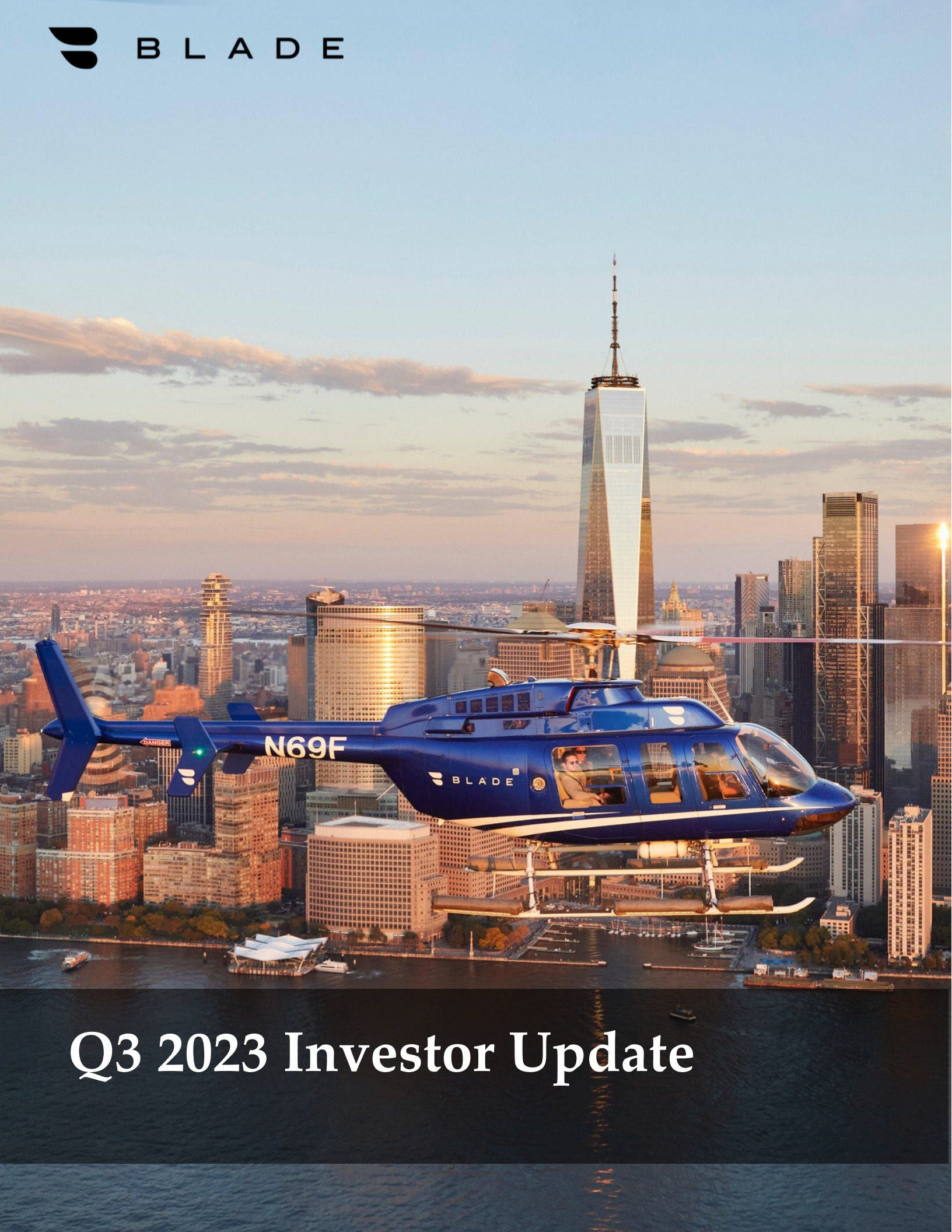




BLADE



Q3 2023 Investor Update

To Our Shareholders,

We are pleased to deliver our **first quarter of positive Free Cash Flow and Positive Adjusted EBITDA** for Blade while maintaining rapid revenue growth in both our Passenger and Medical Segments.

Revenue increased by 56% to \$71.4 million in the September 2023 quarter versus \$45.7 million in the comparable 2022 period.

We achieved **Free Cash Flow of \$1.3 Million in Q3 2023, a \$7.8 million improvement from Q3 2022 while Adjusted EBITDA of \$0.8 million** in Q3 2023 improved \$5.3 million versus Q3 2022.

Importantly, as we turn the corner to profitability, we are doing so without sacrificing revenue growth.

Blade's Short Distance business delivered another quarter of significant growth, with revenue up 49% year-over-year, driven by our acquisitions in Europe and improvement across our entire Short Distance route network.



Rob Wiesenthal, Founder and Chief Executive Officer

Our Flagship urban air mobility service, **Blade Airport, has enjoyed continued improved financial performance with strong revenue growth in addition to positive Flight Profit contribution for the first time during Q3 2023.** Airport is one of our most important growth vectors for the passenger business, as it will be the very first use case for Electric Vertical Aircraft ("EVA" or "eVTOL"), but the ramp-up has required patience from both our investors and our management team. It's taken two years of steadily growing our passenger volumes, route offerings, average checkout price, and seat utilization to reach today's critical profitable milestone. In Q4 2023 quarter-to-date we have seen solid seat growth that we expect will unlock continued incremental profitability for Airport in the future.

