

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 26, 2024

VOLATO GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-41104

(Commission File Number)

86-2707040

(IRS Employer Identification No.)

1954 Airport Road, Suite 124
Chamblee, GA 30341

(Address of principal executive offices) (zip code)

844-399-8998

Registrant's telephone number, including area code

(former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock	SOAR	NYSE American LLC
Warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of \$11.50	SOAR.WS	NYSE American LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

The information in this Current Report on Form 8-K and Exhibit 99.1 is being furnished pursuant to Item 2.02 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Item 2.02 Results of Operations and Financial Condition.

On March 26, 2024, Volato Group, Inc. (the "Company") issued a press release announcing its financial results for the three months and fiscal year ended December 31, 2023. The full text of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On March 26, 2024, the Company disseminated an earnings presentation to be used in connection with its earnings call and live webcast to discuss its financial results for the three months and fiscal year ended December 31, 2023, on March 26, 2024, at 8 a.m. Eastern time. A copy of the earnings presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and incorporated into this Item 7.01 by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Earnings Press Release, dated March 26, 2024
99.2	Earnings Presentation, dated March 26, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 26, 2024

Volato Group, Inc.

By:	<u>/s/ Mark Heinen</u>
Name:	<u>Mark Heinen</u>
Title:	<u>Chief Financial Officer</u>



Volato Reports Fourth Quarter and Full Year 2023 Results

Improved Demand Mix Drove Higher Blended Yield and Aircraft Usage Revenue

Increased Size of Floating Fleet in FY 2023 to 24 HondaJet IIs

Expect Delivery of 10-14 New Aircraft in FY 2024

Atlanta, GA – March 26, 2024 - Volato Group, Inc. (NYSE American: SOAR) (“Volato” or the “Company”), a leading private aviation company and the largest HondaJet operator in the United States, today announced results for the fourth quarter and full year ended December 31, 2023.

Fourth Quarter 2023 Financial Highlights

- Total revenue was \$31.5 million
 - Aircraft sales revenue was \$15.7 million
 - Aircraft usage revenue was \$11.6 million
 - Managed services revenue was \$4.2 million
- Net loss was \$23.6 million, including the impact of a \$13.4 million non-cash charge
- Adjusted EBITDA¹ was a loss of \$8.1 million

Full Year 2023 Financial Highlights

- Total revenue was \$73.3 million
 - Aircraft sales revenue was \$21.4 million
 - Aircraft usage revenue was \$37.8 million
 - Managed services revenue was \$14.1 million
- Net loss was \$52.8 million, including the impact of a \$13.4 million non-cash charge
- Adjusted EBITDA¹ was a loss of \$32.1 million

⁽¹⁾ Adjusted EBITDA is a non-GAAP measure. Please refer to the tables and related notes in this press release for a reconciliation and definition of non-GAAP financial measures.

Fourth Quarter and Full Year 2023 Operational Highlights

- Increased the size of our floating fleet to 24 HondaJet IIs with firm orders for 22 HondaJet IIs and 4 Gulfstream G280s to be delivered in 2024 and 2025
- Completed business combination resulting in public listing and raised over \$40 million of total new capital in 2023
- Partnered with Banyan Air Services to expand maintenance capabilities in the Southeast for Volato’s growing fleet of HondaJets
- Launched Partner Benefits Program to provide Volato members with elevated luxury experiences
- Launched Volato Insider Program to drive additional non-owner demand
- Launched *Vaunt* app in Q4 2023 to efficiently monetize empty repositioning flights

Company Commentary

Matt Liotta, Co-Founder and Chief Executive Officer of Volato, commented, “2023 marked a successful year of executing on our strategic priorities, scaling our fleet, expanding market share, and continuing to demonstrate Volato’s exceptional value to customers. We expanded the size of our floating fleet to 24 HondaJets in 2023, increasing aircraft usage revenue by 162% year-over-year, and providing us with

greater flexibility to meet growing customer demand. We are delivering higher and more efficient aircraft utilization through our suite of charter and jet card products, our new Partner Benefits Program, and our strategy for monetizing empty repositioning flights, all while diligently managing our cost base. These efforts helped improve Volato’s overall demand mix in 2023, with 48% of flight hours attributable to higher margin, non-owner flights, thus increasing our blended yield by 12% versus the prior year.

“Industry factors beyond our control – specifically aircraft delivery delays – put downward pressure on topline revenue in 2023. We are in close contact with our suppliers and partners and understand that production and supply chain issues are easing, providing us with good visibility into our 2024 and 2025 delivery pipeline. We expect continued fleet expansion will propel revenue and margin in several ways, including increased fractional sales and operating revenue, and more efficient aircraft utilization. We remain focused on growth and our path to profitability.”

Mark Heinen, Chief Financial Officer, commented, “Gross profit margins improved on a sequential basis through a disciplined approach to managing our cost base and pursuit of higher yielding non-owner flight hours over the course of 2023. The growth of our floating fleet delivered higher usage revenue, and we expect these trends to continue as we add new aircraft to the fleet throughout the year. We also anticipate an increase in plane sale revenues with the expected delivery of nine to eleven new jets in FY 2024, providing the business with momentum on our path to profitability.”

