WHEELS UP

First quarter 2023 earnings

May 9, 2023



Disclaimer

Cautionary statement regarding forward-looking statements

This presentation contains certain "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside of the control of Wheels Up Experience Inc. ("Wheels Up", or "we", "us", or "our"), that could cause actual results to differ materially from the results discussed in the forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the expectations, hopes, beliefs, intentions or strategies of Wheels Up regarding the future, including, without limitation, statements regarding: (i) the size, demands and growth potential of the markets for Wheels Up's products and services and Wheels Up's ability to serve those markets; (ii) the degree of market acceptance and adoption of Wheels Up's products and services, including member program changes; (iii) Wheels Up's ability to develop innovative products and services and compete with other companies engaged in the private aviation industry; (iv) Wheels Up's ability to attract and retain customers; (v) the impact of Wheels Up's operational efficiency and cost reduction efforts on its business and results of operations, including the timing and magnitude of such expected reductions and any associated expenses and impact of the new member operations center; (vi) Wheels Up's ability to maintain cost discipline and achieve positive Adjusted EBITDA pursuant to the schedule that it has announced; (vii) Wheels Up's liquidity, future cash flows, acquisition activities, measures intended to increase Wheels Up's operational efficiency and certain restrictions related to our debt obligations; and (viii) general economic and geopolitical conditions, including due to fluctuations in interest rates, inflation, foreign currencies, consumer and business spending decisions, and general levels of economic activity. In addition, any statements that refer to projections, forecasts, or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "strive," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that statement is not forward-looking. These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could cause actual events and results to differ materially from those contained in such forward-looking statements. Factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements can be found in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission ("SEC") by Wheels Up on March 31, 2023 and our other filings with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. You are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and Wheels Up undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, changes in expectations, future events or otherwise. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, we do not intend to update any of these forward-looking statements after the date of this presentation or to conform these statements to actual results or revised expectations.

Use of non-GAAP financial measures

This presentation includes certain non-GAAP financial measures such as Adjusted EBITDA, Adjusted Contribution and Adjusted Contribution Margin. These non-GAAP financial measures are an addition, and not a substitute for or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and should not be considered as an alternative to net income (loss), operating income (loss) or any other performance measures derived in accordance with GAAP. Definitions and reconciliations of non-GAAP financial measures to their most comparable GAAP counterparts are included in the sections titled "Definitions of key metrics and non-GAAP financial measures" and "Reconciliations of non-GAAP financial measures," respectively, in the appendix of this presentation. Wheels Up believes that these non-GAAP financial measures of financial results provide useful supplemental information to investors about Wheels Up. However, there are a number of limitations related to the use of these non-GAAP financial measures and their nearest GAAP equivalents, including that they exclude significant expenses that are required by GAAP to be recorded in Wheels Up's financial measures. In addition, other companies may calculate non-GAAP financial measures differently, or may use other measures to calculate their financial performance, and therefore, Wheels Up's non-GAAP financial measures may not be directly comparable to similarly titled measures of other companies. Additionally, to the extent that forward-looking non-GAAP financial measures are provided, they are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP financial measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.

For more information on these non-GAAP financial measures, see the sections titled "Definitions of key metrics and non-GAAP financial measures" and "Reconciliations of non-GAAP financial measures" included in the appendix.

Business review



Earnings call agenda

- Business performance update
- Path to positive Adjusted EBITDA in 2024
- Program changes
- Leadership changes

Quarter revenue breakout & operating highlights

(in thousands, except percentages)

	Three Months Ended March 31,		
	2023	2022	% CHANGE
Membership	$ 21,680	$ 20,647	5.0%
Flight	231,762	236,363	(1.9)%
Aircraft management	63,694	60,506	5.3%
Other	34,676	8,119	327.1%
TOTAL	**$ 351,812**	**$ 325,635**	**8.0%**

ACTIVE MEMBERS [1]



Y/Y Growth
(1)%

LIVE FLIGHT LEGS [1]



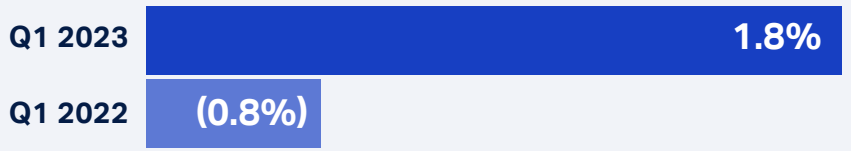
Y/Y Growth
(13)%

FLIGHT REVENUE PER LIVE FLIGHT LEG [1]