We have also made great progress in optimizing our aircraft capacity purchase agreements to capitalize on our growing scale, enabling Blade to benefit from the economic leverage of a more active fleet. We are already seeing this translate to Flight Profit margin expansion in both our Medical and Passenger segments. This is a win-win for both our operators and our customers as we direct more flight hours to our most reliable and efficient aircraft providers.

In Jet and Other we also saw strong growth as revenue increased 49.1% to \$7.6 million.

Our growth across **Passenger, coupled with our turn to profitability in Airport contributed to a significant, 88.7% increase in Passenger Segment Adjusted EBITDA to \$2.8 million for Q3 2023.**

In our **MediMobility Organ Transport business, we delivered 65% organic growth** driven by continued new hospital wins, business expansion with existing hospitals, and strong end-market growth. We continued to demonstrate the strong operating leverage of this business with **Medical Segment Adjusted EBITDA increasing 123.8% to \$3.3 million.**

We are also excited to announce the launch of our new organ placement service, an offering that has been requested by a significant portion of our existing customers. This new business line, which goes live on December 1st, brings us further upstream in the organ transplantation process by helping transplant centers determine if an organ is a match for a potential recipient. When paired with our existing logistics services, we can now provide even more seamless engagement and simplify the communication process for our customers.



Blade x Mercedes Benz – New York, New York

The wider the breadth of services we offer our hospital clients, the more we can help them, and the deeper we become integrated with their mission to save lives.

As evidenced by this quarter's results, we remain on track with our commitment to deliver **a meaningful improvement in full-year EBITDA in 2023 versus 2022**, and we also expect **further year-over-year Adjusted EBITDA improvement in Q4 this year**.

Strategic Initiatives

In Atlantic City, we've partnered with Ocean Casino to create an exclusive Blade heliport, allowing our fliers to land directly at the resort. Charter service is available today, and by-the-seat service, back-stopped by Ocean Casino, is planned for Spring 2024.

In France, at Nice International Airport, the opening of an on-tarmac security checkpoint will enable our fliers to bypass crowded terminals and proceed directly to their commercial airline gate after landing on a Blade helicopter. This will reduce the travel time between Blade helicopter arrivals and the commercial gate by 45 minutes or more for all of our European urban air mobility products where passengers are connecting to airlines at Nice.

This is consistent with our infrastructure strategy around the world—we are able to leverage our significant passenger volumes and brand recognition to strike partnerships with infrastructure owners that provide unique access to terminal space, improving the passenger experience with limited cost. These arrangements are a win-win for all parties and will provide an important strategic advantage as we begin to transition from conventional rotorcraft to EVA, in the coming years.

We made important progress on the EVA front just last week as our operator for Blade Canada, which operates as Helijet, placed an order for the Beta Technologies Alia Electric Vertical Aircraft which is expected to provide quiet, emission-free air mobility service for Blade fliers in Canada. This order is for the same aircraft that Blade recently utilized during our first EVA test flight in the New York City area in Q1 2023.



Blade Hamptons x Love Shack Fancy – New York City

Financial Results and Outlook

Our turn to profitability this quarter highlights the results of our strong execution on growth initiatives coupled with a relentless focus on cost efficiencies as **we shrunk Adjusted Unallocated Corporate Expenses by 29.0% while still growing revenue 56% in Q3 2023 versus the prior year period**. We tactically optimized corporate overhead while staying focused on our customers to maintain the seamless experience we are known for in both our Passenger and Medical businesses.

Medical Segment Revenue increased 65% to \$33.4 million in the third quarter of 2023 versus \$20.2 million in the comparable 2022 period. Approximately 45% of this quarter's growth was driven by the addition of new customers, with the remainder driven by growth with existing clients, as well as strong overall market growth

In addition to strong overall volume growth, we continue to see increases in flight hours per trip versus the prior year period as transplant centers have shown a willingness to fly farther to enable a transplant.

Medical Segment Adjusted EBITDA was \$3.3 million in the current quarter, an increase of \$1.9 million or 124% versus \$1.5 million in the comparable 2022 period. We're happy to see EBITDA growing faster than Revenue which reflects growth coupled with our ability to bring in dedicated aircraft capacity behind new customer contracts. This lowers costs and increases reliability for our customers by eliminating aircraft repositioning while enabling better Flight Profit margins for Blade.

We are pleased to announce the launch of Trinity Organ Placement Services, or TOPS, with two key customers on December 1st, 2023. Over time, we hope that many of our 70+ existing contracted logistics customers will choose to vertically integrate with us for organ placement as well and we also expect that some centers with other transportation providers could utilize these services.