Key Metrics
(financial metrics in thousands, except KPIs)

	Three Months Ended			Twelve Months Ended		
	December 31, 2023	December 31, 2022	Change YoY	December 31, 2023	December 31, 2022	Change YoY
Financial Metrics:						
Revenue:						
Aircraft sales	15,733	25,930	(10,197)	21,443	67,695	(46,252)
Aircraft Usage	11,568	5,236	6,332	37,787	14,417	23,370
Managed aircraft	4,160	4,749	(589)	14,108	14,594	(486)
Total Revenue	31,461	35,915	(4,454)	73,338	96,706	(23,368)
Net Loss	23,636	3,094	20,542	52,822	9,367	(43,455)
Adjusted EBITDA	(8,112)	(2,588)	(5,524)	(32,142)	(8,985)	(23,157)
Key Performance Indicators (KPIs):						
Total Flight Hours	3,504	1,712	+1,792	11,273	5,031	+6,242
Empty Percentage	37.9%	39.0%	(1.1%)	38.8%	39.6%	(0.8%)
Demand Mix						
Owner	52%	67%	(15%)	51%	79%	(28%)
Non-Owner	48%	33%	+15%	49%	21%	+28%
Blended Yield	\$5,348	\$4,926	+\$422	\$5,187	\$4,629	+\$558
Floating Fleet	24	11	+13	24	11	+13
Light Jet Market Share	2.9%	1.3%	+1.6%	2.9%	1.3%	+1.6%
Net Promoter Score	88	N/A	N/A	88	N/A	N/A

Fourth Quarter and Full Year Financial Summary

Total revenue for the fourth quarter decreased 12% primarily due to lower aircraft sales. Aircraft usage revenue for the fourth quarter increased 121% as a result of an increase in the number of aircraft in our floating fleet. Total revenue for the full year decreased 24% primarily due to lower aircraft sales. Aircraft usage revenue increased 162% as a result of an increase in the number of aircraft in our floating fleet.

Net Loss for the fourth quarter increased \$20.5 million primarily due to a \$13.4 million non-cash charge related to the change in fair value of our forward purchase agreement and higher operating selling, general and administrative expenses from the growth in our business. Net loss for the full year increased \$43.5 million primarily due to lower gross profit from lower aircraft sales, a \$13.4 million non-cash charge related to the change in fair value of our forward purchase agreement and higher operating selling, general and administrative expenses from the growth in our business.

Adjusted EBITDA loss for the fourth quarter increased \$5.5 million primarily due to lower aircraft sales and higher selling, general and administrative expenses from the growth in our business. Adjusted EBITDA loss for the full year increased \$23.2 million primarily due to lower aircraft sales and higher selling, general and administrative expenses from the growth in our business.

The growth in our floating fleet increased fourth quarter 2023 flight hours 105% over the prior year and increased full year 2023 flight hours 124% over the prior year.

Demand mix continues to improve with 48% of flight hours by higher yielding non-owner flights, increasing the fourth quarter 2023 blended yield to \$5,348, 9% higher than the prior year.

Balance Sheet and Liquidity

The Company ended the fourth quarter 2023 with \$14.5 million of cash, and cash equivalents. The Company believes that it has sufficient cash to achieve profitability based on its forecasted aircraft sales and flight operations.

Conference Call

Volato will host a conference call to discuss its Fourth Quarter and Full Year 2023 results at 8:00 AM ET on March 26, 2024.

Interested parties can access the conference call by dialing (866) 605-1830 for toll free access or +1(215) 268-9881. The live call will also be available via webcast on Volato's Investor Relations website: <https://ir.flyvolato.com/>.

A replay of the call will be available until April 25, 2024, and can be accessed by dialing (877) 660-6853 or (201) 612-7415 and using the Access ID: 13744837.

About Volato

Volato (NYSE American: SOAR) is a leader in private aviation, redefining luxury air travel through modern, efficient, and customer-designed solutions. Volato provides a fresh approach to fractional ownership, aircraft management, jet card, deposit and charter programs, all powered by advanced, proprietary mission control technology. Volato's fractional programs uniquely offer flexible hours and a revenue share for owners across the world's largest fleet of HondaJets, which are optimized for missions of up to four passengers. For more information visit www.flyvolato.com.

All Volato Part 135 charter flights are operated by its DOT/FAA-authorized air carrier subsidiary (G C Aviation, Inc. d/b/a Volato) or by an approved vendor air carrier.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could" or "may" or other similar expressions. Forward-looking statements provide management's or the Board's current expectations or predictions of future conditions, events, or results. All statements that address operating performance, events, or developments that may occur in the future are forward-looking statements, including statements regarding the challenges associated with executing our growth strategy, including expected deliveries of aircraft and related sales, and developing, marketing and consistently delivering high-quality services that meet customer expectations. All forward-looking statements speak only as of the date they are made and reflect the Company's good faith beliefs, assumptions, and expectations, but they are not guarantees of future performance or events. Furthermore,

Volato disclaims any obligation to publicly update or revise any forward-looking statement, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive, and regulatory factors, many of which are beyond Volato's control, that are described in Volato's periodic reports filed with the SEC including its Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2023, and other factors that Volato may describe from time to time in other filings with the SEC. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

