

# PROPOSED RESCUE PACKAGE

## FTA GLOBAL

Championing FAIR FEES for  
Flight Training in the UK

May 2023



## WHY ARE WE SEEKING HELP?

FTA has been working with Anthony Petteford, an industry expert, since October 2022 and with FRP Advisory since January 2023.

Historic poor accounting advice, a 'deferred income' payment model that hasn't accrued subscriptions taken against training to be delivered and two years of greatly reduced student sign-ups during the pandemic has created a huge hole in FTA's finances.

Many ATOs in the industry have used upfront cash flow from students and external loans to keep their business afloat. This has created an unfavourable balance sheet position for all market participants, with high levels of deferred revenue and existing loans to service

After courting numerous potential partners, we may face a similar end to Tayside Aviation, with Flying Time Limited going into Liquidation if an alternative route forward cannot be found. We face the prospect of more than 100 students losing c. £2 million of payments already made, the loss of jobs for its staff and the knock on impact to the airfield, local economy and our training partners.

We believe that the recovery in airline recruitment mean that this is the best possible environment to bounce back in.

**This is why we are seeking your help**



## PROPOSAL

Our only opportunity to continue is via an Administrative 'PrePack'. Under this process, the company assets may be bought by a third party or competitor - often the existing management team ("connected party") purchase the assets and trade under a NewCo. The principle requirement of going down the pre-pack route is that it must be in the best interests of creditors and comparatively better than an alternative process, for example: CVA/Restructuring Plan or liquidation. Details of the PrePack process are included at the end of this document.

I have already registered a new company, FTA Global Ltd. I am sharing this pack with the dozen or so individuals who, acting in their own right or on behalf of their businesses, have indicated that they would be interested in joining a consortium to rescue FTA from administration. On offer is equity in the NewCo, in return for raising the working capital necessary.

ROI will be through the sale of NewCo in 3-5 years.

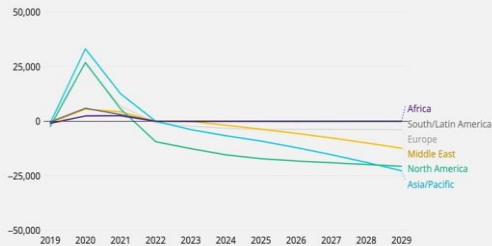
## WHY SUPPORT FTA?

- Offering a real alternative for students who don't want to travel overseas to train – whilst delivering Dual Licences if required
- A commitment to complete the training for all students enrolled at the school
- Introduction of FAIR FEES – pay as you go, a market differentiator, protecting students and remedying the deferred income position
- Burgeoning relationships with BA Cityflyer and BA Euroflyer
- A reputation for fairness and openness – and a highly skilled MD
- Viable proposition, an existing company v the high barriers for new entrants to the flight training market due to the highly regulated nature of the industry and initial cost of CAPEX
- Favourable market dynamics - airlines worldwide facing an unprecedented shortage of trained pilots following COVID and natural retirements
- The failure of FTA Global will impact not just the students and staff at the school, but the airport and the other partners it works with. FTA represents c. 65% of movements at Brighton City Airport

## GLOBAL SHORTAGE OF PILOTS IS FORECAST TO REACH 34,000 PILOTS GLOBALLY BY 2025 (OLIVER WYMAN)

Pilot demand versus supply forecast

Magnitude of surplus/shortage



Source: Oliver Wyman analysis

**“In our most likely scenarios, there is a global gap of 34,000 pilots by 2025. This could be as high as 50,000 in the most extreme scenarios.”**

Oliver Wyman

## THERE IS CYCLICAL AND RAPIDLY ACCELERATING UPSIDE DEMAND FOR PILOTS FUELLED BY SEVERAL FACTORS

Airlines cutting back too much during a crisis (e.g. Covid) and panicking upon upturn

Low-cost carriers (LCC) and new entrants driving increased fleet growth

Legacy airlines creating subsidiaries to compete with LCC's (e.g. BA Euroflyer)



### **Demand Stimulators**

Emerging markets globally driving fleet growth - still see UK CAA and EASA training as a quality supply solution

Retirements from 'baby boomers' and accelerated retirements during Covid have created extra latent demand

Airlines are increasing their demand for cadets from ATOs (see recent recruitment drive from BA Cityflyer)

