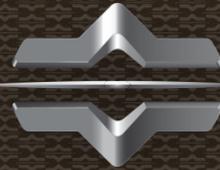


PAL-V



Investment Factsheet

Changing the future of Mobility

The Car That Flies, The Plane That Drives

FlyDrive testing (2009-2012): successful flying with prototype



FlyDrive testing (2009-2012): successful driving with prototype



2018: launch of the production model launch at Geneva International Motor Show



A leader in the new mobility era

The innovative Dutch high-tech company PAL-V N.V. has developed the world's first viable "flying car", a true personal air and land vehicle.

The PAL-V LIBERTY combines mobility on the road and in the air in one convenient vehicle that can be used for many applications and purposes.

With the successful drive and flight test program in 2012, the Company has proven that the PAL-V LIBERTY is possible **within existing regulations.**



Proven technologies only

The PAL-V LIBERTY is a full-fledged, patent-protected “flying car”, combining safe and proven automotive and aeronautical technologies.

As a true hybrid between a car and an aircraft, it allows high-performance driving on the road and safe and easy flying in the air.

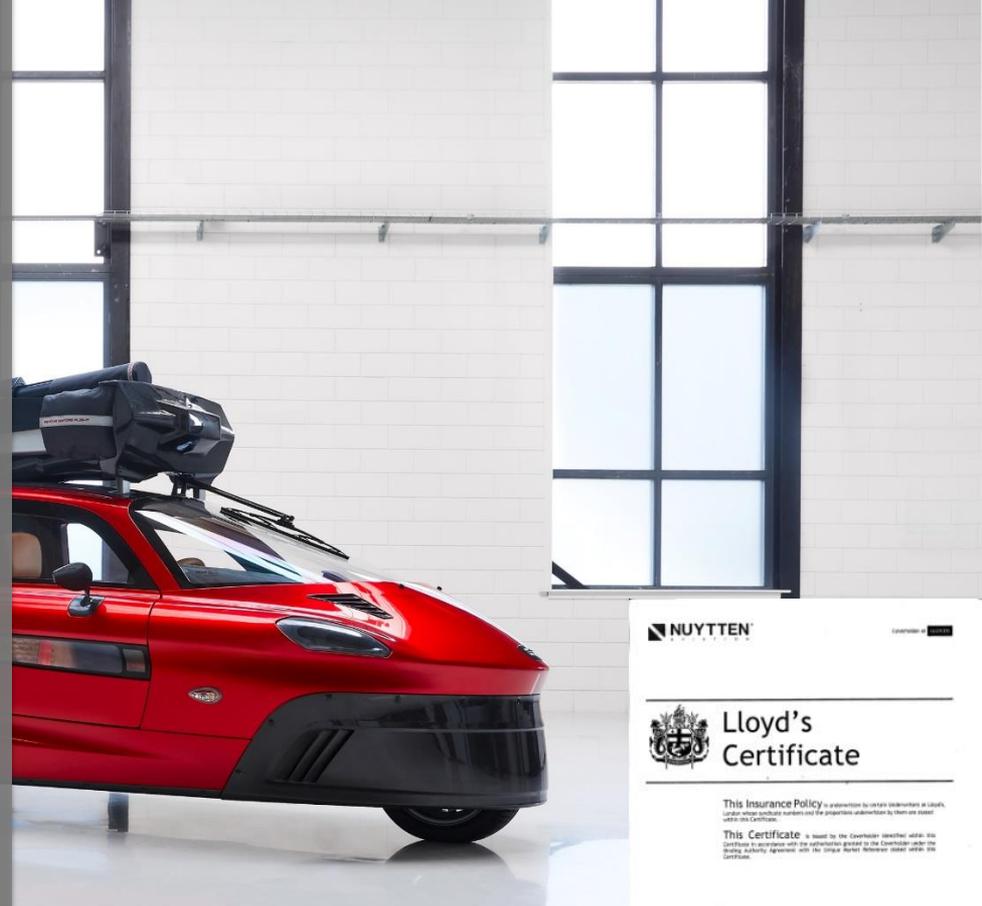


A true dual mode vehicle
complying with existing
regulations, insurance for
customers through Lloyd's

PAL-V is different from any other
concept in the world:

It complies with existing regulations in
most countries in the world

It is easy and safe to fly and a joy to
drive: it is not a roadable airplane with
limited driving performance



Turning flying into a practical mobility solution

Using a helicopter, plane or human carrying drone always requires two additional vehicles to get from door to door: the first to get to the platform/airstrip and the second to get from the platform/airstrip to your destination.

