WHEELS UP

Third quarter 2023 earnings



November 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: (i) the impact of Wheels Up’s cost reduction efforts and measures intended to increase Wheels Up’s operational efficiency on its business and results of operations, including the timing and magnitude of such expected actions and any associated expenses in relation to liquidity levels and working capital needs; (ii) Wheels Up’s liquidity, future cash flows and certain restrictions related to its debt obligations; (iii) the size, demands, competition in and growth potential of the markets for Wheels Up’s products and services and Wheels Up’s ability to serve and compete in those markets; (iv) the degree of market acceptance and adoption of Wheels Up’s products and services, including member program changes implemented in June 2023 and the new corporate member program introduced in November 2023; (v) Wheels Up’s ability to perform under its contractual obligations and maintain or establish relationships with third-party vendors and suppliers; (vi) the expected impact of any potential strategic actions involving Wheels Up or its subsidiaries or affiliates, including realizing any anticipated benefits relating to any such transactions or asset sales, and any potential impacts on the trading market and prices for the Company’s Class A common stock, $0.0001 par value per share (“Common Stock”), including due to future dilutive Common Stock issuances; (vii) the impact of the goodwill impairment charges recognized for the three and nine months ended September 30, 2023 or future impairment losses, which may adversely impact the perception of Wheels Up held by stockholders, investors, members and customers or the Company's business and results of operations or the market price of Common Stock; 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. We have identified certain known material risk factors applicable to Wheels Up 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”) and our other filings with the SEC. Moreover, it is not always possible for us to predict how new risks and uncertainties that arise from time to time may affect us. You are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Except as required by law, we do not intend to update any of these forward-looking statements after the date of this presentation.