### SO WHY IS FTA BEST PLACED TO CAPITALISE ON THIS PENT-UP DEMAND...

- Credible management team with strong industry contacts and experience of turning round businesses before lucrative exits
- FTA has already acted on some core USP initiatives to try and drive market share based upon market concerns – FAIR FEES, FLY FIRST, DUAL LICENCE, and with all training in the UK
- FTA has all the essential regulatory approvals, baseline fleet/sims, management, baseline revenues and is ready to 'springboard' further growth from investment. It would take 18+ months for a new-entrant to establish this ATO baseline; by which time the opportunity is half-passed
- Shoreham Airport base has the volume capacity – property, staff and airspace
- FTA has agreed with the Maltese CAA (The Civil Aviation Directorate - Transport Malta) to set up an EASA exam centre here at Shoreham. It will be the first UK-owned ATO to have an on-site EASA exam centre, reducing exam costs to students, aligning CAA & EASA exams and providing an additional revenue stream
- There is room for FTA in this oligopolistic ATO mix and for it be the ATO which delivers a USP of 'all training in the UK' – other UK ATOs outsource training to fair weather bases to unlock their volume.



*Sean Jacob – CEO*



*FTA's well-received FAIR FEES marketing campaign*

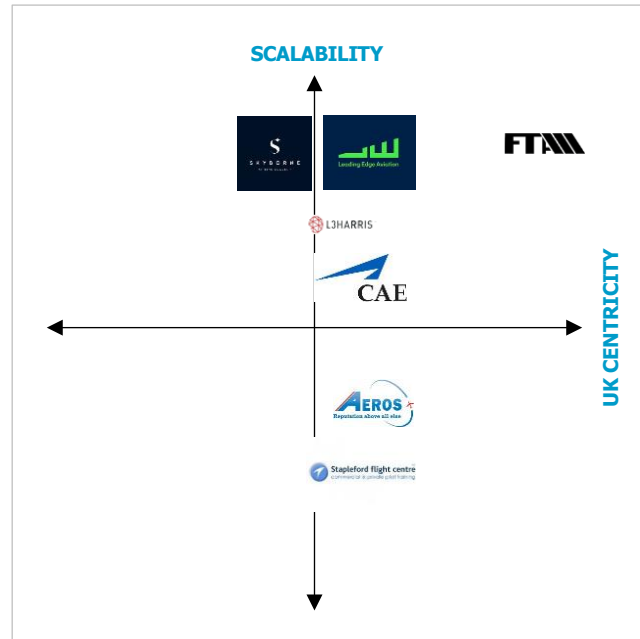
### FTA IS WELL-POSITIONED GEOGRAPHICALLY AS A SCALABLE, UK-CENTRIC ATO WITHIN AN OLIGOPOLISTIC INDUSTRY (WITH HIGH BARRIERS TO ENTRY)

FTA can become one of a few key players and scale operations at its base location. This is fundamental - volume capability unlocks greater appeal to airlines (B2B) which further stimulates appeal to cadets (B2C) – know as the 'Virtuous Circle' for an academy seeking to grow.

FTA is scalable compared with competitors:

- The only academy based at an underutilised Airport
- Proximity to both UK and EU controlled airspace
- Well-connected with the UK transport network
- An appealing location for cadets with a favourable climate
- Access to experienced instructors at Gatwick and South Coast generally

FTA has aligned its course payment profiles with service delivery timing under its 'FAIR FEES' banner a full service to customers and flexible courses are industry standard – FTA seeks to materially improve market share in this oligopolistic dynamic through a 'UK-loyalist' strategy



## UK MARKET PARTICIPANTS OPERATING FULL-SERVICE ACADEMY SOLUTIONS

Name	Headline Description	Market Positioning
<b>FTA</b>	<b>CAA and EASA, UK-centric</b>	<b>Pan-UK centric, scalable</b>
Skyborne	CAA only, export 65% training to Florida (existing US academy)	Integrated with airlines, boutique customer experience, massive USA expansion
Leading Edge Aviation	CAA and EASA, export 65% of training to Spain (start-up base)	Exceptional marketing. Customer experience compromised by poor productivity
L3 Harris	CAA and EASA, export 65% to Florida (existing US Academy)	Tainted by sterile corporate culture and poor track-record in contrast to its CTC legacy
CAE	CAA and EASA, export to Phoenix and Belgium (existing Academies)	Major draw is its EasyJet MPL course
Tayside Aviation	CAA only, UK-only	Went into Administration 20 <sup>th</sup> April 2023
Stapleford Flight Centre	CAA only, UK-only	UK-Centric, not easily scalable
Aeros	CAA only, UK-only	UK-Centric, not easily scalable