Short Distance revenues were up 49% to \$30.4 million in the third quarter of 2023 versus \$20.4 million in the comparable 2022 period. Growth was driven by our acquisition of Blade Europe, which closed on September 1st, 2022, growth in our

Blade Airport business, and strong growth across the rest of our Short Distance portfolio. Airport was a positive contributor to Flight Profit this quarter, meaning it covered all costs related to air and intra-terminal ground transportation for our fliers.

Europe was soft relative to our expectations, slightly dragging down our Adjusted EBITDA this quarter. Flexibility is a key benefit of our asset light model, and we are taking this opportunity to right-size our European business for the opportunity ahead, optimizing our cost structure and accessible aircraft fleet to match demand.



Blade Medimobility – East 34th, New York City

Passenger Segment Flight Profit increased by \$3.3 million or 54% to \$9.4 million in the third quarter of 2023, from \$6.1 million in the same period of 2022. The increase was attributable primarily to the acquisition of Blade Europe, which contributed in only one month of the 2022 period, higher jet charter volumes, increased seat utilization and average seat pricing for Blade Airport, and profit growth across the rest of our US Short Distance portfolio.

All this led to an **88.7% increase in Passenger Segment Adjusted EBITDA to \$2.8 million in the third quarter of 2023** versus \$1.5 million in the prior year period.

We continue to optimize corporate costs as Adjusted Unallocated Corporate Expenses and Software Development, which relate to the overall Blade shared services platform, decreased \$2.2 million or 29.0% in Q3 2023 versus the prior year period, despite our significant growth.

Blade's underlying operational platform is creating economic leverage and we continue to look for opportunities to optimize our cost structure to drive further operating expense leverage.

With respect to our balance sheet, **we continue to have zero debt and approximately \$173 million in cash and short term securities as of the end of the third quarter of 2023, an increase versus Q2 2023.** Given our improving financial performance, we expect a significant majority of our cash to be available for acquisitions.

Our hard work continues as we remain committed to expanding Flight Profit margins, optimizing our cost base and adding profitable new business lines like our new organ matching service to maximize Free Cash Flow generation.

Conclusion

We are proud of the work the team did to deliver outstanding third quarter results and our **first positive Adjusted EBITDA and free cash flow quarter**. We look forward to building on this momentum as we continue to drive toward overall corporate profitability.

Thank you all for your continued support.

Sincerely,

Rob Wiesenthal
Founder and Chief Executive Officer

Use of Non-GAAP Financial Information

Blade believes that the non-GAAP measures discussed below, viewed in addition to and not in lieu of our reported U.S. Generally Accepted Accounting Principles ("GAAP") results, provide useful information to investors by providing a more focused measure of operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. The non-GAAP measures presented herein may not be comparable to similarly titled measures presented by other companies. Adjusted EBITDA, Segment Adjusted EBITDA, Adjusted Unallocated Corporate Expenses, Corporate Expenses, Adjusted Corporate Expenses, Flight Profit, Flight Margin, Free Cash Flow and Pro forma revenue have been reconciled to the nearest GAAP measure in the tables within this press release.

Adjusted EBITDA and Segment Adjusted EBITDA - Blade reports Adjusted EBITDA, which is a non-GAAP financial measure. This measure excludes non-cash items or certain transactions that are not indicative of ongoing Company operating performance and / or items that management does not believe are reflective of our ongoing core operations (as shown in the table below). Blade defines Segment Adjusted EBITDA as segment net income (loss) excluding non-cash items or certain transactions that management does not believe are reflective of our ongoing core operations.

Adjusted Unallocated Corporate Expenses – Blade defines Adjusted Unallocated Corporate Expenses as expenses attributable to our Corporate expenses and software development operating segment less non-cash items or certain transactions that are not indicative of ongoing Company operating performance and / or items that management does not believe are reflective of our ongoing core operations that cannot be allocated to either of our reporting segments (Passenger and Medical). Adjusted Unallocated Corporate Expenses has the same meaning as Segment Adjusted EBITDA for our Corporate expenses and software development operating segment and is reconciled in the tables below under the caption "Reconciliation of Segment Net Income (loss) to Segment Adjusted EBITDA."

Constant currency - The unaudited interim condensed consolidated financial statements included here are presented in U.S. dollars. However, Blade's international operations give rise to fluctuations in foreign exchange rates. To compare results between periods as if exchange rates had remained constant period-over-period and allow change in revenue to be evaluated without the impact of foreign currency exchange rate fluctuations, Blade has included results in constant currency. These are calculated by applying the current period exchange rates to local currency reported results for both the current and prior year.

Corporate Expenses and Adjusted Corporate Expenses - Blade defines Corporate Expenses as total operating expenses excluding cost of revenue. Blade defines Adjusted Corporate Expenses as Corporate Expenses excluding non-cash items or certain transactions that are not indicative of ongoing Company operating performance and / or items that management does not believe are reflective of our ongoing core operations.

Flight Profit and Flight Margin - Blade defines Flight Profit as revenue less cost of revenue. Cost of revenue consists of flight costs paid to operators of aircraft and cars, landing fees, right-of-use ("ROU") asset amortization and internal costs incurred in generating ground transportation revenue using the Company's owned cars. Blade defines Flight Margin for a period as Flight Profit for the period divided by revenue for the same period. Blade believes that Flight Profit and Flight Margin provide a more accurate measure of the profitability of the Company's flight and ground operations, as they focus solely on the direct costs associated with those operations.