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 priorities

George Mattson
Chief Executive Officer



Next phase of Wheels Up's growth

WHEELS UP

AIR PARTNER
A WHEELS UP COMPANY

DELTA

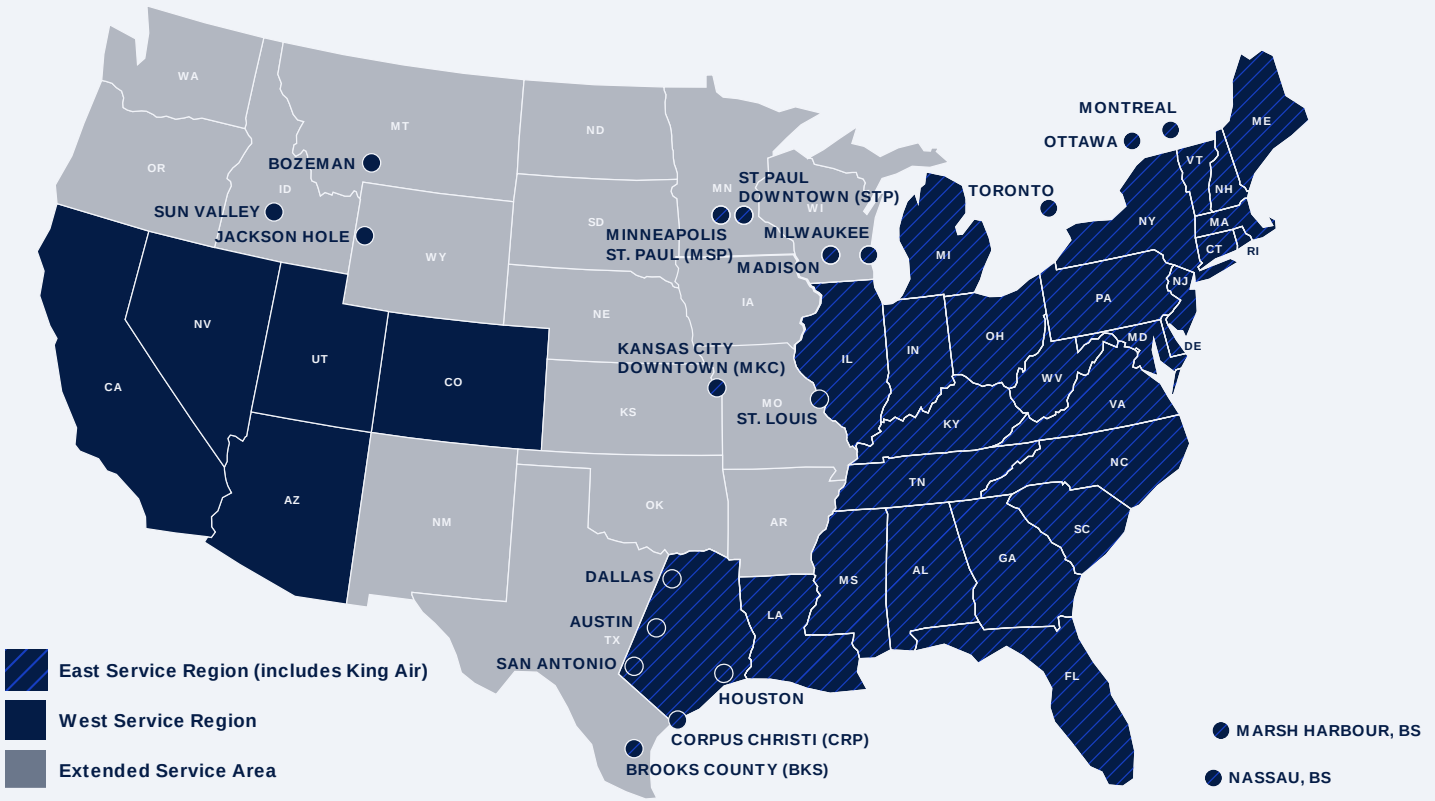
GOAL

To position Wheels Up as the best-run global private aviation company in the world...

...with unmatched flexibility for customers

- Customized aviation solutions for all flight needs
- Owned/operated fleet and global charter capability
- Private/commercial/hybrid flying with Delta

Program changes to drive cost and pricing advantage



Expected Customer Benefits

- Improved service
- Reduced rates in primary service region
- Faster recovery

Improved Performance Goals[1]

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

- **Continuing to honor all existing customer commitments**
- **80% of historical programmatic flying for Wheels Up is in blue areas**

Notes:
1. Please see appendix for definition of key metrics

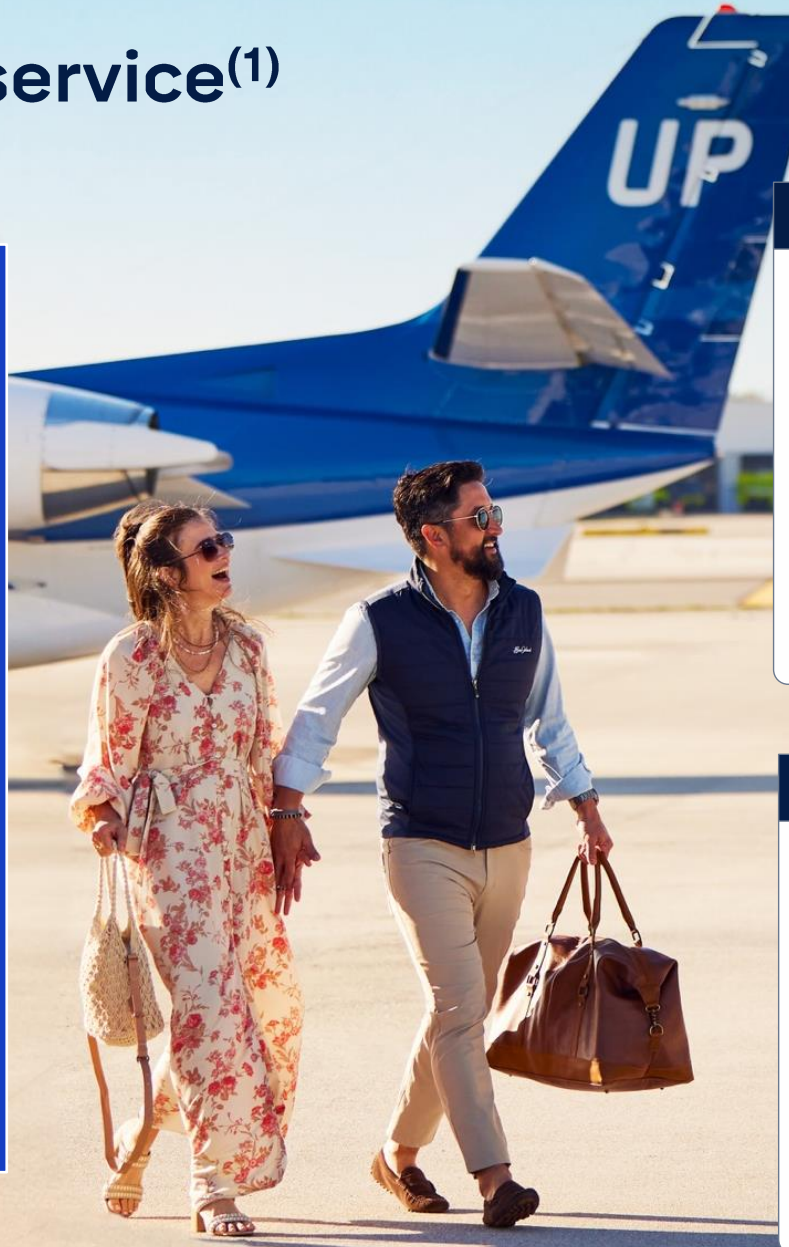
Improving customer service[1]