Y/Y Growth
12% [2]

ADJUSTED CONTRIBUTION MARGIN

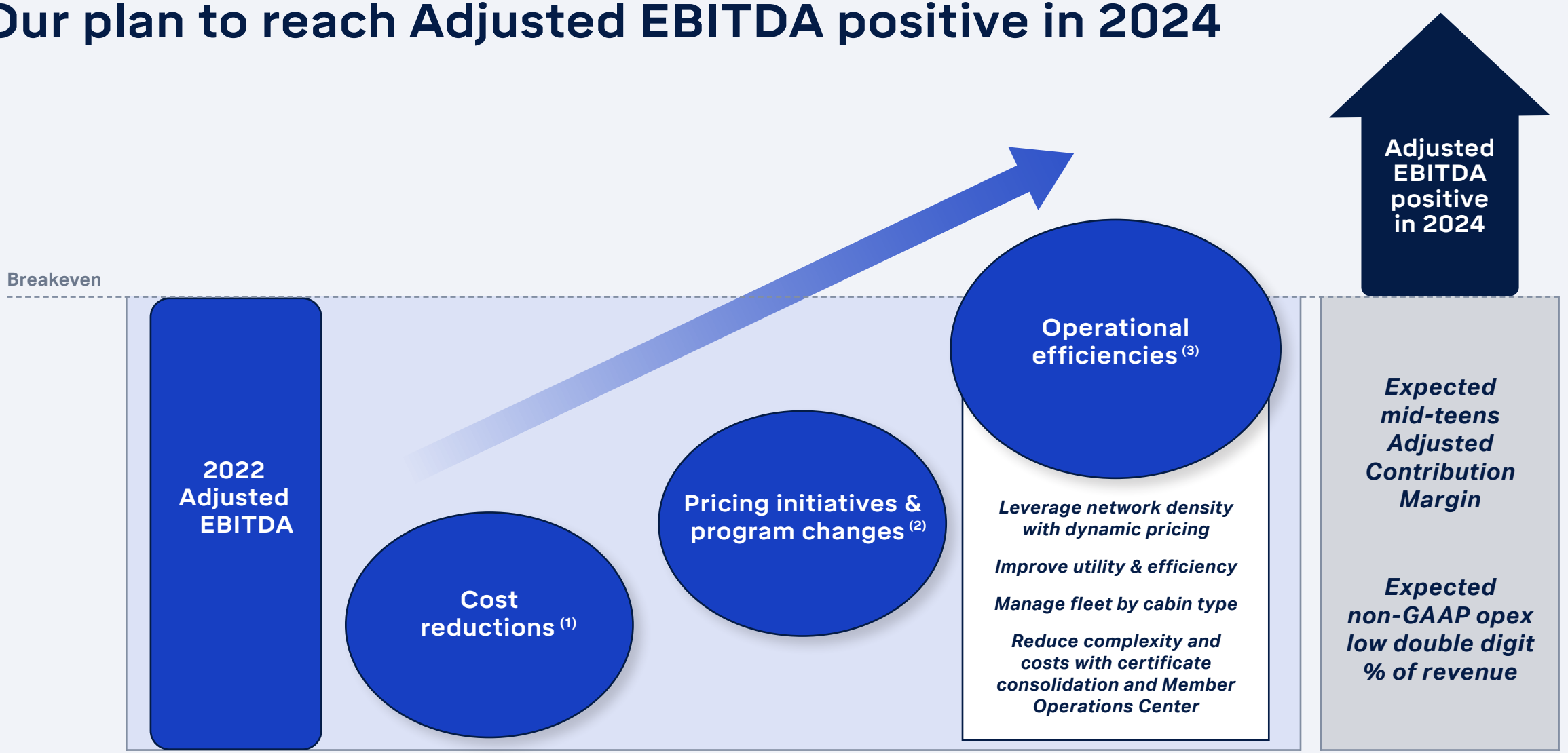


ADJUSTED EBITDA



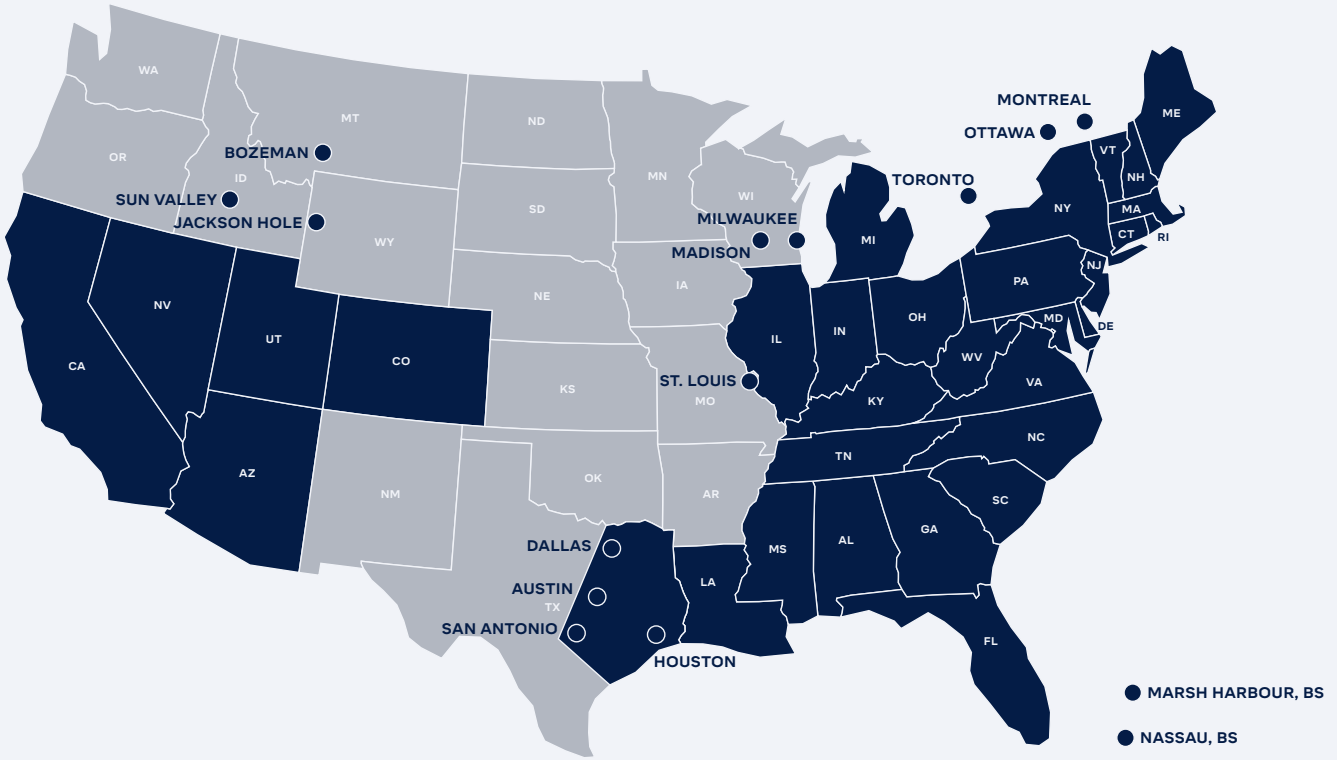
Notes:
1. Definitions of performance metrics in appendix
2. Up 17% year-over-year excluding Air Partner, which excludes Air Partner Live Flight Legs and Flight revenue, which is reported on a net revenue basis. This metric is provided for comparison purposes to show the underlying performance of Wheels Up

Our plan to reach Adjusted EBITDA positive in 2024



Notes:
1. Represents current and planned actions intended to streamline overhead costs, primarily across sales and marketing and general and administrative expenses
2. Represents expected benefits from program changes implemented to date as well as future actions under consideration
3. Represents expected net savings from certain aircraft utility and operational efficiencies, including anticipated or pending (i) improvements in dispatch and maintenance availability, (ii) consolidation of FAA operating certificates, and (iii) the Atlanta MOC

Revamping Member Programs to Focus on Network Density



Service Area (East)
Guaranteed availability and capped hourly rates for flights on the King Air 350i, Light Jet, Midsize Jet, and Super-mid Jets. Flights on Large-cabin aircraft are as-available and dynamically priced.