Free Cash Flow - Blade defines Free Cash Flow as net cash provided by / (used in) operating activities less capital expenditures.

Pro forma revenue - Pro forma revenue gives effect to revenue from acquisitions that occurred after the commensurate period of the prior year as if they had been acquired on the first day of the commensurate period of the prior year. Pro forma change in revenue is calculated as the difference between the current reported GAAP revenue and the comparative period pro forma revenue. Management believes that discussing pro forma revenue contributes to the understanding of Blade's performance and trends, because it allows for comparisons of the current year period to that of prior years, normalized for the impact of acquisitions. Management believes that pro forma change in revenue assists in measuring the underlying revenue growth of our business as it stands as of the end of the current year period, which we believe provides insight into our then-current operations. Pro forma change in revenue does not represent organic revenue generated by our business as it stood at the beginning of the prior year period.

Financial Results

BLADE AIR MOBILITY, INC. CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share data, unaudited)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 36,815	\$ 43,296
Restricted cash	1,459	1,127
Accounts receivable, net of allowance of \$148 and \$0 at September 30, 2023 and December 31, 2022	21,040	10,877
Short-term investments	136,414	150,740
Prepaid expenses and other current assets	13,009	12,086
Total current assets	208,737	218,126
Non-current assets:		
Property and equipment, net	3,322	2,037
Investment in joint venture	390	390
Intangible assets, net	41,572	46,365
Goodwill	39,229	39,445
Operating right-of-use asset	23,290	17,692
Other non-current assets	974	970
Total assets	<u>\$ 317,514</u>	<u>\$ 325,025</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 18,768	\$ 16,536
Deferred revenue	6,835	6,709
Operating lease liability, current	4,760	3,362
Total current liabilities	30,363	26,607
Non-current liabilities:		
Warrant liability	3,260	7,083
Operating lease liability, long-term	19,588	14,970
Deferred tax liability	1,426	1,876
Total liabilities	54,637	50,536
Stockholders' Equity		
Preferred stock, \$0.0001 par value, 2,000,000 shares authorized at September 30, 2023 and December 31, 2022. No shares issued and outstanding at September 30, 2023 and December 31, 2022	—	—
Common stock, \$0.0001 par value; 400,000,000 authorized; 74,208,433 and 71,660,617 shares issued at September 30, 2023 and December 31, 2022, respectively	7	7
Additional paid in capital	386,953	375,873
Accumulated other comprehensive income	1,730	2,287
Accumulated deficit	(125,813)	(103,678)
Total stockholders' equity	262,877	274,489
Total Liabilities and Stockholders' Equity	<u>\$ 317,514</u>	<u>\$ 325,025</u>

BLADE AIR MOBILITY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except share and per share data, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 71,442	\$ 45,722	\$ 177,702	\$ 107,985
Operating expenses				
Cost of revenue	55,863	36,456	144,590	90,685
Software development	1,076	2,026	3,639	3,923
General and administrative	19,265	15,812	53,932	41,934
Selling and marketing	2,686	1,856	8,025	5,294
Total operating expenses	78,890	56,150	210,186	141,836
Loss from operations	(7,448)	(10,428)	(32,484)	(33,851)
Other non-operating income (expense)				
Interest income, net	2,147	1,173	6,178	1,892
Change in fair value of warrant liabilities	5,719	425	3,823	22,241
Realized loss from sales of short-term investments	—	(359)	(95)	(2,071)
Total other non-operating income	7,866	1,239	9,906	22,062
Income (loss) before income taxes	418	(9,189)	(22,578)	(11,789)
Income tax expense (benefit)	129	56	(443)	56
Net income (loss)	\$ 289	\$ (9,245)	\$ (22,135)	\$ (11,845)
Net income (loss) per share:				
Basic	\$ —	\$ (0.13)	\$ (0.30)	\$ (0.17)
Diluted	\$ —	\$ (0.13)	\$ (0.30)	\$ (0.17)
Weighted-average number of shares outstanding:				
Basic	74,139,422	71,466,085	73,108,263	71,099,764
Diluted	81,006,859	71,466,085	73,108,263	71,099,764

