



WHEELS UP ANNOUNCES AGREEMENT TO ACQUIRE AIR PARTNER

News / Business aviation, Finance



Wheels Up has reached an agreement to acquire Air Partner, a U.K.-based global aviation services group with operations in 18 locations and across four continents. Under the terms of the transaction, Wheels Up will acquire the entire issued and to be issued ordinary share capital of Air Partner for 125 pence per share, equivalent to an enterprise value of approximately \$107 million. The acquisition is expected to close later in the first quarter subject to shareholder and regulatory approvals.

Founded in 1961, Air Partner is a global aviation services company providing private jet, group and freight charter and aviation safety & security solutions to industry, commerce, governments and private individuals, across civil and military organizations.

Air Partner will provide Wheels Up the ability to expand its service offerings internationally, and Wheels Up expects Air Partner to leverage Wheels Up's investments in operations, service and technology on a global basis with an active and engaged customer base. The proposed acquisition will enhance Wheels Up's brand equity and will also add an experienced global team from a company with more than 60 years of continuous operations in private aviation.

"Today's announcement marks an important new chapter for Wheels Up as we systematically build the leading global, private aviation company that creates unparalleled value for our customers and shareholders," said Wheels Up Chairman and CEO Kenny Dichter. "This acquisition will allow us to offer existing and future customers even more compelling and seamless options for private travel, expand the reach of our marketplace in key markets around the world, and add important operational capabilities to our network. Air Partner has tremendous heritage, leadership expertise and unique capabilities that will allow us to accelerate our global strategy and credibly expand our offerings in a meaningful way. We look forward to sharing more details on the transaction and our go-to-market plans after the deal formally closes."

"This proposed acquisition has a compelling strategic rationale, bringing together two businesses with complementary offerings and values for the benefit of their customers. I am extremely proud of Air Partner, we have built a fantastic team and a highly attractive business and Wheels Up's offer is a clear acknowledgment of this," said Air Partner CEO Mark Briffa. "The Air Partner Board believes that a combination with Wheels Up would give our customers, colleagues and stakeholders the additional resources of one of the largest private aviation companies in the world, enabling us to significantly enhance our technology, customer offer, and international aircraft supply. Air Partner has always placed the customer at the heart of what we do – a value that is equally shared by Wheels Up – and I am confident this will continue to be the case."

Strategic Benefits

This acquisition accelerates Wheels Up's long-term vision to be the international leader in private aviation.

The proposed combination will provide a global platform to accelerate growth and market expansion.

- An acquisition of Air Partner immediately extends Wheels Up's international reach with 18 locations across four continents.
- Wheels Up will be able to leverage its significant investments in brand, operations, service and technology on a global basis with an active and engaged customer base.
- The acquisition would accelerate the development and growth of Wheels Up's technology-enabled marketplace, supporting expected growth amid accelerating global demand.
- The transaction would bring an experienced management team well positioned to facilitate integration, drive growth and support further market expansion across new markets.

Air Partner will accelerate the expansion of the Wheels Up's marketplace, providing immediate connection to a global network of safety vetted and verified aircraft supply.

- With more than 60 years in private aviation, Air Partner has longstanding relationships with aircraft operators across the globe.
- Air Partner's existing "asset-light" structure, with no owned aircraft or operating certificates, brings flexibility to scale Wheels Up's international footprint more quickly and with limited capital investment.

- Air Partner's safety training, consulting and regulatory compliance services can accelerate the addition of safety-vetted and verified aircraft to the Wheels Up marketplace across all markets.
- Air Partner's relationship with international operators can extend adoption and penetration of Wheels Up's Flight Management System in North America and beyond.

The combination of the two companies will provide significant opportunities for value enhancement for Wheels Up and Air Partner current and prospective customers.

- Air Partner shares Wheels Up's members-first orientation and commitment to customer experience, service and support.
- Bringing the two companies together will enable Wheels Up to offer customers an expanded international travel solution, including direct travel options to and from Europe, as well as intra-Europe and intra-U.S.
- Wheels Up expects these solutions will appeal to individual, family and business customers.

The acquisition of Air Partner and its diversified platform expands the Wheels Up portfolio of products and services.

- Air Partner operates adjacent profitable businesses in group charter and freight in the United States and internationally.
- Air Partner's safety and security consultancies will complement Wheels Up's focus on operational excellence and safety, while also providing additional support and protection for the Wheels Up brand as a global aviation leader.

The proposed acquisition of a consistently profitable business represents an opportunity for margin expansion and sustained financial performance.

- Air Partner brings a strong financial profile with profitable operations, strong free cash flow and no significant debt.
- Wheels Up expects the integration of Air Partner's historically profitable business to be accretive to Wheels Up's contribution margin and adjusted EBITDA in the first year of acquisition.

Jefferies, LLC is acting as the exclusive financial advisor to Wheels Up.

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