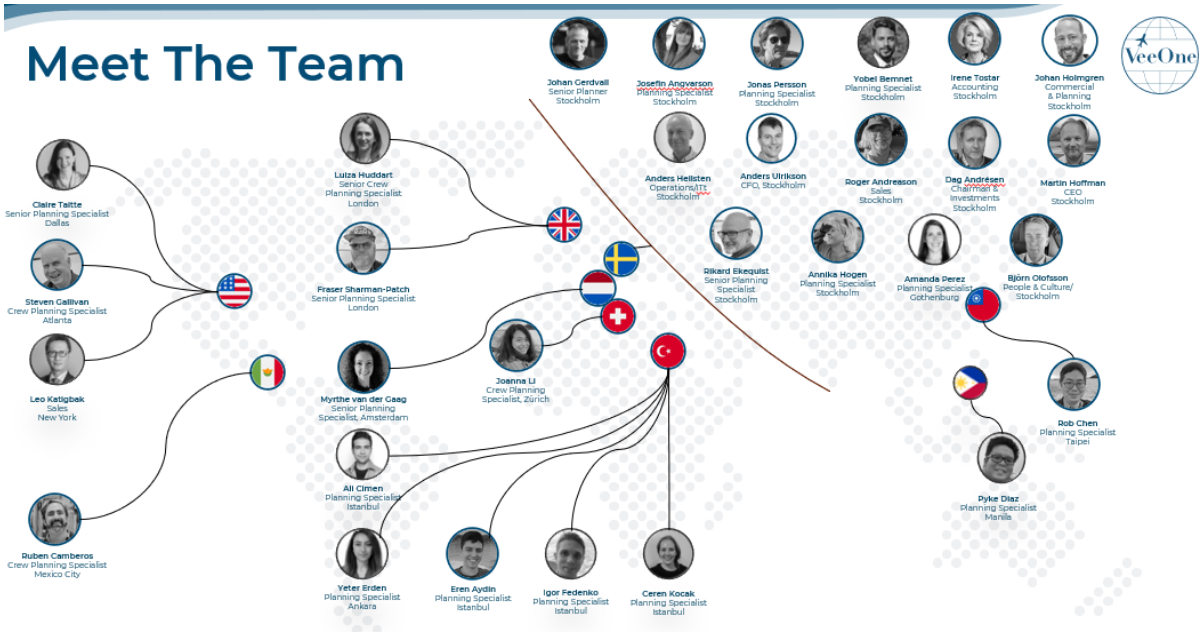
SOS Alarm: VeeOne are performing a planning process assessment and are supporting SOS Alarm developing planning operations.

People & Culture activities

During Q1 we continued to acquire competence, and in Q1 we welcomed Josefin Angvarson (SE), Johan Gerdvall (SE), Amanda Perez (SE), Yeter Erden (TR) and José Mari (Pyke) Diaz (PH). All have a long background in aviation and/or rail.

At the end of Q1, VeeOne employs 9 persons permanent in Stockholm and we have 21 contracted coworkers, in Sweden (5), Taiwan (1), Turkey (5), Switzerland (1), The Netherlands (1), UK (3), Mexico (1), Philippines (1) and US (3).

Most of the company resources are now fully occupied with working directly with the present customer portfolio.



Outlook for Q2 2024

The main activities for Q4 are the following:

- Produce rosters for British Airways and increase the support with other areas (Cabin Crew, etc.)
- Continued support to SAS.
- Finalize agreement with KLM to support both planning resources and consultancy capacity.
- Increase scope of support to Discover Airlines
- Startup Finnair long-term support.
- Deliver and expand present customer engagements.
- VeeOne is has established a business consolidation, structure improvement and growth program called VeeOne 100 that will run until Q4.

Based on the current contracts and activities the estimated positive operating margin will be approximately 15% (+1,0 MSEK) for Q2 2024.

Commercial outlook

Airlines

Etihad: Contract negotiations are ongoing, and support is planned to begin during May.