For Media:
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VOLATO GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except par value amounts)

	December 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash	\$14,486	\$5,777
Accounts receivable, net	2,990	1,880
Deposits	25,125	833
Prepaid expenses and other current assets	3,897	2,211
Total current assets	46,498	10,701
Property and equipment, net	846	348
Operating lease, right-of-use assets	1,278	1,574
Equity-method investment	154	1,159
Deposits	15,691	12,123
Forward purchase agreement	2,982	—
Restricted cash	2,237	2,102
Intangibles, net	1,391	1,615
Goodwill	635	635
Total assets	\$71,712	\$30,257
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable and accrued liabilities	\$9,864	\$3,663
Loan from related party	1,000	5,150
Convertible notes, net	—	18,844
Operating lease liability	326	283
Merger transaction costs payable in shares	4,250	—
Credit facility and other loans	19,340	57
Customer deposits and deferred revenue	12,857	2,163
Total current liabilities	47,637	30,160
Deferred income tax liability	305	305
Operating lease liability, non-current	965	1,291
Credit facility, non-current	8,054	4,170
Total liabilities	56,961	35,926
Shareholders' equity (deficit):		
Common Stock Class A, \$0.0001 par value; 80,000,000 authorized; 28,043,449 and 11,268,877 shares issued and outstanding as of December 31, 2023 and 2022, respectively	3	1
Additional paid-in capital	78,410	5,185
Stock subscriptions receivable	—	(15)
Accumulated deficit	(63,662)	(10,840)
Total shareholders' equity (deficit) attributable to Volato Group, Inc.	14,751	(5,669)
Total shareholders' equity (deficit)	14,751	(5,669)
Total liabilities and shareholders' equity (deficit)	71,712	\$30,257

VOLATO GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except share data)

	For the Years Ended December 31,	
	2023	2022
Revenue	\$73,338	\$96,706
Costs and expenses:		
Cost of revenue	82,025	94,280
Selling, general and administrative	28,822	11,611
Total costs and expenses	110,847	105,891
Loss from operations	(37,509)	(9,185)
Other income (expenses):		
Gain from deconsolidation of investments	—	581
Gain from sale of consolidated entity	387	—
Gain from sale of equity-method investment	883	—
Other income	180	15
Loss from change in fair value forward purchase agreement	(13,403)	—
Interest expense, net	(3,358)	(866)
Other expenses	(15,311)	(270)
Loss before provision for income taxes	(52,820)	(9,455)
Provision for incomes taxes (benefit)	2	(55)
Net Loss before non-controlling interest	(52,822)	(9,400)
Less: Net Loss attributable to non-controlling interest	—	(33)
Net Loss attributable to Volato Group, Inc.	\$(52,822)	\$(9,367)
Basic and Diluted net loss per share	\$(3.46)	\$(0.83)
Weighted average common share outstanding:		
Basic and diluted	15,245,004	11,268,879

VOLATO GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	For the Years ended December 31,	
	2023	2022
Operating activities:		
Net Loss	(52,822)	(9,367)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization expense	200	162
Stock compensation expense	82	17
Fair value of common stock issued to employees	94	—
Gain from sale of equity-method investments	(883)	(581)
Gain from sale of consolidated entity	(387)	—
Gain (loss) from equity-method investments	(22)	45
Deferred income tax benefit	—	(80)
Amortization right-of-use asset	296	—
Amortization of debt discount	183	42
Change in fair value forward purchase agreement	13,403	—
Changes in assets and liabilities:		
Accounts receivable	(1,111)	(2,223)
Prepaid and other current assets	(1,642)	(1,586)
Deposits	(3,858)	(11,399)
Account payable and accrued liabilities	5,662	2,217
Operating lease liability	(283)	—
Customers' deposits and deferred revenue	10,694	1,321
Net cash used in operating activities	(30,394)	(21,432)
Investing activities:		
Cash payment for property and equipment	(637)	(259)
Proceeds from sale of interest in equity-method investment	4,235	6,575
Payment for acquisition of GCA	—	(1,850)
Payment for the purchase of equity-method investments	(2,328)	—
Proceeds from the sale of consolidated entity	506	—
Cash obtained from acquisition of GCA	—	679
Net cash provided by investing activities	1,776	5,145
Financing activities:		
Proceeds from lines of credit	1,000	4,950
Repayments of lines of credit	—	(5,800)
Collection on subscription receivable	15	35
Proceeds from issuance of convertible notes	12,670	18,879
Purchase of forward purchase agreement	(18,911)	—
Proceeds from forward purchase agreement	2,525	—
Proceeds from other loans	—	4,500
Repayment on loans	(787)	(6)
Proceeds from business combination	19,081	—

