

Surf Air Mobility Announces Entry Into Definitive Agreement To Acquire Electric Aviation Pioneer Ampaire

Surf Air Mobility to lead in modern, hybrid electric air travel

Ampaire's proprietary technology will power the next generation of aviation



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Surf Air Mobility →

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LOS ANGELES, Feb. 18, 2021 /PRNewswire/ -- [Surf Air Mobility](#), a platform for regional air travel, today announced it has entered into a definitive agreement to acquire hybrid electric aviation technology pioneer [Ampaire](#). The addition of Ampaire's proprietary hybrid electric powertrain technology is a critical component in Surf Air Mobility's plans to dramatically improve the affordability, accessibility, and environmental footprint of aviation, beginning with regional travel.



Surf Air Aerial Over Windmill

"With flight demonstrations and testing already in progress, Ampaire's hybrid electric powertrain technology brings us closer to the next great shift in air travel: sustainable aviation that's accessible to everyone," said Sudhin Shahani, Surf Air Mobility's co-founder and CEO. "With this advanced technology, we have the opportunity to solve aviation's biggest problems—operating cost and environmental impact—through electrification. We see the near-term opportunity to transform existing turboprop aircraft across the entire industry as the first step to ultimately extend to fully electric aviation across all trip lengths."

Today Ampaire is creating hybrid electric powertrains for existing popular aircraft, aimed at upgrading a first generation fleet of vehicles focused on 9- to 19-seat piston and turboprop aircraft. There are tens of thousands of aircraft eligible for this type of powertrain upgrade worldwide. Surf Air Mobility intends to make hybrid electric powertrain upgrades available to fleet owners on and off its consumer platform, as well as license its technology to original equipment manufacturers (OEMs) for new aircraft types. Extending the availability of electric technology will further Surf Air Mobility's mission to move the world forward faster, and accelerate the industry's path to zero emission travel.

Electrification has the potential to unleash a new mobility market of previously uncaptured opportunity. The Union Bank of Switzerland estimates that the global market opportunity for hybrid electric aircraft is estimated to grow to \$178 billion by 2040. Surf Air Mobility is building the ecosystem needed to accelerate the entire industry's adoption of sustainable flight with its marketplace platform, customer base, and focus on regional routes. Hybrid electric aircraft, which can lower direct operating costs, are on track to make air travel more affordable and more accessible for an even broader range of flyers and destinations. Surf Air Mobility and Ampaire intend to drive further advances toward fully electric aircraft, with the goal of significantly reducing direct carbon emissions. Transitioning to electric aircraft could also reduce fuel costs by up to 90 percent according to the World Economic Forum, as well as lower maintenance expense and noise.

"Working with Surf Air Mobility will allow us to follow the successful path of hybrid electric automobiles and take that model to the sky more quickly," said Ampaire CEO Kevin Noertker. "It is our intention to be one of the first to make this technology available at scale on both existing and new commercial routes."

Ampaire has successfully completed a month-long demonstration program of the first electric-powered flight on a commercial route with its Electric EEL, a hybrid electric Cessna 337 aircraft. This is the first aircraft of this type to receive FAA experimental market survey approval, allowing the company to carry passengers other than flight crew. The deployment exemplified the performance benefits of hybrid electric systems, with 100 percent dispatch reliability and long endurance flights of more than 340 miles and durations up to three hours. Ampaire has also cultivated extensive partnerships, including NASA, the Department of Energy Advanced Research Projects Agency-Energy (ARPA-E), and The United States Air Force. With an active multimillion dollar contract under NASA's initiative for electrifying megawatt class planes, Ampaire is a trusted contributor to NASA's goals for achieving noise, emissions, and fuel burn reduction in commercial aviation. Surf Air Mobility will continue this work to make industry-wide progress toward affordable, sustainable electric air travel.

"By focusing on shorter, regional routes in the near term, hybrid electric aircraft will completely transform the way we think about how we travel," said Fred Reid, Surf Air Mobility's President. "By improving the cost structure, we're able to create a new kind of point-to-point network that opens up previously untenable markets with more direct connections. With half of all U.S. flights 500 miles or less, hybrid electric technology will have an immediate and broad-reaching impact."