## EUROPEAN MARKET PARTICIPANTS OPERATING FULL SERVICE AND BUDGET ACADEMY SOLUTIONS

Name	Headline Description	Market Positioning
<b>FTA</b>	<b>CAA and EASA, UK-centric</b>	<b>Pan-UK centric, scalable</b>
FTE - Jerez	UK CAA (current) and EASA, Spain	Integrated with airlines, owns facilities and satellite airfield - market leader in MENA and EU
Bartolini	UK CAA (planned) and EASA, Poland	Budget solutions – seeking UK CAA Approval
Flyby	EASA only, Spain	Budget solutions – seeking UK CAA Approval
PFA	EASA only, Norway	Integrated with airlines, owns facilities - market leader in Nordic region
BAA	EASA only, Latvia & Baltic states	Owned by large parent - Avia Solutions Group
Lufthansa	EASA, US and Germany (provides to Lufthansa and Star Alliance group)	Has tried 3 <sup>rd</sup> party academy solutions in the past with limited success due to high fees/cost base
AFTA	UK CAA and EASA, Ireland	Hugely popular with Ryanair and Irish market

## **RECENT COMPETITOR ACTIONS HAVE PROVIDED A WINDOW OF OPPORTUNITY TO DISRUPT LEADING EDGE AND SKYBORNE**

Both L3 Harris (acquired CTC in 2015) and CAE (acquired Oxford in 2012) have exited the UK market in terms of offering volume UK-based ATO training (their UK operations are now just finishing schools for their overseas bases) – thus leaving a supply gap which was heretofore provided by CTC and Oxford to the quantum of c500 ab initio cadets PA.

CAE are also focussed primarily upon MPL training for easyJet thus leaving a larger gap in the Integrated and Modular ab initio training markets.

If FTA doesn't step in to service a share of this volume supply need then both Leading Edge and Skyborne will gain larger UK market shares along the lines of a duopoly and not an oligopoly; which is a missed opportunity for FTA.

## A GROWTH STRATEGY COMPRISING SEVEN STRATEGIC OBJECTIVES IN 2 PHASES

FTA's strategic objectives can be further categorised into:

### **Phase One - Establishing an improved operational baseline to improve GP and double existing enrolments (to c150 FTE cadets pa)**

1. Rationalise aircraft fleet / assets to improve GP & Cash reserves - **complete**
2. Evaluate all training course designs/use of sims to improve overall GP to min. 30% - **complete**
3. Consolidate property portfolio to increase capacity and 'kerb appeal' – **possible site identified**

### **Creating a truly scalable turnkey business (Phase Two)**

4. Vertically-integrate into Jet-sim training to increase GP and turnkey services (B2C and B2B)
5. Increase aircraft fleet proportionally to unlock further growth capacity (to target c. 260 FTE cadets pa)
6. Broaden course portfolio into new competency-based airline-backed cadet programmes (e.g. MPL)
7. Consider the use of alternative aircraft technologies to meet environment challenges and further reduce costs of training to avoid excessive headline fees

## FTA'S GO-TO MARKET STRATEGY IN PHASE ONE OF ITS GROWTH STRATEGY

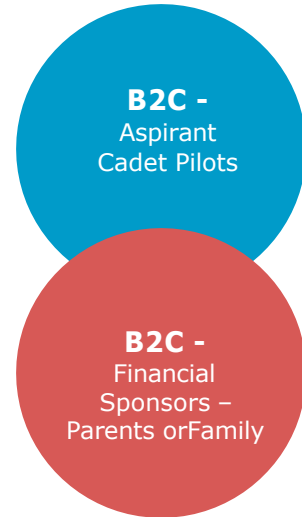
Organic growth to date has been achieved by targeting cadets directly and their financial sponsors (usually parents). The initial growth of the company from c75 FTE students to c150 FTE students will continue to be sourced through this channel to B2C market.