Business combination closing costs	(2,359)	—
Proceeds from the sale of preferred stock	24,204	—
Proceeds from exercise of stock options	23	—
Net cash provided by financing activities	37,461	22,558
Net increase in cash	8,843	6,271
Cash and restricted cash, beginning of year	7,879	1,608
Cash and restricted cash, end of period	\$16,722	\$7,879
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$2,268	\$61
Cash paid for income taxes	—	—
Non-Cash Investing and Financing Activities:		
Credit facility for the aircraft deposits	24,000	—
Conversion of line of credit to convertible note with related party	6,001	—
Original debt discount	230	—
Conversion of Preferred stock to common stock class A	62,565	—
Merger transaction cost payable in stock	4,250	—
Liabilities assumed in merger transaction unpaid at 12/31/2023	1,722	—
Initial recognition of right-of-use asset	—	1,612
Fair value adjustment to equity-method investment upon deconsolidation	—	34
Acquisition of vehicle – direct finance	—	63

Adjusted EBITDA

We calculate Adjusted EBITDA as net loss adjusted for (i) interest expense, net, (ii) provision for income taxes (benefit) (iii) depreciation and amortization, (iv) equity-based compensation expense, (v) acquisition, integration, and capital raise related expenses, and (v) other items not indicative of our ongoing operating performance. We include Adjusted EBITDA as a supplemental measure for assessing operating performance.

The following tables reconcile Adjusted EBITDA to net loss, which is the most directly comparable GAAP measure (in thousands):

Adjusted EBITDA	Year Ended December 31,	
	2023	2022
Net loss	\$(52,822)	\$(9,367)
Interest expense	3,358	866
Provision for income tax benefit (benefit)	2	(55)
Loss from change in fair value of forward purchase agreement	13,403	—
Depreciation and amortization	200	162
Equity-based compensation expense	82	17
Net loss attributable to non-controlling interest	—	(33)
Gain from deconsolidation of investments	—	(581)
Gain from sale of consolidated entity	(387)	—
Gain from sale of equity-method investment	(883)	—
Other income	(180)	(15)
Acquisition, integration, and capital raise related expenses ⁽¹⁾	167	21
Other items not indicative of our ongoing operating performance ⁽²⁾	4,918	—
Adjusted EBITDA	\$(32,142)	\$(8,985)

⁽¹⁾ Represents non-capitalizable Business Combination expenses in 2023 and acquisition expenses associated with Gulf Coast Aviation in 2022.

⁽²⁾ Represents costs incurred related to business realignment.

Adjusted EBITDA	Fourth Quarter Ended December 31,	
	2023	2022
Net loss	\$(23,636)	\$(3,094)
Interest expense	931	413
Provision for income tax benefit (benefit)	2	25
Loss from change in fair value of forward purchase agreement	13,403	—
Depreciation and amortization	24	41
Equity-based compensation expense	19	7
Net loss attributable to non-controlling interest	—	(33)
Other income	(22)	53
Acquisition, integration, and capital raise related expenses ⁽¹⁾	106	—
Other items not indicative of our ongoing operating performance ⁽²⁾	1,061	—
Adjusted EBITDA	\$(8,112)	\$(2,588)

⁽¹⁾ Represents non-capitalizable Business Combination expenses in 2023.

⁽²⁾ Represents costs incurred related to business realignment.



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Q4 2023 EARNINGS

MARCH 26, 2024

NYSE:SOAR



Disclaimer

Disclosure Regarding Forward-Looking Statements

Some statements in this Presentation may be considered “forward-looking statements” for purposes of the Federal securities laws. Forward-looking statements generally relate to management’s current expectations, hopes, beliefs, intentions, strategies, or projections about future events or future financial or operating performance. For example, statements regarding anticipated growth in the industry in which Volato operates and anticipated growth in the demand for Volato’s services, and projections of Volato’s future financial results or other metrics are forward-looking statements. The words “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intends,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “would,” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by the forward-looking statements. You should not rely on these forward-looking statements as predictions of future events.

Forward-looking statements are based upon estimates and assumptions that, while considered reasonable by management, are inherently uncertain. Factors that may cause actual result to differ from current expectations include, but are not limited to: changes to existing applicable laws or regulations; the possibility that Volato may be adversely affected by economic, business, or competitive factors; Volato’s estimates of expenses and profitability; the evolution of the markets in which Volato competes and Volato’s ability to enter new markets effectively; the ability of Volato to implement its strategic initiatives and continue to innovate its existing services; the delivery of aircraft by OEMs; the impact of government and other responses to public health crisis such as pandemics on Volato’s business; and other risks and uncertainties set forth in the section entitled “Risk Factors” and Cautionary Note Regarding Forward-Looking Statements in Volato’s Form 10-K filed on March 26, 2024 and those risk factors set forth in subsequent filings Volato may make from time-to-time with the Securities and Exchange Commission (SEC).

Volato cautions that the foregoing list of factors is not exclusive. Nothing in this Presentation should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of the forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Volato does not undertake any duty to update these forward-looking statements.

Financial Information; Non-GAAP Financial Measures

The Presentation also includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”) and other metrics derived therefrom. The non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing Volato’s financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations, or other measures of profitability, liquidity, or performance under GAAP. Volato’s presentation of these measures may not be comparable to similarly titled measures used by other companies. Volato believes that the use of these non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of business judgments by management about which items of income and expense are included or excluded in determining these non-GAAP financial measures.

This Presentation also includes certain projections of non-GAAP financial measures. Due to the high variability and difficulty in making accurate forecasts and projections of financial information, together with the fact that some information may be excluded because it is not ascertainable or accessible, Volato is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of the forward-looking non-GAAP financial measures is included.