BLADE AIR MOBILITY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Cash Flows From Operating Activities:				
Net income (loss)	\$ 289	\$ (9,245)	\$ (22,135)	\$ (11,845)
Adjustments to reconcile net income (loss) to net cash and restricted cash used in operating activities:				
Depreciation and amortization	1,843	1,441	5,305	3,741
Stock-based compensation	3,330	1,685	9,348	5,627
Change in fair value of warrant liabilities	(5,719)	(425)	(3,823)	(22,241)
Realized loss from sales of short-term investments	—	359	95	2,071
Realized foreign exchange loss	1	12	6	7
Accretion of interest income on held-to-maturity securities	(1,692)	(311)	(4,716)	(311)
Deferred tax benefit	129	—	(443)	—
Loss on disposal of property and equipment	—	132	—	197
Bad debt expense	171	—	171	—
Changes in operating assets and liabilities:				
Prepaid expenses and other current assets	1,521	121	(1,104)	(3,781)
Accounts receivable	1,251	(337)	(10,379)	(4,461)
Other non-current assets	16	93	(8)	(1,059)
Operating right-of-use assets/lease liabilities	44	90	421	196
Accounts payable and accrued expenses	3,999	2,980	4,086	4,255
Deferred revenue	(3,160)	(2,941)	147	(417)
Other	—	(5)	—	(5)
Net cash provided by / (used in) operating activities	2,023	(6,351)	(23,029)	(28,026)
Cash Flows From Investing Activities:				
Acquisitions, net of cash acquired	—	(48,101)	—	(48,101)
Investment in joint venture	—	(190)	—	(190)
Purchase of property and equipment	(695)	(93)	(2,085)	(719)
Purchase of short-term investments	—	(125)	(135)	(578)
Proceeds from sales of short-term investments	—	39,677	20,532	248,377
Purchase of held-to-maturity investments	(135,690)	(139,911)	(265,835)	(139,911)
Proceeds from maturities of held-to-maturity investments	133,350	20,000	264,537	20,000
Net cash (used in) / provided by investing activities	(3,035)	(128,743)	17,014	78,878
Cash Flows From Financing Activities:				
Proceeds from the exercise of common stock options	9	2	63	81
Taxes paid related to net share settlement of equity awards	(15)	(154)	(116)	(1,165)
Net cash used in financing activities	(6)	(152)	(53)	(1,084)
Effect of foreign exchange rate changes on cash balances	(101)	(16)	(81)	(9)
Net (decrease) increase in cash and cash equivalents and restricted cash	(1,119)	(135,262)	(6,149)	49,759
Cash and cash equivalents and restricted cash - beginning	39,393	188,246	44,423	3,225
Cash and cash equivalents and restricted cash - ending	\$ 38,274	\$ 52,984	\$ 38,274	\$ 52,984
Reconciliation to the unaudited interim condensed consolidated balance sheets				
Cash and cash equivalents	\$ 36,815	\$ 51,845	\$ 36,815	\$ 51,845
Restricted cash	1,459	1,139	1,459	1,139
Total	<u>\$ 38,274</u>	<u>\$ 52,984</u>	<u>\$ 38,274</u>	<u>\$ 52,984</u>

Key Metrics and Non-GAAP Financial Information

DISAGGREGATED REVENUE BY PRODUCT LINE

(in thousands, unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Passenger segment				
Short Distance	\$ 30,388	\$ 20,402	\$ 59,997	\$ 35,568
Jet and Other	7,607	5,101	23,092	22,274
Total	<u>\$ 37,995</u>	<u>\$ 25,503</u>	<u>\$ 83,089</u>	<u>\$ 57,842</u>
Medical segment				
MediMobility Organ Transport	\$ 33,447	\$ 20,219	94,613	50,143
Total	<u>\$ 33,447</u>	<u>\$ 20,219</u>	<u>\$ 94,613</u>	<u>\$ 50,143</u>
Total Revenue	<u>\$ 71,442</u>	<u>\$ 45,722</u>	<u>\$ 177,702</u>	<u>\$ 107,985</u>

SEGMENT INFORMATION: REVENUE, FLIGHT PROFIT, FLIGHT MARGIN, ADJUSTED EBITDA WITH RECONCILIATION TO TOTAL ADJUSTED EBITDA

(in thousands except percentages, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Passenger	\$ 37,995	\$ 25,503	\$ 83,089	\$ 57,842
Medical	33,447	20,219	94,613	50,143
Total Revenue	<u>\$ 71,442</u>	<u>\$ 45,722</u>	<u>\$ 177,702</u>	<u>\$ 107,985</u>
Passenger	\$ 9,410	\$ 6,094	\$ 16,864	\$ 9,261
Medical	6,169	3,172	16,248	8,039
Total Flight Profit	<u>\$ 15,579</u>	<u>\$ 9,266</u>	<u>\$ 33,112</u>	<u>\$ 17,300</u>
Passenger	24.8 %	23.9 %	20.3 %	16.0 %
Medical	18.4 %	15.7 %	17.2 %	16.0 %
Total Flight Margin	<u>21.8 %</u>	<u>20.3 %</u>	<u>18.6 %</u>	<u>16.0 %</u>
Passenger	\$ 2,777	\$ 1,472	\$ (2,353)	\$ (2,746)
Medical	3,346	1,495	8,249	3,529
Total Segment Adjusted EBITDA	6,123	2,967	5,896	783
Adjusted unallocated corporate expenses and software development	(5,336)	(7,515)	(17,281)	(20,427)
Total Adjusted EBITDA	<u>\$ 787</u>	<u>\$ (4,548)</u>	<u>\$ (11,385)</u>	<u>\$ (19,644)</u>

RECONCILIATION OF REPORTED REVENUE TO PRO FORMA REVENUE

(in thousands except percentages, unaudited)

The following unaudited pro forma financial information presents what our revenue would have been if the Blade Europe business had been acquired on July 1, 2022 and January 1, 2022 for the three months and nine months ended September 30, 2022, respectively. As a result, pro forma revenue includes revenue generated during periods when we did not yet own the acquired business. This unaudited pro forma financial information should not be relied upon as being indicative of the historical results that would have been obtained if the acquisition had occurred on that date, nor the results that may be obtained in the future.

