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LUNAJETS NEARLY DOUBLES REVENUE BUT SEES CLOUDS AHEAD

The European Market Leader Sees Unsustainable Revenue Growth.

EBACE 2022

As the private aviation charter market continues to enjoy a "new golden age", Geneva based LunaJets warns at this EBACE of a hard landing as it sees more signs of market bubbles.

"This year-to-date, our growth is over 90%, considering a \$110M revenue in 2021 for our private jet charter division" comments Guillaume Launay, LunaJets Sales Director "our Web platform model and industry position puts us at the front line of any market changes; and I can tell you that the shift has been dramatic" Launay adds.

LunaJets' website and mobile app receives thousands of visitors every day. A large portion of whom are newcomers who aim to avoid post-Covid commercial airport and airline experience at any cost. Last year, LunaJets acquired north of 1,000 new clients.

Eymeric Segard, LunaJets CEO, warns "I am delighted with our performance so far. We continue to deliver on our strategy based on the best technology, and expand with new offices into new markets. Nonetheless, I maintain a cautiously optimistic and opportunistic approach as I don't believe in the current euphoria and see more risks ahead for our industry. Either the current trend lasts, and the market faces a major supply issue, or it reverses dramatically and faces a new wave of bankruptcies. 2021 was like a wild pendulum, from one side to the other in 3 months and I don't see any indication of a soft landing. Having said that I will not be surprised if we experience another >50% growth in our revenue this year if the current situation remains."

Segard adds "Most of our competitors have either been acquired, gone into administration or are currently for sale. With our long-term track record and cash rich balance sheet we are ready to seize any opportunity as we expect more consolidation ahead when the market reverses".



Guillaume Launay, Director of Sales - ©LunaJets



May 2022

Segard lists his view of the risks for the industry:

- Post-Covid recovery mostly based on new clients and short flights, rather than existing and long haul.
- Business clients have not returned to pre-Covid level as video and remote working are still favoured
- Financial market volatility may send new clients back to commercial airlines
- The crypto wealth effect may disappear as fast as it stormed our industry
- War in Ukraine
- Supply chain disruption will delay plane delivery and maintenance
- Pilot and crew shortage
- Impact of inflation on charter rates
- Rising cost of debt and financing will impact the velocity of sales and acquisition market
- IPO's, SPAC's and M&A activity at nonsense prices will fade
- New Covid variants
- Sustainability regulations



Emeric Segard, CEO and Alain Leboursier, Managing Director - @LunaJets

LunaSolutions, the sales & acquisition division of the group, is also experiencing a strong year and hits a new record of transactions. "We see aircraft that we sold within the last 18 months coming back on the market at a premium of 50%" comments Alain Leboursier, LunaJets MD. "The market has shifted from struggling to find buyers to struggling to find enough good aircraft in a few months. The situation is very similar to the charter market, and maybe worse than the 2008 bubble peak" fears Leboursier.

"We will continue to diversify our revenue stream into other aviation services markets. During Covid we opened a new Cargo division, LunaLogisitisk, and a Group Charter division, run by Rémi Aubin in Paris, who has already organised flights for more than 18,000 passengers this year".



May 2022



Augustin Annecca, Private Jet Advisor, entering a Falcon 7X - ©LunaJets



Tomas Camprubi, Director UK - ©LunaJets

Founded 15 years ago by Eymeric Segard, an ex-Ogilvy executive, LunaJets revolutionised the private jet charter market, then mostly controlled by a group of Jet operators, limited to their own fleet and business interests. The company was the first to offer a web platform to access an unlimited category of business aircraft, with no minimum notice, "peak days" or fleet restrictions. Based on its advanced website and mobile app technology the company offers an independent marketplace to book all types of aircraft. LunaJets is fully controlled by its founders and managers.

With offices in Geneva, London, Paris, Monaco, Riga and Dubai, the Group partakes in private jet, passenger group, cargo charter segments as well as sales, acquisitions and financing of aircraft. The company is currently hiring new employees into all its divisions to meet surging demand and raise its service standards.

ABOUT LUNAJETS

LunaJets is a leading global provider of private jet charter solutions based in Geneva with offices in London, Paris, Monaco, Riga and Dubai.

With a team of over 65 experts, based on its proprietary technologies, LunaJets provides independent advice for booking any private jet anywhere in the world 24/7. It offers the most flexible service in the market on all types of flights. In 2015, LunaJets was the first charter broker to be ARG/US certified outside the US. A certification held to this day. The company was founded in 2007 by Eymeric Segard, current CEO.