Disclaimer (Cont'd)

Use of Projections

This Presentation contains financial forecasts for Volato with respect to certain financial results of Volato. Volato's independent auditor has not audited, studied, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this Presentation. Accordingly, they did not express an opinion or provide any other form of assurance with respect thereto for the purpose of this Presentation. These projections are forward-looking statements and should not be relied upon as being necessarily indicative of future results. In this Presentation, certain of the above-mentioned projected information has been provided for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of Volato or the actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this Presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Industry and Market Data

In this Presentation, Volato relies on and refers to certain information and statistics obtained from third-party sources which it believes to be reliable. Volato has not independently verified the accuracy or completeness of any third-party information.

Trademarks

This Presentation may contain trademarks, service marks, trade names, and copyrights of other companies, which are the property of their respective owners. Solely for convenience, the trademarks, service marks, trade names, and copyrights referred to in this Presentation may be listed without the trademark, service mark, or copyright symbols, but Volato will assert the rights of the applicable owners to these trademarks, service marks, trade names, and copyrights to the fullest extent under applicable law.

Key Q4 and Full Year 2023 Highlights

- ✓ Completed business combination with PROOF Acquisition Corp I in Q4 2023 resulting in public listing.
 - Raised over \$40 million of total new capital throughout 2023
- ✓ Increased the size of Volato's floating fleet to 24 HondaJet IIs in FY 2023
 - Expect delivery of 10-14 new aircraft in FY 2024
- ✓ Continued expansion of Volato's floating fleet increased flight hours in Q4 and FY 2023 by +105% and +124% year-over-year, respectively
- ✓ Demand mix improved with 48% of flight hours by higher yielding non-owner flights, increasing:
 - Q4 2023 blended yield to \$5,348, +9% year-over-year
 - Q4 2023 aircraft usage revenue to \$11.6 million, +121% year-over-year
- ✓ Disciplined cost management and pursuit of higher yielding non-owner hours drove sequential improvement in gross margin in Q4 2023



Volato: Highly Scalable and Cash-Generating Business Model

Volato secures fleet aircraft orders from top-tier OEMs, which are then sold, often prior to delivery, through fractionalizing. Subsequently, the company operates these aircraft on 5-year contracts, aiming to maximize their utilization and profit potential.



- 1. Operates largest floating fleet of HondaJets and has secured meaningful amount of HondaJet production through 2026 in a tight supply market.*
- 2. Incentivized underutilization by fractional owners provides excess availability¹ at a favorable market financing rate.*
- 3. Utilizing a commercial multi-product strategy this excess availability is filled with higher margin non-owner usage.*



Notes:

1. Excess availability is the aircraft availability provided to the operator that is in excess of the industry standard for a fractional owner share. Volato benefits from excess availability of ~70% compared to the traditional industry average of 5-10%



Private Aviation: A Large and Fast-Growing Market with Favorable Tailwinds

Key Drivers Fueling Growth in Private Aviation



Shifts in Work/Life Balance

- Flight and travel purpose patterns have permanently changed
- COVID-19 introduced private aviation to new customers



Capacity Constraints

- Significant OEM backlogs for new deliveries
- Low inventory of aircraft on the secondary market



Growth in the Experience Economy

- Growing shift in spend on services such as travel and restaurants and away from goods
- Emerging business models offering different/lower entry points to meet new needs



Rising Disposable Incomes

- Growing number of high-net-worth individuals is expanding potential customer base

\$29.0B

2022 Global Business Jet Market

4.1%

Global Business Jet Market
CAGR 2022-2029



Volato's Fractional Program: A More Profitable & Lower Risk Model for Volato; the Operator

A win-win business model for Volato and fractional owners, that provides Volato a cost-effective financing source for fleet availability.

Fractional owners are financing Volato's fleet...	✓	Asset light business model
Secured on a long-term basis	✓	Fractional owners enter 5-year management contracts
At a lower cost of capital than leasing or acquiring aircraft	✓	0.66% monthly operating lease rate ¹ compared to a 1.0-1.2% industry market rate
At lower risk	✓	Revenue share only payable on occupied revenue flight hours

Multiple predictable recurring cash flows:

Initial Fractional Share Purchase

- Recurring Revenue Stream.
- Industry standard: 80% of fractional customers re-up and buy another share at program end.
- Selling of the aircraft is recurring in nature, with a 5-year purchase cycle and est. sub. 20% churn.

Monthly Management Fee

- Aircraft on a 5-year management contract.
- Monthly management fee pulled via direct debit.
- Priced to at least cover the fixed operating costs of the aircraft (pilots, insurance, ancillary costs etc.)

Ongoing Flight Usage

- Owners are charged a fixed hourly rate and fuel is passed through at cost.
- When owners are not flying, aircraft is chartered to non-owners, typically at substantially higher hourly flight rates.



Note:

1. Based on 600 revenue hours annual utilization. 0.87% at 800 annual revenue hours.



Volato's Fractional Program: Creating Excess Unused Fleet Availability

Volato's fractional model incentivizes owners to acquire a larger share than required by anticipated usage, providing Volato excess aircraft availability ~70% compared to the traditional industry average of 5-10%¹ per year per Fractional Aircraft.