Three Months Ended September 30,

	Total	Short Distance	Jet and Other	MediMobility Organ Transport
Reported Revenue three months ended September 30, 2022	\$ 45,722	\$ 20,402	\$ 5,101	\$ 20,219
Impact of Blade Europe	10,969	10,969	—	—
Pro forma Revenue	\$ 56,691	\$ 31,371	\$ 5,101	\$ 20,219
Reported Revenue three months ended September 30, 2023	\$ 71,442	\$ 30,388	\$ 7,607	\$ 33,447
Pro forma change in revenue	26.0 %	(3.1)%	49.1 %	65.4 %
Impact of foreign currency translation	0.5 %	0.9 %	**	**
Pro forma constant currency change in revenue	25.5 %	(4.0)%	49.1 %	65.4 %

** Percentage not applicable

Nine Months Ended September 30,

	Total	Short Distance	Jet and Other	MediMobility Organ Transport
Reported Revenue six months ended September 30, 2022	\$ 107,985	\$ 35,568	\$ 22,274	\$ 50,143
Impact of Blade Europe	23,369	23,369	—	—
Pro forma Revenue	\$ 131,354	\$ 58,937	\$ 22,274	\$ 50,143
Reported Revenue three months ended September 30, 2023	\$ 177,702	\$ 59,997	\$ 23,092	\$ 94,613
Pro forma change in revenue	35.3 %	1.8 %	3.7 %	88.7 %
Impact of foreign currency translation	0.2 %	0.4 %	**	**
Pro forma constant currency change in revenue	35.1 %	1.4 %	3.7 %	88.7 %

** Percentage not applicable

SEATS FLOWN - ALL PASSENGER FLIGHTS

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Seats flown – all passenger flights	50,821	28,440	121,008	75,175

REVENUE, FLIGHT PROFIT, FLIGHT MARGIN, ADJUSTED CORPORATE EXPENSES, ADJUSTED EBITDA

(in thousands except percentages, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
GAAP Revenue	\$ 71,442	\$ 45,722	\$ 177,702	\$ 107,985
GAAP Cost of Revenue	55,863	36,456	144,590	90,685
Flight Profit	15,579	9,266	33,112	17,300
Flight Margin	21.8 %	20.3 %	18.6 %	16.0 %
Adjusted Corporate Expense	14,792	13,814	44,497	36,944
Adjusted Corporate Expense as a percentage of Revenue	20.7 %	30.2 %	25.0 %	34.2 %
Adjusted EBITDA	\$ 787	\$ (4,548)	\$ (11,385)	\$ (19,644)
Adjusted EBITDA as a percentage of Revenue	1.1 %	(9.9)%	(6.4)%	(18.2)%

RECONCILIATION OF REVENUE LESS COST OF REVENUE TO FLIGHT PROFIT AND LOSS FROM OPERATIONS

(in thousands except percentages, unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
Revenue	\$ 71,442	\$ 45,722	\$ 177,702	\$ 107,985
Cost of revenue (1)	(55,863)	(36,456)	(144,590)	(90,685)
Flight Profit	\$ 15,579	\$ 9,266	\$ 33,112	\$ 17,300
Flight Margin	21.8 %	20.3 %	18.6 %	16.0 %
Flight Profit	\$ 15,579	\$ 9,266	\$ 33,112	\$ 17,300
Reconciling items:				
Software development	(1,076)	(2,026)	(3,639)	(3,923)
General and administrative	(19,265)	(15,812)	(53,932)	(41,934)
Selling and marketing	(2,686)	(1,856)	(8,025)	(5,294)
Loss from operations	\$ (7,448)	\$ (10,428)	\$ (32,484)	\$ (33,851)

(1) Cost of revenue consists of flight costs paid to operators of aircraft and cars, landing fees, ROU asset amortization and internal costs incurred in generating organ ground transportation revenue using the Company's owned cars.

RECONCILIATION OF TOTAL OPERATING EXPENSES TO ADJUSTED CORPORATE EXPENSES

(in thousands except percentages, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 71,442	\$ 45,722	\$ 177,702	\$ 107,985
Total operating expenses	78,890	56,150	210,186	141,836
Subtract:				
Cost of revenue	55,863	36,456	144,590	90,685
Corporate Expenses	\$ 23,027	\$ 19,694	\$ 65,596	\$ 51,151
Corporate Expenses as percentage of Revenue	32.2 %	43.1 %	36.9 %	47.4 %