Performance metrics

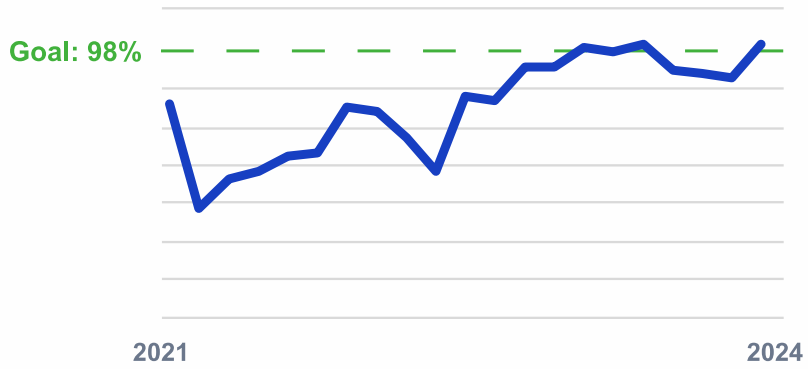
- Completion rate
- On-time departure
- September operating targets exceeded

Wheels Up actions

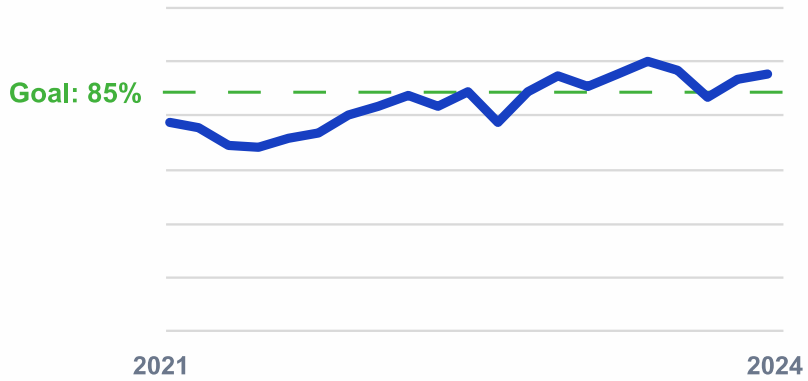
- Deliver a great service
- Regionalization of controlled fleet
- Access Delta's operating & business expertise
- State-of-the-art MOC
- FAA certificate consolidation



Quarterly completion rate



Quarterly on-time performance (D-60)



Notes:
1. Please see appendix for definition of key metrics

Stronger financial position

NEW CAPITAL

Funded
- $350 million credit facility

Committed
- $100 million revolver from Delta

Active Conversations
- $50 million remaining facility

Expected Proceeds: $500 million

NEW BOARD

DELTA

KNIGHTHEAD CAPITAL MANAGEMENT, LLC ®

Certares

COX ENTERPRISES

Delta and new investors have vested interest in success of the company with approximately 95%(1) ownership of the company

Notes:
1. Reflects pro forma ownership of the Company's issued and outstanding Common Stock as of September 15, 2023 on a fully diluted basis. The issuance to increase the percentage from 80% to 95% pro forma ownership is contingent upon receipt of stockholder approval of a certificate of incorporation amendment at a special meeting of the Company's stockholders to be held on November 9, 2023