Demand Mix	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Owner	91%	88%	80%	67%	55%	45%	55%	52%
Non-owner(Program & Ad Hoc)	9%	12%	20%	33%	45%	55%	45%	48%

The excess fleet availability is filled with non-owner flying, providing a substantial advantage over traditional models:

Traditional Fractional Models: Occupied Usage

- Share size purchase decision is based upon anticipated usage.
- Majority flying done by owners which have a lower hourly rate.
- Meaning the averaged occupied yield is anchored by the owner rate.



50 hrs. non-owner	\$6,500 per hr.
750 hrs. owner	\$4,700 per hr.
Average Occupied Yield	\$4,800 per hr.

Lower margin flight operations

Volato's Fractional Program: Occupied Usage

- Higher proportion of non-owner usage.
- Model leads to higher average occupied yields and profitability from long tail flight operations revenue streams.



504 hrs. non-owner (63%) ²	\$6,500 per hr.
296 hrs. owner (37%)	\$4,700 per hr.
Average Occupied Yield	\$5,800 per hr.

Achieve 21% higher yield, & higher contribution



Sources:

1. Industry average is 800 occupied hours per year
2. Target we are working towards at scale



Volato's Fleet: The HondaJet Unit Economics

Unique business model provides multiple recurring revenue streams and profitable flight operations. Each aircraft acquired is providing a layered stream of annuities.

 HONDA	Initial Aircraft Sale	Annual Management Fee	Flight Operations	Annual Recurring Revenue	5-Year Contract Combined Economics
REVENUE^{1,2}	\$9.2M	\$1M	\$3.9M	\$4.9M	\$33.7M
MARGIN¹	24%	1% Breakeven	31%	24.2%	17% EBITDA \$6.2M

Volato's business model can be profitable from both fractional sales and flight operations



Notes:

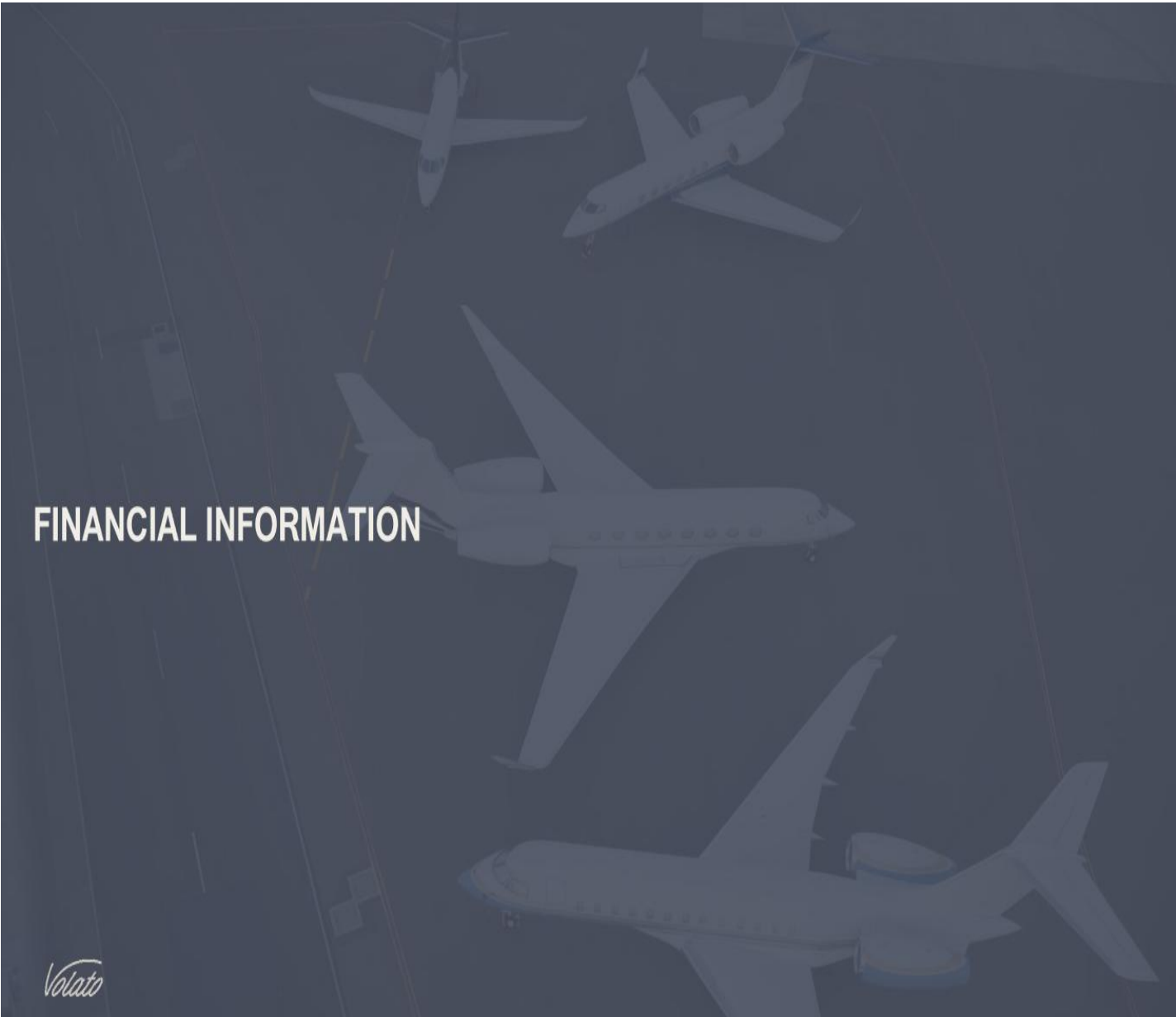
1. Revenue & Margin based on estimated sales mix.
2. Assuming 667 annual revenue flight hours at \$5,800 per hour per aircraft, including fuel.