Adjustments to reconcile Corporate Expenses to Adjusted Corporate Expenses

Subtract:				
Depreciation and amortization	1,843	1,441	5,305	3,741
Stock-based compensation	3,330	1,685	9,348	5,627
Legal and regulatory advocacy fees (1)	217	143	640	2,054
Executive severance costs	—	—	265	—
SOX readiness costs	145	—	180	—
Contingent consideration compensation (earn-out) (2)	2,700	—	5,361	—
Short-term incentive plan costs (3)	—	1,250	—	—
M&A transaction costs	—	1,361	—	2,785
Adjusted Corporate Expenses	\$ 14,792	\$ 13,814	\$ 44,497	\$ 36,944
Adjusted Corporate Expenses as percentage of Revenue	20.7 %	30.2 %	25.0 %	34.2 %

(1) Represents certain legal and regulatory advocacy fees for matters (primarily the proposed restrictions at East Hampton Airport and the potential operational restrictions on large jet aircraft at Westchester Airport) that we do not consider representative of legal and regulatory advocacy costs that we will incur from time to time in the ordinary course of our business. It is worth noting that we do not anticipate incurring any further legal fees related to the Westchester litigation.

(2) Represents contingent consideration compensation for the three months and nine months ended September 30, 2023 of \$2,700 and \$5,700, respectively, in connection with the Trinity acquisition in respect of 2023 results and a \$339 credit recorded in connection with the settlement of the equity-based portion of Trinity's contingent consideration that was paid in the first quarter of 2023 in respect of 2022 results.

(3) In the three months ended September 30, 2022, the short-term incentive plan was approved, and accordingly, an accrual attributable to the nine months ended September 30, 2022 was recorded in the quarter. The accrual related to the six months ended June 30, 2022 was added back to the three months ended September 30, 2022 to allow for a more meaningful comparison with the current period.

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

(in thousands except percentages, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 289	\$ (9,245)	\$ (22,135)	\$ (11,845)
Depreciation and amortization	1,843	1,441	5,305	3,741
Stock-based compensation	3,330	1,685	9,348	5,627
Change in fair value of warrant liabilities	(5,719)	(425)	(3,823)	(22,241)
Realized loss from sales of short-term investments	—	359	95	2,071
Interest income, net	(2,147)	(1,173)	(6,178)	(1,892)
Income tax expense (benefit)	129	56	(443)	56
Legal and regulatory advocacy fees (1)	217	143	640	2,054
Executive severance costs	—	—	265	—
SOX readiness costs	145	—	180	—
Contingent consideration compensation (earn-out) (2)	2,700	—	5,361	—
Short-term incentive plan costs (3)	—	1,250	—	—
M&A transaction costs	—	1,361	—	2,785
Adjusted EBITDA	\$ 787	\$ (4,548)	\$ (11,385)	\$ (19,644)
Adjusted EBITDA as a percentage of Revenue	1.1 %	(9.9)%	(6.4)%	(18.2)%

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RECONCILIATION OF NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES TO FREE CASH FLOW

(in thousands, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net cash provided by / (used in) operating activities	\$ 2,023	\$ (6,351)	\$ (23,029)	\$ (28,026)
Purchase of property and equipment	(695)	(93)	(2,085)	(719)
Free Cash Flow	\$ 1,328	\$ (6,444)	\$ (25,114)	\$ (28,745)

RECONCILIATION OF SEGMENT NET INCOME (LOSS) TO SEGMENT ADJUSTED EBITDA

(in thousands, unaudited)

	Three Months Ended September 30, 2023			Three Months Ended September 30, 2022		
	Passenger	Medical	Unallocated Corporate expenses and software development	Passenger	Medical	Unallocated Corporate expenses and software development
Segment net income (loss)	\$ 801	\$ (85)	\$ (427)	\$ (416)	\$ 999	\$ (9,828)
Reconciling items:						
Depreciation and amortization	1,376	416	51	1,024	374	43
Stock-based compensation	383	315	2,632	197	92	1,396
Change in fair value of warrant liabilities	—	—	(5,719)	—	—	(425)
Realized loss from sales of short-term investments	—	—	—	—	—	359
Interest income, net	—	—	(2,147)	—	—	(1,173)
Income tax expense (benefit)	—	—	129	—	—	56
Legal and regulatory advocacy fees (1)	217	—	—	143	—	—
SOX readiness costs	—	—	145	—	—	—
Contingent consideration compensation (earn-out) (2)	—	2,700	—	—	—	—
Short-term incentive plan costs (3)	—	—	—	524	30	696
M&A transaction costs	—	—	—	—	—	1,361
Segment Adjusted EBITDA	\$ 2,777	\$ 3,346	\$ (5,336)	\$ 1,472	\$ 1,495	\$ (7,515)