Cadets are targeted through social media and a dedicated events programme that includes the academy events circuit, on-site open days and graduate alumni recommendations.

Financial sponsors have a material effect upon the final choice of academy.

Cadets come from the following sources:

- 65% from further education courses (schools/colleges)
- 25% from higher education - universities
- 10% - career changers (with some accumulated wealth)

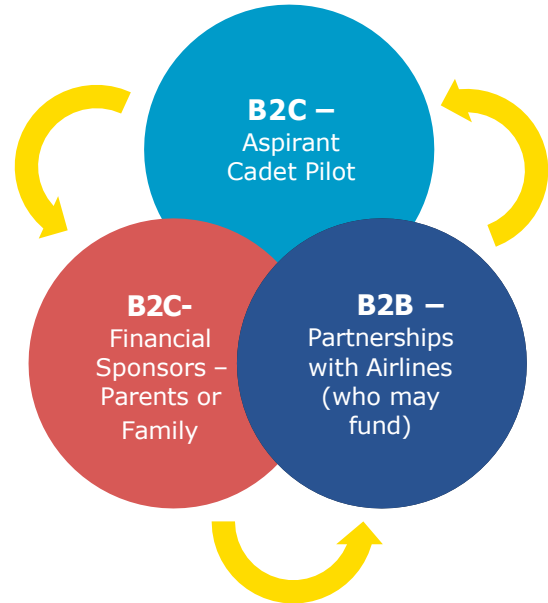


## FTA'S GO-TO MARKET STRATEGY IN PHASE 2 OF ITS GROWTH STRATEGY

B2B refers to partnerships with commercial airlines, who partner with academies that have the capability to train and supply cadet pilots in volume. These relationships are often stimulated by deep personal connections with academies.

Typically, an airline will source 50% (effectively hedging) of its need for cadet pilots through a branded cadet programme and then ask the partner academy to supply the remaining 50% flexibly (top-up) through its 'whitetail' graduate pool. The academy generally provides all the training elements for 100% of the cadet programme.

Once the academy reaches scale, its growth will be fuelled by the 'Virtuous Circle' of a combination of B2C marketing efforts stimulated by the volume of B2B airline cadet programmes/alumni performance.



## CURRENT OPERATIONS - FLEET, INSTRUCTORS AND SIMULATORS

### Airfield and Facilities

- Brighton City Airport (Shoreham) – commercial airfield
- Airfield Capacity: operating at c. 50% - materially scalable
- Currently 4 classrooms, flight operations, 6 briefing rooms, admin offices – limiting growth and appeal
- New Training Centre: opportunity for 100% capacity increase to classrooms, operations and kerb appeal

### Airfield and Fleet

#### Current Fleet:

- 2 x DA42 (1 owned, 1 leased)
- 6 x DA40 (3 owned, 3 leased)
- 2 x PA28 (leased)



### Instructors & Staff

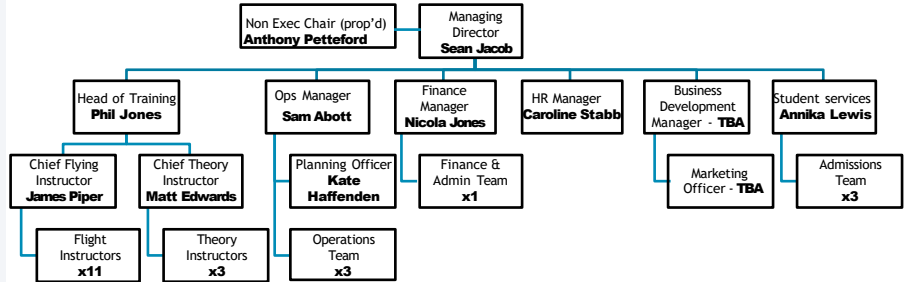
- 3 Management Instructors (HT,CFI,CTKI)
- 11 FTE line instructors
- Flexible instructors for ancillary courses/training
- 12 FTE Administrative/Operations staff

### Simulators

- 2 x Alsim DA42 simulators (both owned)

## A FUNCTIONAL AND SCALABLE TEAM

- A Business Development Manager is currently being appointed.
- All other team leads are in place.
- There are 11 total flight instructors for advance and intermediate flight lessons.
- Marketing Officer to be appointed
- Further Finance SME will be required
- Current Strategic Adviser proposed to become Executive Chairman