Volato's Fleet: Historical Floating HondaJet Fleet Growth

In a tight aircraft delivery market, Volato has secured significant firm orders and has been able to grow its fleet rapidly. Volato has 22 HondaJets on firm order, to be delivered prior to 2026.



An aerial, top-down view of an airport tarmac. Several aircraft are visible, including a large commercial jet in the center, a smaller regional jet to its right, and two other commercial jets at the top. The tarmac is marked with yellow lines, and there are some ground service vehicles visible. The overall image has a dark, muted color palette.

FINANCIAL INFORMATION

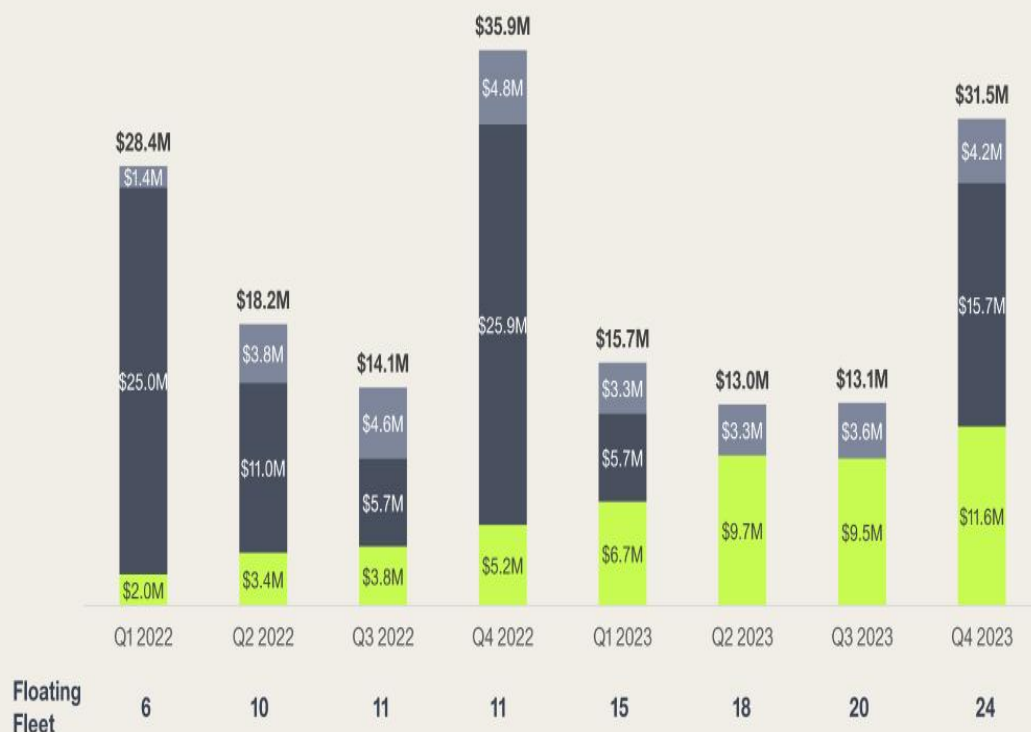
Volato

Volato Financial Performance At-a-Glance

Quarterly Revenue

Commentary

■ Recurring Revenue¹ ■ Aircraft Sales Revenue² ■ Other³



- Recurring revenue continues to grow quarter over quarter, with 162% annual growth in 2023 over 2022.
- Recurring revenue and aircraft sales revenue are expected to grow with the expansion of our fleet in Q4 2023 and beyond.
- Clear opportunity to acquire more HondaJets and operate the largest HondaJet fleet in the industry.



Notes: 1. Reflects Usage Revenue + Maintenance Revenue + Management + Fuel.
 2. Reflects Whole Aircraft Sales + Fractional Sales Revenue. Management expects a large portion of fractional sales revenue to be recurring in nature as fractional owners are anticipated to buy a new fraction with Volato at the end of their 5-year contracts.
 3. Reflects Managed Fleet Division Reimbursable Expense + Managed Fleet Division Revenue.



Clear Path To Profitability: Through a Continued Focus on Strong Execution

2024 is a pivotal year as Volato is positioned to benefit from several maturing strategic initiatives, earning substantial margin from new aircraft deliveries, and unlocking operational efficiencies through the network effect.

1

Expand Fleet

- 10-14 new aircraft deliveries expected in 2024, compared to only 3 in 2023.
- Continue to opportunistically expand fleet through other means; i.e., leasing or aircraft management.