	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
			Unallocated Corporate expenses and software development			Unallocated Corporate expenses and software development
	Passenger	Medical		Passenger	Medical	
Segment net income (loss)	\$ (8,154)	\$ 1,055	\$ (15,036)	\$ (8,258)	\$ 2,215	\$ (5,802)
Reconciling items:						
Depreciation and amortization	3,873	1,279	153	2,502	1,124	115
Stock-based compensation	1,095	554	7,699	956	190	4,481
Change in fair value of warrant liabilities	—	—	(3,823)	—	—	(22,241)
Realized loss from sales of short-term investments	—	—	95	—	—	2,071
Interest income, net	—	—	(6,178)	—	—	(1,892)
Income tax expense (benefit)	—	—	(443)	—	—	56
Legal and regulatory advocacy fees (1)	640	—	—	2,054	—	—
Executive severance costs	193	—	72	—	—	—
SOX readiness costs	—	—	180	—	—	—
Contingent consideration compensation (earn-out) (2)	—	5,361	—	—	—	—
M&A transaction costs	—	—	—	—	—	2,785
Segment Adjusted EBITDA	\$ (2,353)	\$ 8,249	\$ (17,281)	\$ (2,746)	\$ 3,529	\$ (20,427)

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LAST TWELVE MONTHS DISAGGREGATED REVENUE BY PRODUCT LINE

(in thousands, unaudited)

	Three Months Ended				
	Last Twelve Months	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Product Line:					
Short Distance	\$ 69,415	\$ 30,388	\$ 19,184	\$ 10,425	\$ 9,418
Jet and Other	30,173	7,607	7,406	8,079	7,081
MediMobility Organ Transport	116,249	33,447	34,399	26,767	21,636
Total Revenue	<u>\$ 215,837</u>	<u>\$ 71,442</u>	<u>\$ 60,989</u>	<u>\$ 45,271</u>	<u>\$ 38,135</u>

About Blade Air Mobility

Blade is a technology-powered, global air mobility platform committed to reducing travel friction by providing cost-effective air transportation alternatives to some of the most congested ground routes in the U.S. and abroad. Today, the Company predominantly uses helicopters and amphibious aircraft for its passenger routes and is also one of the largest air medical transporters of human organs for transplant in the world. Its asset-light model, coupled with its exclusive passenger terminal infrastructure, is designed to facilitate a seamless transition to Electric Vertical Aircraft (“EVA” or “eVTOL”), which is expected to enable lower cost air mobility to the public that is both quiet and emission-free.

For more information, visit www.blade.com.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts and may be identified by the use of words such as “will,” “anticipate,” “believe,” “could,” “continue,” “expect,” “estimate,” “may,” “plan,” “outlook,” “future” and “project” and other similar expressions and the negatives of those terms. These statements, which involve risks and uncertainties, relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable and may also relate to Blade’s future prospects, developments and business strategies. In particular, such forward-looking statements include statements concerning Blade’s future financial and operating performance, results of operations, industry environment and growth opportunities, plans to release guidance, new product lines, and the development and adoption of EVA technology. These statements are based on management’s current expectations and beliefs, as well as a number of assumptions concerning future events. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance.

Such forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside Blade’s control, that could cause actual results to differ materially from the results discussed in the forward-looking statements. Factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements include: our continued incurrence of significant losses; the impact of the COVID-19 pandemic and its related effects, failure of the markets for our offerings to grow as expected, or at all; our ability to effectively market and sell air transportation as a substitute for conventional methods of transportation; the inability or unavailability to use or take advantage of the shift, or lack thereof, to EVA technology; our ability to successfully enter new

markets and launch new routes and services; any adverse publicity stemming from accidents involving small aircraft, helicopters or charter flights and, in particular, any accidents involving our third-party operators; the effects of competition; harm to our reputation and brand; our ability to provide high-quality customer support; our ability to maintain a high daily aircraft usage rate; changes in consumer preferences, discretionary spending and other economic conditions; impact of natural disasters, outbreaks and pandemics, economic, social, weather, growth constraints, and regulatory conditions or other circumstances on metropolitan areas and airports where we have geographic concentration; the effects of climate change, including potential increased impacts of severe weather and regulatory activity; the availability of aircraft fuel; our ability to address system failures, defects, errors, or vulnerabilities in our website, applications, backend systems or other technology systems or those of third-party technology providers; interruptions or security breaches of our information technology systems; our placements within mobile applications; our ability to protect our intellectual property rights; our use of open source software; our ability to expand and maintain our infrastructure network; our ability to access additional funding; the increase of costs and risks associated with international expansion; our ability to identify, complete and successfully integrate future acquisitions; our ability to manage our growth; increases in insurance costs or reductions in insurance coverage; the loss of key members of our management team; our ability to maintain our company culture; our reliance on contractual relationships with certain transplant centers and Organ Procurement Organizations; effects of fluctuating financial results; our reliance on third-party operators; the availability of third-party operators; disruptions to third party operators; increases in insurance costs or reductions in insurance coverage for our third-party aircraft operators; the possibility that our third-party aircraft operators may illegally, improperly or otherwise inappropriately operate our branded aircraft; our reliance on third-party web service providers; changes in our regulatory environment; regulatory obstacles in local governments; the expansion of domestic and foreign privacy and security laws; the expansion of environmental regulations; our ability to remediate any material weaknesses or maintain internal controls over financial reporting; our ability to maintain effective internal controls and disclosure controls; changes in the fair value of our warrants; and other factors beyond our control. Additional factors can be found in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, each as filed with the U.S. Securities and Exchange Commission. 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 Blade 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.

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