With a flying car, instead of flying from a place where you do not want to leave to a place where you do not want to be, you can go from door to door with your "airvehicle".



Real door-to-door mobility

The PAL-V LIBERTY easily overcomes barriers which have hindered the wide-spread use of private aircraft up to now. It is easy to take the vehicle home, or to one's final destination, and to circumvent bad weather conditions by driving instead of flying.

Being able to overcome natural or man-made barriers like mountains, waterways or traffic jams, provides completely new mobility options for private and professional use.



Today, small planes are hardly used for mobility

Because

1. You are never sure to reach your destination or get back home (weather)
2. You must be back home before dark
3. You have no freedom of travel (must go the same way back to pick up your plane and/or car)
4. Many small airstrips are in very isolated areas, no taxi is coming, no train

Innovative Road Technology

The tilting technology “Dynamic Curve Stabilizer” (DCS) allows high-performance driving with a three-wheel vehicle that has a **high** center of gravity. Three wheels and a **high** center of gravity are needed for a safe and easy-to-operate airplane.



Safe and proven flying technology

The 90-year old gyroplane technology with a **wind-powered** rotating wing on top for lift and a propeller in the back for propulsion provides a very safe and easy way to fly. The conversion from driving to flying is enabled through a foldable rotor and a foldable tail developed and patented by PAL-V. The patented dual-engine powered propulsion makes the PAL-V Liberty one of the safest flying vehicles in the world.



Strong Intellectual Property and Patents

PAL-V owns the patents to protect its position as the first maker of a true hybrid “flying car”. Exclusive know-how to combine the carving tilting technology with a gyroplane keeps the product concept and IP from being copied. The comprehensive certification process for the PAL-V, which includes all sub-systems and its manufacturers, provides an additional strong layer of protection. Certifying any air vehicle takes 8-10 years.



PAL-V is 5-10 years ahead of competition because of its certification approach. Certifying a plane takes 8-10 years, also for Boeing and Airbus

- Senior certification manager was 2nd hired employee in 2008 (design for certification was the main starting point)
- Certification strategy was agreed with EASA at the start of the project in 2008
- Certifiability was proven with flight testing in 2012. To start flight testing the PAL-V ONE in 2012, 1.500 requirements were signed off on behalf of the authorities.
- In 2017, EASA promoted themselves at their open days with the PAL-V prototype, thus expressing their believe in the PAL-V vehicle and the company.
- After 6 years of working with PAL-V, EASA confirmed in 2018 certifiability by issuing the so-called CRIs (Critical Review Items) : a major milestone in certifying an airplane.
- As the design is almost finished, the company is now changing over to the final phase of certification: compliance demonstration. This is the final stage of certification where about 1.500 reports are to be delivered for final certification. This is planned to be ready by spring 2021. First deliveries will start directly thereafter.

A Growth Market

In response to congested roads in urban areas, and a lack of road infrastructure in rural areas, Personal Flying in uncontrolled airspace (500 to 4 000 ft) is being stimulated world-wide by public research initiatives and new regulations.



Surveillance at slow speed and low level

As the PAL-V can safely be operated at slow speed and at low level, it also has special benefits for **policing** and border control operations. The combination of surveillance flights and the ability to land and drive with the same vehicle offers improved effectiveness. One example is **highway surveillance**.

The FlyDrive capability will also improve the effectiveness of first response teams. Also for coast guard operations the PAL-V offers more versatility as it **can land on beaches and drive on**, take off somewhere else to fly over barriers or to check out the situation from the air.