Business priorities over next 12 months

UP

- Deliver flexibility for customers
- Increase corporate sales through new commercial engagements with Delta
- Harness network density advantages
- Positive Adjusted EBITDA in 2024(1)

Make Wheels Up the best-run private aviation company in the world

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

Financial review

Todd Smith
Chief Financial Officer



Quarter review[1]

(in millions, except percentages)

	Three Months Ended September 30,	
	2023	2022
Revenue	$320.1	$420.4
Adjusted Contribution Margin	11.0%[2]	5.1%
Adjusted EBITDA	$(18.5)	$(45.2)
Cash on balance sheet	$244.8	$285.5
Total deferred revenue	$692.4	$968.3

Notes:
1. Please see appendix for explanation of non-GAAP measures
2. Includes $5.9 million one-time software license revenue

Cash review and outlook

LIQUIDITY

September 30, 2023

- Cash: $245 million
- Undrawn revolver: $100 million
- Equipment note reserve deposit: $20 million(1)

Total Liquidity: $365 million

Additional Expected Capital

- Up to $50 million additional facility

FACTORS EXPECTED TO DRIVE FUTURE CASH FLOW

- Improving profitability
- Stabilization of deferred revenue balance
- One-time transaction/restructuring expenses paid in 3Q
- Normalization of working capital
- Increased go-to-market efforts to drive block sales across corporate and individual customers
- Disciplined capital investment

We expect our year end cash balance will be flat to up versus 3Q 2023(2)

Notes:
1. Equipment note reserve deposit amount included in minimum liquidity calculation under applicable covenant for 2022-1 Equipment Notes
2. Assumes improving profitability, a stabilization of deferred revenue and working capital, and receipt of $50 million proceeds from expected term loan commitments

Path to positive Adjusted EBITDA in 2024[1]

Program Changes & Operational Efficiency

- Leverage network strengths through regionalization
- Balance flying between programmatic & charter
- Improve asset utilization & efficiency
  - Operations centralized into new MOC in Atlanta (opened in May)
  - Continue consolidation of FAA certificates

Cost Reductions

- Additional cost reductions executed
- Completed sale of aircraft management business
- Continuing focus on costs

Capital to Fund the Business

- Up to $500 million from Delta and new investors

Adjusted EBITDA positive in 2024

Notes:
1. Please see appendix for definitions of key metrics and explanation of non-GAAP measures

Conclusion

George Mattson
Chief Executive Officer





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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
REVENUE	**$ 320,063**	**$ 420,356**	**$ 1,006,937**	**$ 1,171,503**
Less: Cost of revenue	(299,887)	(403,042)	(981,581)	(1,144,698)
Less: Depreciation and amortization	(15,459)	(16,500)	(45,027)	(46,862)
GROSS PROFIT (LOSS)	**$ 4,717**	**$ 814**	**$ (19,671)**	**$ (20,057)**
GROSS MARGIN	**1.5%**	**0.2%**	**(2.0)%**	**(1.7)%**
ADD BACK:				
Depreciation and amortization	$ 15,459	$ 16,500	$ 45,027	$ 46,862
Equity-based compensation expense in cost of revenue	826	3,581	3,097	11,320
Acquisition and integration expense in cost of revenue [1]	—	650	—	650
Restructuring expense in cost of revenue [2]	320	—	1,075	—
Atlanta Member Operations Center set-up expense in cost of revenue [3]	10,642	—	22,440	—
Certificate consolidation expense in cost of revenue [4]	3,279	—	7,720	—
ADJUSTED CONTRIBUTION	**$ 35,243**	**$ 21,545**	**$ 59,688**	**$ 38,775**
ADJUSTED CONTRIBUTION MARGIN	**11.0%**	**5.1%**	**5.9%**	**3.3%**

Notes:
1. Consists of expenses incurred associated with acquisitions, as well as integration-related charges incurred within one year of acquisition date
2. For the three and nine months ended September 30, 2023, includes restructuring charges related to the Restructuring Plan and other strategic business initiatives
3. Consists of expenses associated with establishing the Atlanta Member Operations Center and its operations primarily including redundant operating expenses during the transition period, relocation expenses for employees and costs associated with onboarding new employees. The Atlanta Member Operations Center began operating on May 15, 2023
4. Consists of expenses incurred to execute consolidation of our FAA operating certificates primarily including pilot training and retention programs and consultancy fees associated with planning and implementing the consolidation process