## FINANCIAL FORECAST

- FTA's financial year runs September to August
- FTA's forecast is driven by growth assumptions relating to market dynamics in the pilot training industry (ATO – Approved Training Organisations)
- Revenues (Gross) and EBITDA grow respectively from £3.1m and £420k in FY 23 to £13.4m and £2.46m in FY 26 (see separate spreadsheet)
- Integrated students make a c. 52% contribution to total revenues and as the roll-over of new and existing cadets increases, FTA will increase its capacity by 100%.
- EBITDA margin remains modest for FY23-25 as FTA stabilises, consolidates and invests, before material growth and positive cashflows from FY26 onwards

ENROLMENT	FY22-23 H1	FY22-23 H2	FY23-24	FY24-25	FY25-26
SUMMARY - NEW STARTS	Existing	Forecast	Totals	Totals	Totals
INTEGRATED	20	12	60	72	84
MODULAR	10	27	48	60	72
ME IR	4	6	24	36	48
ME CPL	4	6	24	36	48
<b>TOTAL CADETS</b>	<b>38</b>	<b>51</b>	<b>156</b>	<b>204</b>	<b>252</b>
<b>FTE CADETS *</b>	<b>34</b>	<b>45</b>	<b>132</b>	<b>168</b>	<b>204</b>
Growth			67	48	48
Growth FTE %			75%	31%	24%

	TOTAL 2022 23	TOTAL FY 2023 24	TOTAL FY 2024 25	TOTAL FY 2025 26
FTA CASHFLOW FORECAST				
11/05/2023				
Working Capital Need				
<b>TOTAL CASH INFLOWS</b>	<b>3,133,548</b>	<b>5,756,267</b>	<b>9,744,617</b>	<b>13,360,338</b>
OUTFLOWS				
<b>TOTAL CASH OUTFLOWS</b>	<b>2,714,334</b>	<b>5,525,329</b>	<b>8,372,280</b>	<b>10,885,037</b>
<b>NET TRADING CASHFLOW</b>	<b>419,214</b>	<b>230,939</b>	<b>1,372,337</b>	<b>2,475,301</b>



## NEXT STEPS

- Prospective Investor Meeting, week beginning 15/05/2023
- Gather letters of Intent/Support
- Confirmation from CAA/EASA that licences can be novated
- Timeline agreed with FRP Advisory



## ADDITIONAL INFORMATION

- Integrated Training
- Modular Training
- COVID Impact
- PrePack Details
- Other Dynamics & Trends
- People & Team

## FTA TAKES A CADET WITH ZERO FLYING EXPERIENCE TO BEING READY TO APPLY TO AN AIRLINE IN 21/22 MONTHS

FTA's 'turnkey' Integrated course equips a cadet with all the necessary theoretical and flying training/tests for licence issue

### Core Proposition

- Dual UK CAA and EASA Licencing qualifications
- 100% UK-based experienced theoretical and flight instruction (with regular training in EU airspace as required)
- ATPL theoretical instruction over 9-months using leading e-media
- Standardised Diamond Aircraft Fleet (DA42 and DA40)
- Well-equipped airfield with full Air Traffic Control
- Well-connected with UK transport networks
- Clement Southern England climate

### Other Features

- Full visibility of training logs for cadets and airlines - Flightlogger
- Airline preparation - CV writing and interview workshops
- Dedicated student welfare officer to support accommodation and non-academic needs
- Student Voice - a cadet-managed committee to ensure proactive feedback to FTA team

### Provision through Partners

- Upset Prevention Recovery Training (AUPRT) – currently delivered by FPT
- APS Multi-Crew Cooperation – currently delivered by Jet MASTERCLASS

## MODULAR COURSES OFFER FLEXIBLE ALTERNATIVES TO INTEGRATED COURSES – WITH THE SAME LICENCE OUTCOMES

- Cadets may stop-start and fit training around their work, travel or other studies, moving at a pace that suits them
- The majority of Modular cadets hold a PPL (with flying hours) and are seeking to commence professional pilot training