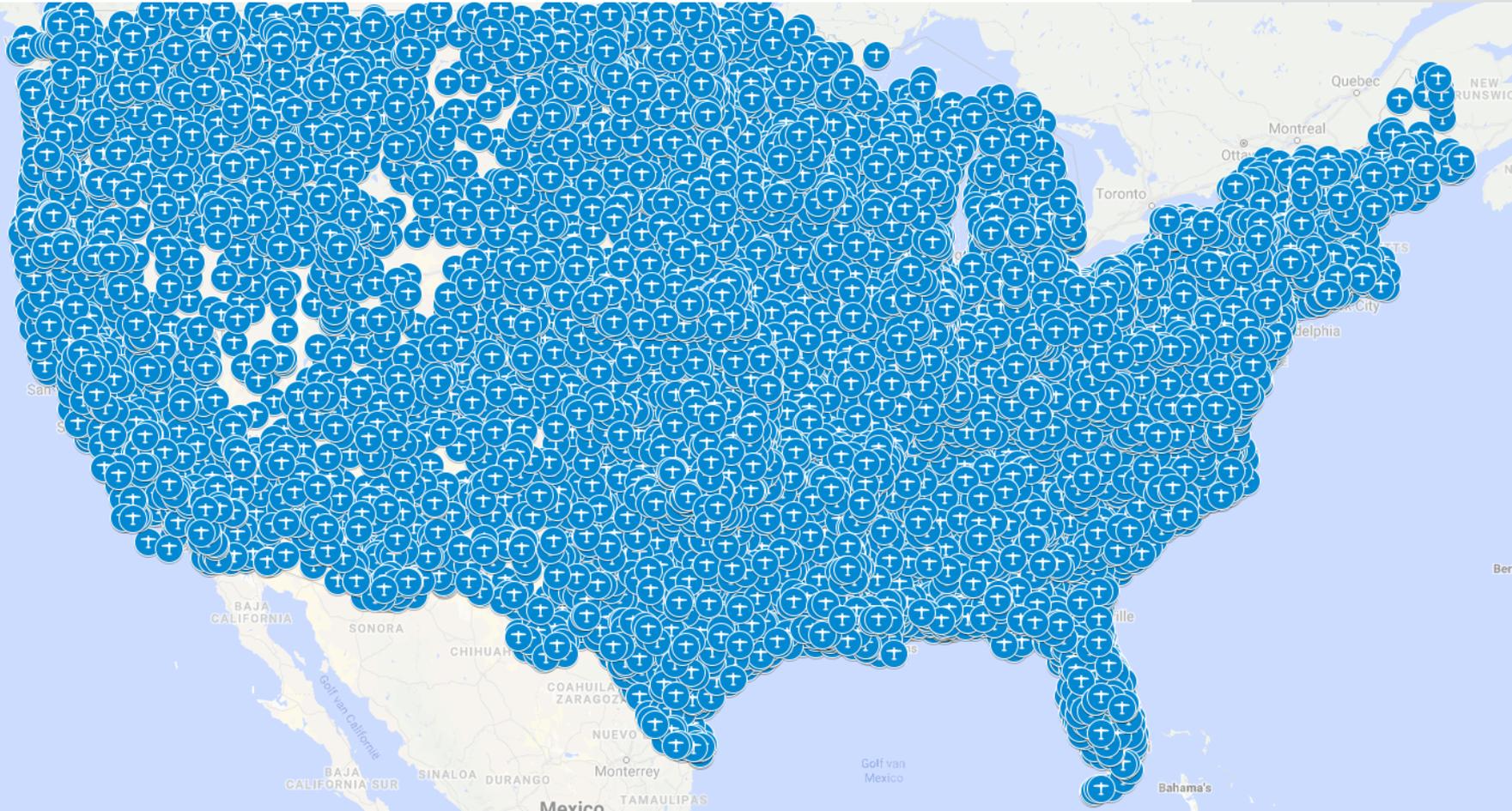


No need for new infrastructure

- The use of personal aircraft is facilitated through an abundance of small airstrips and airfields in Europe, US and many other countries.
- Flying with PAL-V will mostly be in uncontrolled airspace, without the need for filing a flight plan, exactly like current sport flying.
- PAL-V only needs a short airstrip of about 200 meters for take-off and 30 meters for a safe landing. On the road, everyone with a normal driver license can use PAL-V. For flying, a pilot license for a gyroplane is necessary. This is the easiest aviation license. It can be obtained with limited time and cost.