2

Increase Fleet Utilization

- Continue executing on commercial strategy and expand non-owner usage on the fleet.
- Ramping up Insider Program client relationships.
- Volato provides pre-delivery owners the option to start flying on the fleet pre-delivery – increasing utilization.

3

Unlock Operational Efficiencies

- There is an inherent cost to supporting air carrier operations and in 2023 Volato invested in front-loaded operations.
- As the fleet increases economies of scale benefits are unlocked.
- Supported by our proprietary software that drives productivity and operational efficiencies.
- A larger fleet and increased utilization results in scheduling efficiencies and a reduction in empty-leg flying.



Clear Path To Profitability: Generating significant cash flow by growing fleet in 2024

Volato is anticipating between 10-14 aircraft to be delivered in 2024

HondaJet Elite II



- 8 to 10 planes to be added in 2024
- Deliveries expected throughout 2024

Gulfstream G280s



- 2 to 4 planes to be added in 2024
- Deliveries expected second half 2024

2024 Fractional Share Purchase

- HondaJets
 - Revenue: \$72M to \$90M
 - Margin: \$16M to \$20M
- Gulfstream G280s
 - Revenue: \$50M to \$100M
 - Margin: \$10M to \$24M

Monthly Management Fee

- HondaJets
 - Revenue: \$80K per month per plane
- Gulfstream G280s
 - Revenue: \$300K per month per plane

2024 revenue will be dependent on timing of plane deliveries

Ongoing Flight Usage

- HondaJets
 - Revenue¹: Average \$250k per month per plane
- Gulfstream G280s
 - Revenue: Average \$480k per month per plane

2024 revenue will be dependent on timing of plane deliveries



Notes:

1. Mix is shifting toward a majority of higher yield, non-owner flight hours



Key Performance Indicators: Trending positively through strategy implementation

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Total Flight Hours	813	1,199	1,307	1,712	2,103	2,919	2,747	3,504
Empty Percentage	38.0%	41.1%	40.2%	39.0%	41.2%	39.6%	36.6%	37.9%
Demand Mix:								
Owner	91%	88%	80%	67%	55%	45%	55%	52%
Program & Ad Hoc	9%	12%	20%	33%	45%	55%	45%	48%
Blended Yield	\$4,036	\$4,665	\$4,512	\$4,926	\$4,927	\$5,042	\$4,913	\$5,348
Floating Fleet	6	10	11	11	15	18	20	24
Light Jet Market Share	0.7%	0.9%	1.1%	1.3%	1.7%	2.5%	2.5%	2.9%
Net Promoter Score	N/A	N/A	N/A	N/A	86	89	90	88

Empty Percentage

The Company defines Empty Percentage as live hours for owner, program, and ad hoc charter flights divided by total flight hours as measured by ARGUS. All hours not flown by owner, program, or ad hoc charter customers are included in the empty percentage calculation including, but not limited to, Vaunt, training, and maintenance flights. The Company believes Empty Percentage is a useful metric to measure the efficiency of its fleet.

Demand Mix

The Company defines Demand Mix as the number of flight hours flown by owners or non-owners divided by the total number of flight hours. The Company believes Demand Mix is a useful metric to measure improvement in margin.

Blended Yield

The Company defines Blended Yield as the average occupied price per hour across all Volato product types: owner, program and ad hoc. The Company believes Blended Yield is a useful metric to measure revenue per flight hour.

Light Jet Floating Fleet

The Company defines Light Jet Floating Fleet as the fleet of Light Jet aircraft flown as directed exclusively by Volato at the end of the quarter.

Total Flight Hours

The Company defines Total Flight Hours as the actual flight time from the moment of aircraft lift-off at the departure airport until it touches ground at the end of a flight as measured by ARGUS. The Company believes Total Flight Hours are a useful metric to measure the usage of our programs and the scale of its fleet and revenue growth.

Light Jet Market Share

The Company defines Light Jet Market Share as the set of flights flown by light jets departing from and/or arriving at a US airport as measured by ARGUS. The Company believes Light Jet Market Shares is a useful metric to measure the size of the business relative to the current market.

Net Promoter Score

The Company defines Net Promoter Score as a measure of customer loyalty, sourced internally from Volato, based on customer surveys conducted post-flight. The Company believes Net Promoter Score is a useful metric to measure the customer experience.



Volato Group: Investment Highlights

LARGE MARKET SIZE

- Focused on the largest market segment; Light Jets.

EXPERIENCED MANAGEMENT TEAM

- Team with both deep aviation industry experience and from the technology industry.

SUPERIOR BUSINESS MODEL

- Capital-light strategy combines fractional ownership with higher-yield non-owner flight operations

DIVERSIFIED REVENUE STREAMS

- Multiple product offerings that complement and support fleet utilization.

PROPRIETARY TECHNOLOGY

- In-house software delivers efficiency and productivity improvements, with optionality to monetize software products for broader industry use.

CUSTOMER TRACTION

- Fastest growing and sixth-largest U.S. light jet operator with world-class Net Promoter Score of 88.

PATH TO PROFITABILITY

- Clear visibility to near-term profitability based on aircraft delivery schedule and unit economics.



Volato



ENJOY FLYING MORE