Service Area (West)
Flights are available with capped hourly rates on the Light Jet, Midsize Jet, and Super-mid Jets. Availability is subject to "sold-out" rules. The King Air 350i is not available for booking in this region. Flights on Large-cabin aircraft are as-available and dynamically priced.

Extended Service Area
Flights are as available and dynamically priced across all aircraft categories.

Expected Customer Benefits

- Improved service
- Better prices for most flying
- Faster recovery

Focus on Wheels Up Strengths

- Leverage network density
- Increased asset utilization
- Higher efficiency
- Higher margins

Progress update (1)

	INITIATIVE	STATUS	INTERIM PROGRESS GOALS (EXITING 2023)
Cost reductions	▪ Announced headcount reduction in March 2023 ▪ Evaluating additional cost reductions ▪ Executing on plans to reduce fixed costs		Non-GAAP SG&A low teens % of revenue
Pricing initiatives & program changes	▪ Revamped programs to take advantage of network density ▪ Utilize dynamic pricing to balance demand across network strength ▪ New Delta program to leverage corporate customer overlap		High-single-digit Adjusted Contribution Margin
Operational efficiencies	▪ Fixed cost leverage ▪ Granular fleet management ▪ 3P optimization ▪ Reducing operating complexity ▪ Member Operations Center ▪ Certificate consolidation ▪ Divest non-core assets		

Notes:
1. Please see appendix for explanation of non-GAAP measures

Guidance (1)

SECOND QUARTER

REVENUE

$350 TO $360 MILLION

ADJUSTED CONTRIBUTION MARGIN

3% TO 4%

ADJUSTED EBITDA

$(39) TO $(44) MILLION

GAAP NET LOSS

$(95) TO $(105) MILLION

Notes:
1. Please see appendix for explanation of non-GAAP measures


Q & A

Appendix & supplemental financial information



Reconciliations of non-GAAP financial measures — Adjusted Contribution and Adjusted Contribution Margin

We include Adjusted Contribution and Adjusted Contribution Margin as supplemental measures for assessing operating performance in conjunction with the related GAAP amounts and for the following:

- Used to understand our ability to achieve profitability over time through scale and leveraging costs; and
- Provides useful information for historical period-to-period comparisons of our business and to identify trends.

The use of Non-GAAP measures is subject to certain limitations. See the Disclaimer slide for further information.

The following table reconciles Adjusted Contribution to Gross Profit (Loss), which is the most directly comparable GAAP Measure.

(in thousands)

	Three Months Ended March 31,	
	2023	**2022**
REVENUE	**$ 351,812**	**$ 325,635**
Less: Cost of revenue	(353,791)	(332,758)
Less: Depreciation and amortization	(14,445)	(14,228)
GROSS PROFIT (LOSS)	**$ (16,424)**	**$ (21,351)**
GROSS MARGIN	**(4.7)%**	**(6.6)%**
ADD BACK:		
Depreciation and amortization	$ 14,445	$ 14,228
Equity-based compensation expense in cost of revenue	1,179	4,432
Restructuring expense in cost of revenue [1]	755	—
Atlanta Member Operations Center set-up expense in cost of revenue [2]	3,799	—
Certificate consolidation expense in cost of revenue [3]	2,601	—
ADJUSTED CONTRIBUTION	**$ 6,355**	**$ (2,691)**
ADJUSTED CONTRIBUTION MARGIN	**1.8%**	**(0.8)%**

Notes:
1. For the three months ended March 31, 2023, includes restructuring charges related to the Restructuring Plan and other strategic business initiatives. For the three months ended March 31, 2022, includes restructuring charges for employee separation programs following strategic business decisions
2. Consists of expenses associated with establishing the Atlanta Member Operations Center and its operations
3. Consists of expenses incurred to execute our consolidation of our FAA operating certificates

Reconciliations of non-GAAP financial measures — Adjusted EBITDA

We include Adjusted EBITDA as supplemental measures for assessing operating performance in conjunction with the related GAAP amounts and for the following:

- Used in conjunction with bonus program target achievement determinations, strategic internal planning, annual budgeting, allocating resources and making operating decisions; and
- Provides useful information for historical period-to-period comparisons of our business, as it removes the effect of certain non-cash expenses and variable amounts.