In the USA over 14.000 airstrips exist. Landing on private property is permitted.



First to market: OK, but only with existing regulations and partners

- Comply with **existing** regulations for the vehicle certification and for its operation.
- Apply **existing** technologies as much as possible from proven suppliers
- Use **existing** airstrips and local laws for landing and take-off from private land
- Partner with **existing** flight schools
- Use **existing** Rotax engine maintenance facilities worldwide
- Partner with **existing** maintenance facilities of KLM, Kuwait Airways, etc.
- Partner with **existing** car dealers and airplane dealers for sales



4 m

1.7 m

2 m

Drive Mode Specifications

- Max Speed 160km/h (100 mph)
- Acceleration 0-100 km/h <9 seconds
- Est. Fuel Consumption 7.6l/100 km (32 mpg)
- Driving Range 1300 km (800 miles)
- Tilting degrees: 8



General Specifications

- Mass Empty: 664 kg
- Mass Max. Gross: 910 kg
- Fuel: Regular car fuel (Petrol)
- Seating: 2 persons + luggage



10.75 m

3.2 m

Flight Mode Specifications

- Max. Speed 180 km/h (96 kts)
- Take-Off Roll 185 m (600 ft)
- Landing Roll 30 m (100 ft)
- Range (Still air) 400-500 km (250-315 miles)*

*Depending on loading

Benefits of PAL-V versus other flying cars

Two companies are also active in bringing a FlyDriving vehicle to the market.

PAL-V has many advantages compared to those:

- PAL-V is compact, the other two are truck size (4x2m versus 6x2.25m)
- PAL-V complies with existing regulations, the other two require adapted regulations
- PAL-V is safer due to its two engines and the gyroplane principle (no stall speed and having the rotor as a parachute)
- PAL-V is easier to learn and to fly and therefore more accessible for the big market of non-pilots
- PAL-V can fly while others are grounded (better wind handling)
- PAL-V is more affordable (AeroMobil 1,5 mln Euro).
- PAL-V needs a smaller runway for take-off; its landing is almost vertical.



AeroMobil



Terrafugia Transition



 PAL-V

Growing brand recognition worldwide



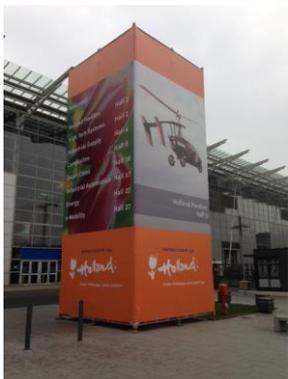
Invitation of
Prince Albert of Monaco



Invitation of Prince
Constantijn (NL) at the CES
in Las Vegas



With crown Prince
William (UK) at the
founders forum



Entrance of the
Hannover Messe in
Germany



Invitation of Prime
Minister Modi of India
and now planning tests



Launching the PAL-V
Liberty in Kuwait

Enormous free publicity has brought enormous brand value

- Launch at Geneva Motor Show was live broadcasted by Associated Press and AFP with acclaimed reach of 2 billion people
- One Chinese financial website has had over 40 million views on an article about PAL-V
- Weekly television crews from all over the world are flying in to visit PAL-V headquarters