<b>Modular 1</b> ATPL Theory (residential) with Commercial Pilot Licence, Instrument Rating, AUPRT and APS MCC	<b>Modular 2</b> ATPL Theory (online) with Commercial Pilot Licence, Instrument Rating, AUPRT and APS MCC	<b>Modular 3</b> Commercial Pilot Licence, Instrument Rating, AUPRT and APS MCC	<b>Modular 4</b> Commercial Pilot Licence, Instrument Rating
---	--	---	---

FTA also offers shorter courses of training on an unscheduled ad-hoc basis (ancillary revenues):

- Multi-engine Rating
- Instrument Rating
- Commercial Pilot Licence
- Revalidation and renewals (qualified pilots)
- Flight Instructor Course (supports in-house instructor recruitment)
- Conversions (International ICAO licences to UK or EASA)
- UK 'Finishing School' for European Flight Schools delivering UK CAA Training (e.g. FTE-Jerez)

## **COVID CAUSED SEVERE DISRUPTION TO THE AIRLINE INDUSTRY AND ITS STAKEHOLDERS - INCLUDING PILOT ACADEMIES**

### **FTA mitigated the impact of COVID through the following actions:**

- Online training launched to allow continuation of theoretical knowledge training
- 3-months lobbying DfT and CAA to initiate contingency mitigations allowed flight training to resume. Flying resumed in June '20
- Utilising CBILs provided by UK Government and facilitated through debt provider (Close Brothers)

### **Impact on cadets and the business:**

- Courses ran over longer 22-month period and worked through covid with mitigations, new cadets continued to enrol through 2020 as they had planned – deferred income and WC impact
- No new cadets enrolled in first 6 months of 2021 – cashflow and WC impact necessitating additional short-term debt solutions to mitigate deferred income consumption for WC
- New cadets slowly started enrolling again from the end of 2021 – existing cadets needed to be trained affecting capacity and WC needs

## COVID HAS EXPOSED AND EXACERBATED COMMERCIAL AIRLINE PILOT SHORTAGES GLOBALLY

### Pre-COVID:

- Significant and sustained global growth in travel and fleet
- Many pilots approaching regulated retirement age (baby-boomers)
- Resultant, material shortfall in new pilot supply from academies

### During COVID:

- Temporary and severe interruption to travel and passenger loads
- Airlines reduced pilot workforces and suspended recruitment
- Many experienced pilots accepted redundancy and brought-forward their planned retirement decisions

### Post-COVID

- Propensity to travel has resumed faster than expected (latent)
- Airlines facing problems recruiting pilots due to excessive retirements and suspension of training supply (self-inflicted)
- Shortage of pilots is exacerbated compared to pre-COVID
- Airlines struggling to hire experienced pilots and now need to draw upon cadets to meet additional demand



# PREPACK DETAILS

## Advantages

### *Speed of Sale*

The main advantage of pre-pack administration is the speed of sale, which can result in higher returns for creditors when compared with alternative routes into insolvency. Transparency is key in this process particularly where the existing management team is involved. The timing will largely be dictated by;

- How quickly an offer can be formalised and how quickly proof of funding can be provided
- How quickly the respective solicitors can draft and agree the sale contract
- The CAA/EASA requirements and timelines to novate the licences
- Whether CAF will agree to a novation of the SIM assets
- The landlord being agreeable to an assignment/new lease to Newco
- How quickly Newco can set up its banking and supplier accounts

### *Continuity*

A sale of the business as a 'going concern' means that business operations continue largely as before. The value of 'future sales' is protected, along with customer goodwill. This contributes hugely to the success of NewCo, as well as mitigating future losses for the suppliers and the airport that rely upon FTA's existence.

### *Brand*

Pre-pack administration may avoid the adverse publicity, and potential creditor action that results when other forms of insolvency procedure are chosen, for example liquidation.

If public perception of the business 'brand' remains positive;

- jobs may be saved
- with improved cash flow, NewCo stands a better chance of being able to pay its suppliers on time
- The Fair Fees scheme has already received favourable feedback in the market, setting it apart from some of its competitors
- Newco plans on honouring the cadet's training (incl in the deferred income figures),

The above contributes both to potentially increased sales revenue and long-term growth for NewCo.

