

PASSUR Aerospace, Inc., Shareholder Letter – Spring 2026

As we reflect on FY2025 and the first quarter of FY2026, we are proud to share the progress PASSUR has made in shaping the future of aviation intelligence with industry-leading predictive analytics, decision support, and collaborative workflow management solutions.

The aviation industry demands technology solutions that deliver operational efficiency, enhance customer experience, and support sustainability. PASSUR Aerospace is leveraging its proprietary data fusion, deep aviation expertise, strategic integration of artificial intelligence and machine learning, and strong customer focus to deliver these solutions.

Strategic Growth

During FY2025 we expanded our global footprint with airlines, airports, and transportation systems integrators. In the first quarter of FY2026, we continued to build on this progress with the introduction of our analytics data service. Selected highlights include:

- Our collaboration with Aeromexico, a customer since 2019, helped them achieve the #1 global on-time performance ranking for 2024 and 2025, showcasing the power of our collaborative decision-making platform, ARiVA[™], in driving operational excellence.
- JetBlue deployed ARiVA for real-time decision support, proactive alerting, and operational collaboration. This deployment focuses on managing diversions and irregular operations, reinforcing our role as a partner in operational resilience and strategic decision making.
- We expanded our commercial relationship with SITA, one of our largest and fastest-growing customers, to include a new business unit that focuses on intelligence, security, and border control – creating a new market channel for our solutions portfolio.
- Our ARiVA Global Feed (AGF[™]) data services continue to deliver high-quality flight tracking and predictive intelligence. For the period of twelve months, ending January 31st, AGF subscription revenue grew 60% year-over-year, expanding our international reach.
- Our integration of the Symphony portfolio for surface management, noise monitoring, and environmental analytics comes at a time when regulatory pressure is mounting to address runway delays and incursions, noise levels, and carbon emissions. PASSUR now offers one of the most comprehensive environmental product suites in the industry.
- Surface vehicles like baggage handling trucks cannot be tracked without separate transponders. PASSUR sells Vehicle Movement Area Transponders (VMATs) and seamlessly integrates data from those devices into our ARiVA platform, increasing operational safety and efficiency. Surface management sales of VMATs and associated software continue to be strong.

- The second largest Fixed Base Operator in the US, Atlantic Aviation, deployed ARiVA to provide daily operations support and data archive capabilities to their network and headquarters staff.
- In Q1 FY2026, we introduced our latest ARiVA platform offering: ARiVA Analytics Data Service. Our first customer for this service, American Airlines, was onboarded on January 1, 2026. Additionally, in Q1 we added two new customers, Searidge Technologies and Providence Airport, for flight tracking data and noise monitoring and management solutions.

Technology Leadership

We continue to invest in our proprietary FusedSuite® engine, which integrates over 50 data sources into one “single truth” of the global airspace. The combination of our large proprietary dataset and robust customer base gives us a strong data flywheel and network effects: more customers consume and generate more data, improving our accuracy.

We continue to refine our predictive analytics to provide accurate information earlier within the “golden window of decision-making,” when customers have time to respond to flight disruptions.

In Q2 of FY2025, we unveiled our third-generation xETA solution, which uses machine learning to enhance timeliness and accuracy, especially for irregular operations—flights that have faced weather or traffic management disruptions.

xETA forecasts have been shown to be timelier and more accurate than those from Air Navigation Service Providers and airlines, helping customers make better decisions that drive optimized on-time performance and fuel savings, including gate assignments, passenger and bag connection preservation, staff management, and aircraft speed control.

We continue to prioritize the resilience and reliability of our systems. In FY2025, we executed an initiative to improve our systems’ resilience and reduce costs by implementing cloud-based, redundant processing architecture and shutting down two physical data centers. Cloud migration is complete and the last data center is scheduled to be shut down in Q2 of FY2026.

Financial Discipline & Innovation

We remain committed to operational efficiency and financial discipline while investing in innovation and growth.

In FY2025, which ended October 31, 2025, PASSUR’s revenue was \$15.3 million. This compares to \$14.3 million for the same period in FY2024, representing a 7% increase. Revenue growth in FY2025 was primarily driven by expansions in ARiVA Global Feed, predictive, surface management, and environmental analytics.

Net Revenue Retention remained strong in FY2025 at over 100%. This metric measures the percentage of recurring revenue retained from existing customers over the period relative to the prior period, including expansion and pricing increases and net of contraction and churn. On a cash-from-operations basis, the company was cash-positive through FY2025.

In Q1 of FY2026, which ended January 31, 2026, PASSUR's revenue was \$4.0 million. This compares to \$3.3 million for Q1 of FY2025, representing a 22% increase. Revenue growth in Q1 FY2026 was primarily driven by expansions in ARiVA Global Feed and environmental analytics, the introduction of our ARiVA analytics data service, and the increase in recurring revenue from the new business we acquired in FY2025.

Net Revenue Retention remained strong in Q1 FY2026 at above 100%. On a cash-from-operations basis, the company was cash-positive through Q1 FY2026.

Looking Ahead

As we move into Q2 of FY2026, our focus remains on:

- Expanding our customer base and global reach with our existing products and services.
- Investing in our product roadmap to grow and remain responsive to market needs.
- Enhancing our predictive capabilities through continuous refinement of our AI/ML efforts.
- Enhancing noise monitoring and environmental analytics to support sustainability and efficiency improvements (reduced noise, CO₂, and fuel consumption) across the aviation ecosystem.

Leadership Updates

In June 2025, our longstanding Chairman and former CEO, G.S. Beckwith "Beck" Gilbert, retired after 27 years with PASSUR. The PASSUR team is grateful to Beck for his visionary leadership and unwavering commitment.

The Board of Directors unanimously elected Katharine Gilbert Cargol, a seasoned intelligence and technology executive, to serve as Chairman. Katharine, Beck's daughter, is President and CEO of Field Point Capital Management. She previously spent 17 years at the Central Intelligence Agency, where she led multidisciplinary teams focused on operations, analysis, and emerging technology.

Board Director Michael Schumaecker retired in July 2025 after 8 years on the Board. Brian Cook, President and CEO, resigned in July 2025 after 5 years as CEO and 7 years as a Board Director; under his leadership, PASSUR made crucial investments in technology modernization.



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Effective as of September 15, 2025, the Board of Directors has appointed me—Ilhan Ince, previously PASSUR’s Chief Operating Officer—to serve as PASSUR’s CEO and as a Board Director. I am honored and excited to assume this responsibility. I have been at PASSUR since 2018, leading PASSUR’s technology modernization and transformation initiatives. With nearly 30 years of leadership in operations planning and the development of predictive and decision support systems at US Airways, American Airlines, and PASSUR, I’ve delivered strategic initiatives and innovative solutions that enhance performance. My work in implementing surface management and irregular operations recovery solutions has been instrumental in shaping PASSUR’s industry-leading ARiVA platform.

Thank you for your continued support of PASSUR’s vision. Together, we are shaping the future of aviation intelligence.

Sincerely,

Ilhan Ince
Chief Executive Officer
PASSUR Aerospace, Inc.

Forward Looking Statements Disclaimer: This document may contain forward-looking statements that reflect current expectations, estimates, projections, and assumptions about future events and financial performance. These statements are not guarantees of future performance and involve risks, uncertainties, and factors—many of which are beyond our control—that could cause actual results to differ materially from those expressed or implied in the forward-looking statements.