



KNOW NOW™

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To Our Valued Shareholders:

The last two years have presented challenges to the world at large, and particularly within the aviation industry, which has experienced unprecedented turbulence. This fact is reflected in our revenue figures, which have declined from \$11.5 million for the year ended October 31, 2020 to \$6.2 million for the year ended October 31, 2021. With the help of the CARES and the Rescue Act Payroll Support Program, along with significant structural cost rationalization activities, we were nevertheless able to produce a positive Income from Operations of \$1.1 million, as well as a positive Net Income of \$93,000 for the year ended October 31, 2021.

More importantly, this environment was the catalyst leading PASSUR to pivot becoming an all-digital company, focusing our efforts on developing the SaaS-based solutions required to meet evolving market demands.

Despite the difficult headwinds that we have faced, in the past year we have been able to maintain our customer base. Our renewal rate over the last 12 months was extremely high, demonstrating the confidence our customers have in our capabilities to deliver the services they require. Moreover, we have been able to retain critical resources, enabling us to pursue our company's transformation. We remain focused on making sure the company's management team is of the right size, with the right skill sets to execute upon our strategy.

In 2021, we were able to launch a new product line, ARiVA ^{DATA}, which is a market leading aviation data solution, designed to reduce operating costs by providing predictive and real-time insights into complex aviation operations. We have already secured key customer wins for this service, expected to generate revenue in the second half of fiscal 2022 and beyond. In addition, we were able to secure additional data feeds for our ARiVA Global Feed, which now fuses over 44 separate data feeds, and gives PASSUR what we believe to be a market leading position in terms of our global ADS-B coverage.

We are excited to continue our transformation journey in 2022. We are now well underway with our goal of modernizing our technology infrastructure, and ensuring our operations are fully cloud based. We expect this project to be completed in Q3 of 2022. We are seeing an uptick in customer demand, and our repositioning of the company, along with our marketing efforts, have yielded expanded pipeline opportunities. As a result, we are engaged in ongoing trials with several major US carriers and continue to see increasing levels of interest within the market. We continue to engage with customers on building capabilities in our ARiVA platform to meet continuously evolving customer demands.

I want to thank you, our shareholders, our loyal customers, and our dedicated PASSUR team for the continued support of our company. While the market remains challenging, we believe that we have taken the necessary steps to reposition the company as the industry returns to normalcy.



Brian Cook
President & Chief Executive Officer

Forward Looking Statements

This letter contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the Company’s future plans, objectives, and expected performance. Forward-looking statements are subject to risks, uncertainties and assumptions, and are identified by words such as “will”, “expects”, “estimates”, “projects”, “anticipates”, “believes”, “intends”, “plans”, “may”, “pending”, “continues”, “should”, “could” and other similar words. All statements other than statements of historical fact are considered to be forward-looking statements and such forward-looking statements, including statements of management’s expectations and beliefs, are based on preliminary information and assumptions and expectations of future events. The Company cannot and does not guarantee that such information, assumptions, and expectations are accurate or will be realized. These forward-looking statements are not guarantees of future performance or results, and should be evaluated in light of important risk factors, assumptions, and uncertainties that could cause the Company’s results to differ in material respects, including, without limitation, those related to customer needs, budgetary constraints, competitive pressures, the success of airline trials, the Company’s maintenance of above average quality of its product and services, as well as potential regulatory changes. Additional uncertainties include, without limitation, uncertainties relating to the ability of the Company to sell its existing product and professional service lines, plus new products and professional services, as well as the potential for terrorist attacks, changes in fuel costs, airline bankruptcies and consolidations, and economic conditions, including, without limitation, the severity and duration of the continuing COVID-19 pandemic and its adverse impact on the U.S. and world aviation and travel industries. Further information regarding some of the factors that could affect the Company’s results and cause those results to vary materially from those currently anticipated is contained on Forms 10-K, 10-Q, and other reports filed with the Securities and Exchange Commission. In addition, undue reliance should not be placed on the Company’s forward-looking statements. Any forward-looking statement made by the Company in this letter speaks only as of the date on which we made it and reflect management’s analysis, judgments, belief, or expectation only as of such date. Except as required by law, the Company disclaims any obligation to update its risk factors or to publicly announce updates to the forward-looking statements contained in this press release to reflect new information, future events, or other developments.