## PREPACK DETAILS, CONTINUED

### *Future Focus*

The investors will see their investment spent on both building the new company as well as unwinding the student fees already paid (this deferred income should have been 'trained out' over the next 18 months). The new Fair Fees initiative, introduced in January 2023, ensures no payments in advance of delivery will occur from this date. Additionally, contracts associated with the hire of equipment and property that were not working for the old company can be terminated, freeing up working capital for building the new business.

- As noted above, the expectation is that the aircraft assets will either be sold or leased going forward but the SIM agreements preferably novated to NewCo and will continue to be paid as before
- Leased aircraft bring the added bonus of significantly reduced insurance premiums
- NewCo will need to negotiate an assignment or new lease with the landlord
- A licence to occupy can be put in place between NewCo, the Landlord and the Administrator whilst that negotiation takes place so as not to delay the timeline.

### *Cost*

Due to the speed of a pre-pack administration, the costs involved are often less than if trading the business via administration whilst a buyer is sought. However, compared to other procedures such as CVA (depending on term) and liquidation, the professional costs can also be higher.

## DISADVANTAGES OF PREPACK

### *Director Conduct Report*

Once the sale has completed, the Administrator is required to produce a report for the Insolvency Service detailing the conduct of company directors leading up to the insolvency.

- Any adverse findings may result in disqualification action and/or claims against the directors' personal assets.
- There can be mitigating circumstances that can be considered if misconduct is found, incl the level of losses the directors have suffered following the failure of the Company (incl PG) and where Newco has mitigated creditor losses, i.e. the cadets deposits.

### *HMRC*

As discussed, HMRC may suspend VAT registration of the Newco where there are common directors involved.

- Newco may be required to pay a bond before they can register for VAT and commence trading. Given HMRC's securities team are already involved and the level of debt, the risk of this is fairly high and should be factored in to NewCo's cashflow.



## PREPACK DETAILS, CONTINUED

### *Employee Rights - (TUPE)*

The Transfer of Undertakings (Protection of Employment), or TUPE legislation, applies to pre-pack administration where employees are to be transferred to a Newco.

- In these cases, contracts of employment are transferred to the new employer, protecting employee rights and safeguarding jobs
- At FTA, a review of the head count has already taken place and we do not foresee further reductions are possible
- TUPE would still apply if the sale was done via liquidation.

### *Perception*

Pre-pack administrations can be viewed negatively as debts are written off and there is little engagement with creditors before the deal is done. However, alternative routes into insolvency may provide no better return for creditors and if certain creditors are engaged too early in the process, it can cause premature enforcement action which can disrupt/derail the sale process.

The practical ramifications of the perception of pre-pack administrations can include;

- loss of goodwill from cadets/airlines if they hear about what has happened,
- a potential loss of trade due to the negative publicity
- difficulty in obtaining credit from suppliers
- renegotiation of supplier contracts may also be hampered.

All of the above may be proactively managed and mitigated.

### *Cost*

In addition to the professional costs, the connected party will need to find the necessary funds to buy the business assets and fund working cashflow.

- The Administrators' principle duty is to sell the business assets at a fair market value in order to realise as much as possible for the creditors
- They have a responsibility to ensure assets are not undervalued and are apportioned correctly amongst the various secured creditors
- Pre-pack administration is intended to preserve the goodwill of a business so that a smooth transition to Newco is possible.

## PREPACK DETAILS, CONTINUED

This may cause conflict for directors when they are seeking to acquire the business and assets for the least amount of outlay, whilst also being creditors and guarantors of oldco. The directors must be mindful of these conflicts to ensure that they continue to comply with their principle duties of enhancing value and protecting creditor's interests. The guidance of FRP will ensure all fiduciary responsibilities are met in full.

### *PrePack Pool*

Any disposal of a substantial part of an insolvent company's assets to a connected party via PrePack, within a period of 8 weeks from an Administrator's appointment, must now be referred to an independent "Evaluator".