Surf Air Mobility is working to create the foundation to make electric air travel broadly available by incubating the technology for the rest of the industry. Surf Air Mobility believes the coupling of its consumer platform with Ampaire's technology will make air travel more sustainable and affordable to more people in more places than ever before.

Completion of the transaction is subject to certain closing conditions, including, among others, the approval of the Ampaire stockholders of the transaction. For more information, visit: www.SurfAirMobility.com

About Surf Air Mobility

Surf Air Mobility is accelerating the world's path to zero emission travel. Using technology and infrastructure that exists today, Los Angeles-based Surf Air Mobility has assembled all the critical components needed to drive the next great revolution in aviation, including its consumer aviation marketplace, hybrid electric powertrain technology, and regional route networks. By creating the foundation to make electric aviation a reality, Surf Air Mobility aims to bring more affordable, sustainable, and personalized air transportation to everyone, beginning with regional travel. Substantially reducing the cost and environmental impact of aviation will unlock a new world of travel. For more information, visit: www.surfairmobility.com.

About Ampaire

Ampaire is leading the charge in aircraft electrification. The Los Angeles-based company's mission is to be the world's most trusted developer of practical and compelling electric aircraft. To start, the company is upgrading existing passenger aircraft to electric power—the quickest and most capital efficient approach to making commercial electric air travel a reality. Ampaire flew the largest hybrid electric aircraft at the time in May 2019 and is exploring larger aircraft conversions with support from NASA and the U.S. Department of Energy's ARPA-E research arm. Ampaire's vision is to make flights more accessible to more people from more airports by providing electric aircraft that are clean, quiet, and affordable. Ampaire is a portfolio company of Elemental Excelsior, the Los Angeles Cleantech Incubator, and Techstars, with additional support from Starburst Accelerator and others. Ampaire has received numerous prestigious industry awards including Top 100 Global Cleantech and winner, Future of Mobility. For more information, visit ampaire.com.

Cautions regarding Forward-Looking Statements

Certain statements in this press release are forward-looking statements. Forward-looking statements can be identified by such words and phrases as "believes," "anticipates," "expects," "intends," "estimates," "may," "will," "should," "continue" and similar expressions, comparable terminology or the negative thereof, and includes statements in this press release concerning the business plans, objectives, expectations and intentions of Surf Air Mobility and Ampaire prior to and once the transaction is complete, and Surf Air Mobility's and Ampaire's future results of operations, business strategies, competitive position, industry environment and potential growth opportunities. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including, but not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the definitive acquisition agreement; (2) the inability to complete the transaction due to the failure to obtain approval of the stockholders of Ampaire or other conditions to

closing in the definitive acquisition agreement; (3) the ability to recognize the anticipated benefits of the transaction, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with customers, business partners, suppliers and agents and retain its management and key employees; (4) the inability to develop products and execute Surf Air Mobility's or Ampaire's business plan as anticipated; (5) not realizing the anticipated cost benefits of the future products in a timely and economical manner; (6) costs related to the transaction; (7) changes in applicable laws or regulations; (8) the possibility that Surf Air Mobility or Ampaire may be adversely affected by other economic, business, regulatory and/or competitive factors; or (9) the impact of COVID-19 on Surf Air Mobility's or Ampaire's business and/or the ability of the parties to complete the transaction. Many of these risks and uncertainties are outside our control, and there may be other risks and uncertainties which we do not currently anticipate because they relate to events and depend on circumstances that may or may not occur in the future. Although we believe that the expectations reflected in any forward-looking statements are based on reasonable assumptions at the time made, we can give no assurance that our expectations will be achieved. Undue reliance should not be placed on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation (and we expressly disclaim any obligation) to update or supplement any forward-looking statements that may become untrue because of subsequent events, whether because of new information, future events, changes in assumptions or otherwise. Comparison of results for current and prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

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