US: VeeOne will be present at the North American Crew Utilization (NACU) where most of the major US Carriers will be present. This will be the first commercial activity for VeeOne to be able to establish the company in the US.

Rail

During Q2, VeeOne will revise the commercial strategy for offerings to rail customers. The decision to actively go to the market on rail depends on available resources, and the further growth and development of the airline business.

Operations outlook

The focus is to continue consolidate the operations and build solid processes to assure high-quality operations and delivery to our existing and coming customers in pipeline. Excellence in customer interactions and operations is of highest priority.

People and culture outlook

Organization

The company is growing according to the strategic plan and VeeOne is continuously recruiting new planners from the international market with the right competence and capability to be able to serve our customers.

Strategic activities

Business partnerships and cooperation

Boeing/Jeppesen: Quarterly meetings are held to evaluate and promote joint commercial opportunities towards the large customer base.

Storadio: Swedish company offering Operational Control Center (OCC) services. Possible cooperation is being discussed where a combined approach could strengthen the offering.

Bain & Company VeeOne has been selected to support Bain & Company with Crew Planning expertise to strengthen their offering to Airlines.

Development of new services and business opportunities

VeeOne is continuously developing and building new services and business opportunities. This includes the new system development service (based on the RAVE and Python programming languages) and VeeOne training academy that will offer training for planners. During the quarter VeeOne have performed training for two airlines and the RAVE development support is up and running for one airline.

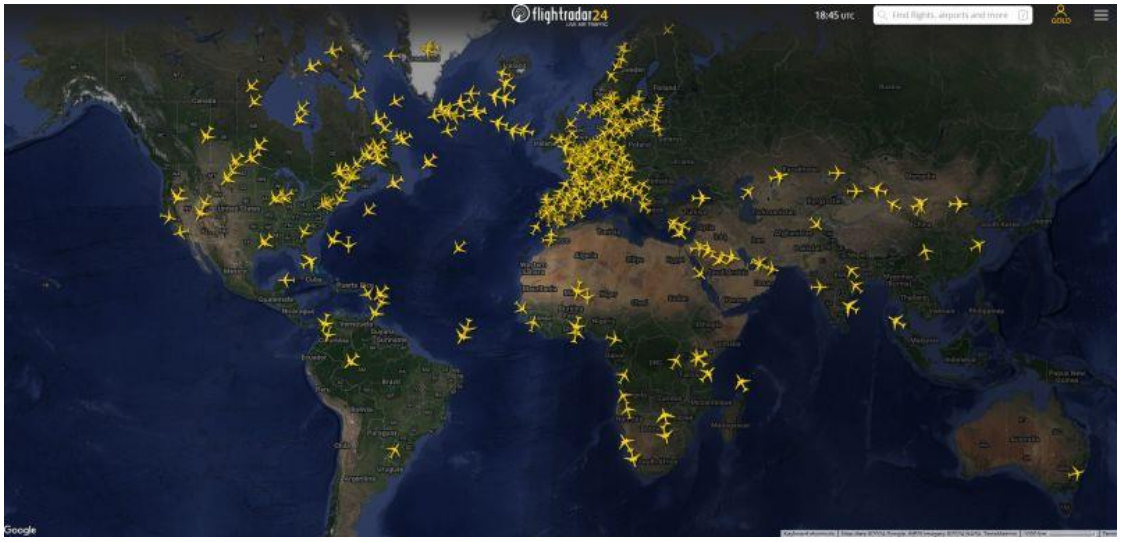
Strategy and capital process – expansion and growth plan 2024-2025

The process to transfer the shares to Euroclear is almost finished and the majority of the shares have already been transferred.

Due to the long payment time from most of VeeOne customers the liquidity is still under pressure and is expected to be under control before the summer.

On behalf of all the VeeOne team, we thank you for your confidence in VeeOne, and we hope this Q1-report has given you a good picture of our operations and where we are heading.

Sincerely Yours,

Martin Hoffman
CEO

If you missed the post from VeeOne on LinkedIn the below section of the Global airspace displays every live aircraft with crew planned by VeeOne. Follow VeeOne on LinkedIn to get more news from the company.