- The Evaluator must identify the relevant assets/property being acquired, the consideration to be paid by the purchaser, and identify the connected party (and their connection)
- The connected party must obtain a report from the Evaluator and supply this to the Administrator in support of their offer
- It is the purchaser's responsibility to obtain the report and meet the Evaluators costs which can range from £1,500 - £2,500 plus VAT

### OTHER MARKET DYNAMICS LIKELY TO AFFECT THE AVIATION INDUSTRY IN THIS NEXT PHASE



**Frequency downsizing** – More smaller airliners (point to point) will be used more frequently creating further demand for pilots



**MPL growth** – increasing airline demand for training for a Multi-crew Pilot Licence (MPL)- replacing training aircraft with jet simulation



**Climate** – climate change is driving research into the development of aircraft utilising sustainable fuels, hydrogen and batteries or a combination of technologies. Unlikely to affect FTA in this cycle and will not drive significant changes to how pilots are trained



**Aircraft manufacturer vertical integration** – Airbus and Boeing are looking to establish their own academy network due to the strong demand for pilots and also to connect aircraft and pilot supply as turnkey solutions

### INTRODUCTION TO FTA GLOBAL



**MANAGING  
DIRECTOR**  
SEAN JACOB

Sean's early interest in aviation culminated in his joining the RAF and training as a pilot.

In the twenty-five years since completing his commission, Sean has built his commercial experience across multiple industries. As COO, Sean grew a niche IT services company substantially, taking it into the Sunday Times Fast Track 100 list, before its acquisition by Compaq. As an interim operations and change consultant, Sean has delivered operational transformation for both large and small organisations; his clients have included O2 Telefonica, Unilever, The World Bank and the AA Group.

Before joining FTA, Sean was engaged as interim Vice President, Operations for L3 Commercial Aviation, leading the move of their full flight simulator assembly, test & training facilities to the new London Training Centre and driving through several significant change programmes across their commercial training operations globally.

As MD for FTA since March 2020, Sean has led the company through the pandemic, overseen the renovation of its operations building and consolidated the ground school into new premises. Sean has also moved Apollo Aviation Advisory Limited (the maintenance facility that looks after the FTA fleet) into the full ownership of Flying Time Limited.



**NON-  
EXECUTIVE  
CHAIRMAN  
(PROPOSED)**  
ANTHONY  
PETTEFORD

Anthony has a blended career background as a business leader, investor, professional pilot and instructor (aviation and IT). Of direct relevance to this opportunity is his 25-year leadership experience and equity investments in large, premium pilot training academies as: CEO/MD of Oxford Aviation Academy (acquired by CAE), CTC Aviation (acquired by L3 Harris) and VA Airline Training (still current).

Anthony has co-invested and exited to trade buyers alongside PE partners (Close, Star, Inflexion) on 3 separate equity growth deals. He was also re-engaged to manage a trade turnaround (after 911), growth and trade sale of Oxford Aviation Training for BBA Aviation; the business which he had previously exited (with Close).

These 25-years has seen him lead investment, growth, acquisition and start-up pilot academies internationally – USA, Australia, NZ, Asia and MENA. In terms of pilot training innovation, he launched the inaugural Multi-Crew Pilot Licence (MPL) in the UK with airlines easyJet, Monarch and flybe before taking the new training model to airlines in Hong Kong, Japan, Qatar, Oman and Virgin in the UK.

Business development experience and senior relationships with airlines has been on a pan-global basis. He has been a Fellow of the Royal Aeronautical Society for 12-years and Chaired the International Flight Training Conference for 3-years.

Anthony is currently supporting Sean as a Strategic Adviser (on a fixed-term basis) in various current aspects of the business need and to gain investment capital.

### INTRODUCTION TO FTA GLOBAL



**HEAD OF TRAINING**  
PHIL JONES

Phil is the Head of Training at FTA and is responsible for overseeing the theory and flight training that FTA delivers. He has worked for the company since 2010 where he began teaching students in single engine aircraft and progressed to teaching and examining students in multi-engine aircraft. He is also the FSTD (simulator) manager and works with the aviation authorities to maintain their continued qualification.



**FINANCE MANAGER**  
NICOLA JONES

Nicola joined FTA in November 2022. She is a highly experienced Finance professional, with more than twelve years' experience across service and retail organisations. Since starting with FTA, Nicola has already implemented a direct debit scheme for student subscriptions and she works closely with FTA's accounting partner, Kreston Reeves.



#### **BUSINESS DEVELOPMENT MANAGER**

TO BE APPOINTED

FTA plan to appoint a Business Development Manager in Q2 of 2023. Sean and Anthony currently work directly with the Admissions team to support events, sales & pipeline and Jump Media, to review and revise their marketing strategy and approach across all channels.