The use of Non-GAAP measures is subject to certain limitations. See the Disclaimer slide for further information.

The following table reconciles Adjusted EBITDA to Net Loss, which is the most directly comparable GAAP measure.

(in thousands)

	Three Months Ended March 31,	
	2023	**2022**
NET INCOME (LOSS)	**$ (100,866)**	**$ (89,040)**
ADD BACK (DEDUCT)		
Interest expense	8,119	—
Interest income	(3,821)	(77)
Income tax expense	188	—
Other expense, net	(145)	30
Depreciation and amortization	14,445	14,228
Change in fair value of warrant liability	(125)	(3,631)
Equity-based compensation expense	11,538	22,554
Acquisition and integration expense [1]	2,034	3,834
Restructuring charges [2]	10,491	2,674
Atlanta Member Operations Center set-up expense [3]	6,960	—
Certificate consolidation expense [4]	2,647	—
Other [5]	(380)	—
ADJUSTED EBITDA	**$ (48,915)**	**$ (49,428)**

Notes:
1. Consists of expenses incurred associated with acquisitions as well as integration-related charges incurred within one year of acquisition date primarily related to system conversions, re-branding costs and fees paid to external advisors
2. For the three months ended March 31, 2023, include restructuring charges related to the Restructuring Plan and other strategic business initiatives. For the three months ended March 31, 2022, includes restructuring charges for employee separation programs following strategic business decisions
3. Consists of expenses associated with establishing the Atlanta Member Operations Center and its operations
4. Consists of expenses incurred to execute our consolidation of our FAA operating certificates
5. Includes collections of certain aged receivables which were added back to Net Loss in the reconciliation presented for the three and twelve months ended December 31, 2022

Supplemental expense information

(in thousands, except percentages)

	Three Months Ended March 31, 2023				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 1,179	$ 484	$ 700	$ 9,175	$ 11,538
Acquisition and integration expense	–	53	134	1,847	2,034
Restructuring charges	755	2,299	2,058	5,379	10,491
Atlanta Member Operations Center set-up expense	3,799	–	–	3,161	6,960
Certificate consolidation expense	2,601	–	–	46	2,647
Other	–	–	–	(380)	(380)

	Three Months Ended March 31, 2022				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 4,432	$ 641	$ 2,701	$ 14,780	$ 22,554
Acquisition and integration expense	–	–	–	3,834	3,834
Restructuring charges	–	–	–	2,674	2,674

Definitions of key metrics and non-GAAP financial measures

ACTIVE MEMBERS: We define Active Members as the number of Connect, Core, and Business membership accounts that generated membership revenue in a given period and are active as of the end of the reporting period.

ACTIVE USERS: Active Members and jet card holders as of the reporting date plus unique non-member consumers who completed a revenue generating flight at least once in a given period and excluding wholesale flight activity.

ADJUSTED CONTRIBUTION: We calculate Adjusted Contribution as gross profit (loss) excluding depreciation and amortization and adjusted further for equity-based compensation included in cost of revenue and other items included in cost of revenue that are not indicative of our ongoing operating performance.

ADJUSTED CONTRIBUTION MARGIN: Calculated by dividing Adjusted Contribution by total revenue.

ADJUSTED EBITDA: We calculate Adjusted EBITDA as net income (loss) adjusted for (i) interest income (expense), (ii) income tax expense, (iii) depreciation and amortization, (iv) equity-based compensation expense, (v) acquisition and integration related expenses and (vi) other items not indicative of our ongoing operating performance, including but not limited to, restructuring charges.

ADJUSTED EBITDA MARGIN: Calculated by dividing Adjusted EBITDA by total revenue.

PREPAID BLOCKS: Pre-purchased amounts of dollar-denominated credits that can be applied to future costs incurred by members, including flight services, annual dues, and other incidental costs such as catering and ground transportation.

EFFICIENCY: The ratio of live flight hours to total flight hours.

LIVE FLIGHT LEGS: We define Live Flight Legs as the number of complete one-way revenue generating flight legs in a given period, excluding empty repositioning legs and owner legs related to aircraft under management.

UTILITY: The number of live (paid) hours per aircraft per month.