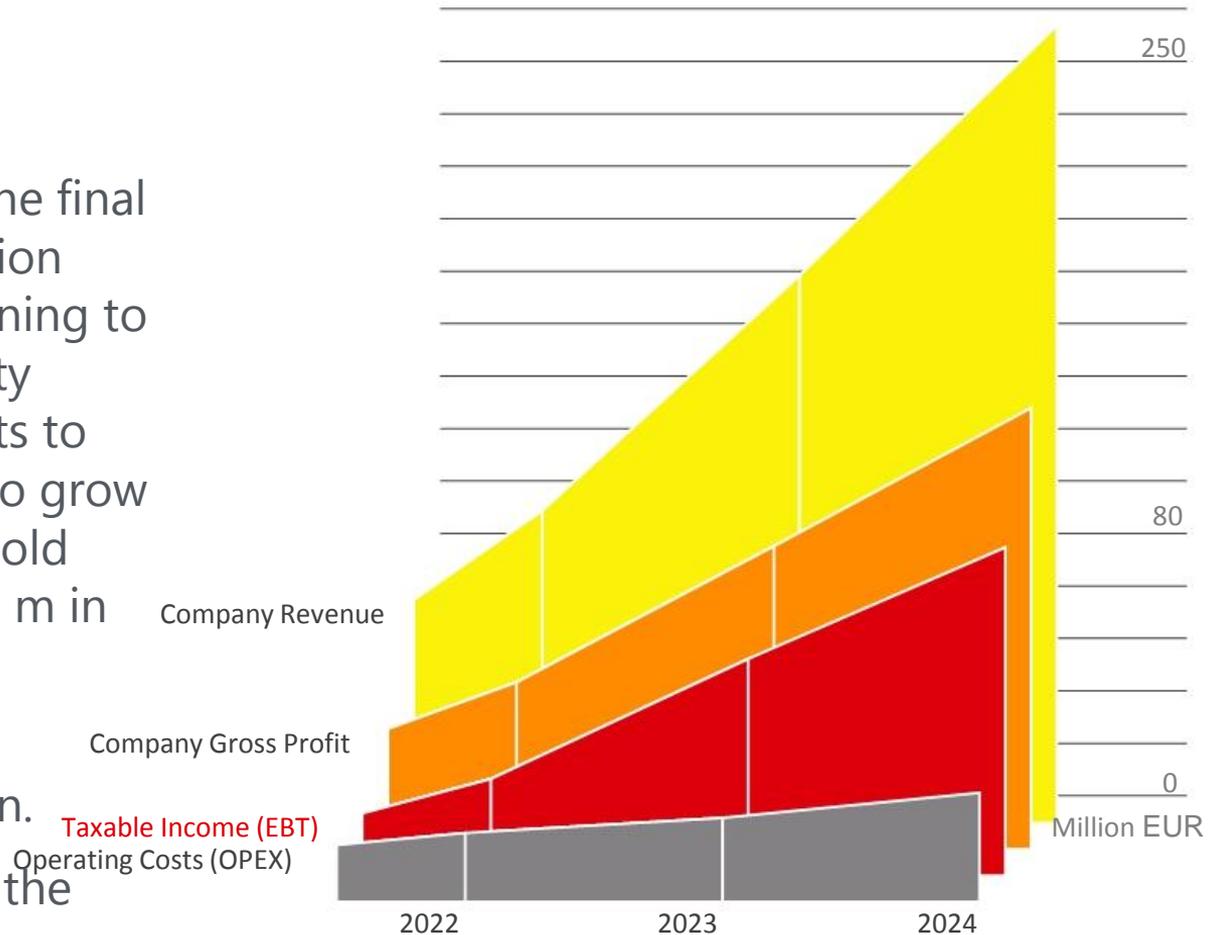


Financial Base Case

The company has entered the final certification commercialization and production phase, planning to deliver the first PAL-V Liberty series in 2021. PAL-V expects to make a profit in 2022, and to grow the business to 1350 units sold and a profit (EBT) of EUR 77 m in the year 2024.

The company order book is growing beyond expectation.

One new order per week at the moment.