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 September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
NET LOSS	**$ (144,813)**	**$ (148,838)**	**$ (406,272)**	**$ (330,637)**
ADD BACK (DEDUCT)				
Interest expense	11,258	—	27,035	—
Interest income	(404)	(1,130)	(6,090)	(1,612)
Income tax expense	579	185	751	505
Other expense, net	(613)	625	822	1,505
Depreciation and amortization	15,459	16,500	45,027	46,862
Change in fair value of warrant liability	61	(2,504)	(685)	(8,265)
Loss on divestiture	2,991	—	2,991	—
Equity-based compensation expense	3,508	22,504	21,650	65,839
Acquisition and integration expenses [1]	—	4,747	2,108	16,092
Restructuring charges [2]	22,213	682	40,905	6,165
Atlanta Member Operations Center set-up expense [3]	10,765	—	26,895	—
Certificate consolidation expense	3,279	—	10,799	—
Impairment of goodwill [4]	56,200	62,000	126,200	62,000
Other [5]	988	—	117	—
ADJUSTED EBITDA	**$ (18,529)**	**$ (45,229)**	**$ (107,747)**	**$ (141,546)**

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 and nine months ended September 30, 2023, includes restructuring charges related to the Restructuring Plan and related strategic business expenses incurred to support significant changes to our member programs and certain aspects of our operations, primarily consisting of consultancy fees associated with designing and implementing changes to our member programs and obtaining financing, and severance and recruiting expenses associated with executive transitions and other employee separation programs as part of our cost reduction initiatives. For the three and nine months ended September 30, 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 primarily including redundant operating expenses during the transition period, relocation expenses for employees and costs associated with onboarding new employees. The Atlanta Member Operations Center began operating on May 15, 2023.
4. Consists of expenses incurred to execute consolidation of our FAA operating certificates primarily including pilot training and retention programs and consultancy fees associated with planning and implementing the consolidation process.
5. Represents non-cash impairment charge related to goodwill recognized in the second and third quarters of 2023. See Note 1, Summary of Business and Significant Accounting Policies of the Notes to Condensed Consolidated Financial Statements included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2023.
6. Includes collections of certain aged receivables which were added back to Net Loss in the reconciliation presented for the twelve months ended December 31, 2022, as well as recognition of charges related to an individually immaterial litigation settlement.

Supplemental expense information

(in thousands, except percentages)

	Three Months Ended September 30, 2023				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 826	$ 620	$ 440	$ 1,622	$ 3,508
Acquisition and integration expense	–	–	–	–	–
Restructuring charges	320	4,641	703	16,549	22,213
Atlanta Member Operations Center set-up expense	10,642	–	–	123	10,765
Certificate consolidation expense	3,279	–	–	–	3,279
Other	–	–	–	988	988

	Nine Months Ended September 30, 2023				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 3,097	$ 1,777	$ 1,781	$ 14,995	$ 21,650
Acquisition and integration expense	–	53	134	1,921	2,108
Restructuring charges	1,075	6,940	2,761	30,130	40,905
Atlanta Member Operations Center set-up expense	22,440	201	–	4,254	26,895
Certificate consolidation expense	7,720	–	–	3,079	10,799
Other	–	–	–	117	117

	Three Months Ended September 30, 2022				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 3,581	$ 751	$ 2,756	$ 15,416	$ 22,504
Acquisition and integration expense	650	–	–	4,097	4,747
Restructuring charges	–	–	–	682	682

	Nine Months Ended September 30, 2022				
	COST OF REVENUE	TECHNOLOGY AND DEVELOPMENT	SALES AND MARKETING	GENERAL AND ADMINISTRATIVE	TOTAL
Equity-based compensation expense	$ 11,320	$ 2,047	$ 8,314	$ 44,158	$ 65,839
Acquisition and integration expense	650	–	–	15,442	16,092
Restructuring charges	–	–	–	6,165	6,165

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.

COMPLETION RATE: Percent of scheduled flights operated.

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.

ON-TIME PERFORMANCE (D-60): Percent of flights that depart within 60 minutes of scheduled time, inclusive of ATC, weather, maintenance and customer delays.

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.

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