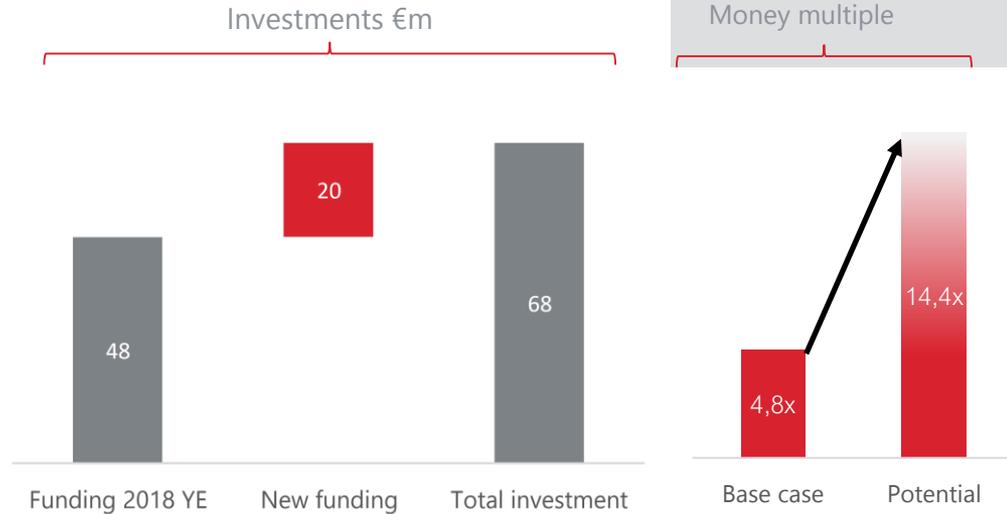
Financial Projections Base Case Scenario

Exciting Investment Opportunity

- Investments for stage I/II (until 2018) have been financed by a group of private investors and the Dutch government
- Stage III (2019 – 2020) “Assembly start and first deliveries” will require €20m additional funding placed in tranches
- Participation in the first tranche of €3m is offered at a favorable price (the price of latest founding raised in 2018)

Exit planned in 2023 with strong IRRs and money multiples

- PAL-V is looking to secure up to EUR 20m equity funding to finance the last step to its market introduction in 2021.
- An exit option for investors is planned in 2023 year-end and an APV-valuation is used to arrive at the IRR and money multiple for the new investor.
- The liquidity buffer in 2019 is assumed to be 25% of the cash requirement for operations and R&D in each business case.
- PAL-V plans to issue new shares in tranches of EUR 3m – EUR 5m. As the Company continues to increase in value, each tranche will be offered at an increased share price, resulting in an ownership of approximately 13% - 18% for a total of EUR 20m in equity funding, depending on the share price.



OVERVIEW OF BUSINESS CASES (EUR '000)

	Business case			
	1	2	3	4
Cash requirement	14,735	14,735	18,308	18,308
Liquidity buffer	3,684	3,684	4,577	4,577
Total cash requirement	18,418	18,418	22,884	22,884
New investor - IRR	48.0%	23.0%	76.0%	94.9%
New investor - money multiple	4.8x	2.3x	9.6x	14.4x

Exit planned in 2023 after delivery of the first series

Exit options:

1. Stock Listing (Goldman Sachs already visited PAL-V)
2. Strategic Buyer, i.e. automotive player, aviation player (interest already exists)
3. Private Equity (many have shown interest in next phase)

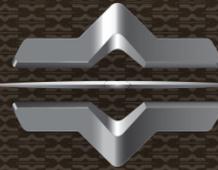
Projected money multiples range from
5 times money invested in base case to
over 14 times in higher scenarios

Investing in PAL-V N.V. is investing in:

- The leader in the very big emerging industry of personal flying mobility
- A business model based on existing infrastructure and existing regulations, with proven technologies
- A vehicle at least 5 years ahead of the competition as aviation has very high entry barriers and very long certification processes, also for Boeing and Airbus
- A design in final certification stage: compliance demonstration
- A very strong patent position
- An order book growing beyond expectation, proving the business case
- A defined exit strategy for which there is already confirmed interest of a number of candidates
- A very healthy projected return in 2022/2023:
 - 5 times invested capital in base case (IRR 48%)
 - 14 times invested capital in high scenario (IRR 95%)

PAL-V

Changing the future of Mobility



Contact:

Robert L.J. Dingemanse

T: +31-6-48313667

E: Dingemanse@PAL-V.com

www.PAL-V.com

The Car That Flies, The Plane That Drives