



AerSale Corporation
Investor Presentation
Cowen 42nd Annual
Aerospace/Defense & Industrials
Conference

February 2021

Important Notices and Disclaimers

No Offer or Solicitation

This investor presentation ("Investor Presentation") is for informational purposes only and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments of Monocle Acquisition Corporation ("Monocle") or AerSale Corp. (the "Company" or "AerSale") or any of Monocle's or AerSale's affiliates. The Investor Presentation has been prepared to assist parties in making their own evaluation with respect to the proposed business combination (the "Business Combination"), as contemplated in the Amended and Restated Agreement and Plan of Merger (the "Amended and Restated Merger Agreement"), of Monocle and AerSale and for no other purpose. It is not intended to form the basis of any investment decision or any other decision in respect of the Business Combination. The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections or modeling or any other information contained herein. Any data on past performance or modeling contained herein is not an indication as to future performance. Monocle and AerSale assume no obligation to update the information in this Investor Presentation. Information contained in this Investor Presentation regarding Monocle has been provided by Monocle and information contained in this Investor Presentation regarding AerSale has been provided by AerSale.

Use of Projections

This Investor Presentation contains financial forecasts with respect to AerSale's projected revenues, Adjusted EBITDA, the EBITDA bridge and free cash flow for AerSale's fiscal years from 2020 to 2024. Neither Monocle's independent auditors, nor the independent registered public accounting firm of AerSale, audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this Investor Presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this Investor Presentation. These projections should not be relied upon as being necessarily indicative of future results. These projections are illustrative purposes only and should not be relied upon as being necessarily indicative of future results. In this Investor Presentation, certain of the above-mentioned projected information has been included (in each case, with an indication that the information is a projection or forecast), 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 AerSale, Monocle, or the combined company after completion of the proposed Business Combination, or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this Investor Presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

Important Information About the Business Combination and Where to Find It

In connection with the Business Combination, Monocle Holdings Inc., the newly formed holding company that will become the parent of Monocle and AerSale at the closing of the Business Combination, filed with the SEC on October 15, 2020 a prospectus, as amended by the prospectus supplements filed on October 16, 2020 and October 19, 2020, which included a definitive proxy statement of Monocle. The definitive proxy statement/prospectus and other relevant materials for the Business Combination were mailed to stockholders of Monocle as of a record date of September 28, 2020 for voting on the Business Combination. Monocle determined to adjourn its special meeting of stockholders that was called in connection with the Business Combination, and intends to seek stockholder approval of the Business Combination at a later date to be announced. You are advised to read the definitive proxy statement/prospectus and documents incorporated by reference therein filed in connection with the Business Combination, as these materials contain important information about Monocle, AerSale and the Business Combination. Stockholders may also obtain copies of the preliminary proxy statement/prospectus, the definitive proxy statement/prospectus and other documents filed with the U.S. Securities and Exchange Commission ("SEC") that may be incorporated by reference therein, without charge, once available, at the SEC's web site at www.sec.gov, or by directing a request to: Monocle Acquisition Corporation, 750 Lexington Avenue, Suite 1501, New York, NY 10022.

Participants in the Solicitation

Monocle and its directors and executive officers may be deemed participants in the solicitation of proxies from Monocle's stockholders with respect to the Business Combination. A list of the names of those directors and executive officers and a description of their interests in Monocle is contained in Monocle's definitive proxy statement, filed with the SEC on October 15, 2020, and is available free of charge at the SEC's web site at www.sec.gov, or by directing a request to Monocle Acquisition Corporation, 750 Lexington Avenue, Suite 1501, New York, NY 10022. AerSale and its directors and executive officers may also be deemed to be participants in the solicitation of proxies from the stockholders of AerSale in connection with the Business Combination.

Forward-Looking Statements

This Investor Presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Monocle's and AerSale's actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, Monocle's and AerSale's expectations with respect to future performance and anticipated financial impacts of the Business Combination, the satisfaction of the closing conditions to the Business Combination and the timing of the completion of the Business Combination. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Monocle's and AerSale's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the impact of the COVID-19 pandemic on the aviation industry and the aviation aftermarket industry generally, and on AerSale's business in particular; (2) the occurrence of any event, change or other circumstances that could give rise to the termination of the Amended and Restated Merger Agreement or could otherwise cause the Business Combination to fail to close; (3) the outcome of any legal proceedings that may be instituted against Monocle and AerSale following the announcement of the Amended and Restated Merger Agreement and the Business Combination; (4) the inability to complete the Business Combination, including due to failure to obtain approvals from the stockholders of Monocle and AerSale or other conditions to closing in the Amended and Restated Merger Agreement; (5) the inability to obtain or maintain the listing of the shares of common stock of the post-acquisition company on The Nasdaq Stock Market following the Business Combination; (6) the risk that the Business Combination disrupts current plans and operations as a result of the announcement and consummation of the Business Combination; (7) the ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably and retain its key employees; (8) costs related to the Business Combination; (9) changes in applicable laws or regulations; (10) the possibility that AerSale or the combined company may be adversely affected by other economic, business, and/or competitive factors; and (11) other risks and uncertainties indicated from time to time in the proxy statement/prospectus relating to the Business Combination, including those under "Risk Factors" therein, and in Monocle's other filings with the SEC. Monocle cautions that the foregoing list of factors is not exclusive. Monocle further cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Monocle does not undertake to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based unless required to do so under applicable law.

Important Notices and Disclaimers (Cont'd)

Industry and Market Data

In this Investor Presentation, we rely on and refer to information and statistics regarding market participants in the sectors in which AerSale competes and other industry data. We obtained this information and statistics from third-party sources, including reports by market research firms, and company filings.

Non-GAAP Financial Measures

This Investor Presentation includes non-GAAP financial measures, including Adjusted Revenue, Pro Forma Adjusted Revenue, Adjusted EBITDA and Pro Forma Adjusted EBITDA. AerSale defines Adjusted Revenue as revenue after giving effect to the AerLine Divested Revenue. AerSale defines Pro Forma Adjusted Revenue as Adjusted Revenue after giving effect to the Normalized Avborne Revenue and the Normalized Qwest Revenue. AerSale defines Adjusted EBITDA as net income (loss) after giving effect to interest expense, depreciation and amortization, income tax expense (benefit), management fees, the airline settlement and one-time adjustments and non-recurring items. AerSale defines Pro Forma Adjusted EBITDA as Adjusted EBITDA after giving effect to Normalized Avborne EBITDA, Normalized Qwest EBITDA and Public Company Costs. See Non-GAAP Financial Reconciliation on slide 43.

Monocle and AerSale believe that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to AerSale's financial condition and results of operations. AerSale's management uses certain of these non-GAAP measures to compare AerSale's performance to that of prior periods for trend analyses and for budgeting and planning purposes.

A reconciliation of non-GAAP forward looking information to their corresponding GAAP measures has not been provided due to the lack of predictability regarding the various reconciling items such as provision for income taxes and depreciation and amortization, which are expected to have a material impact on these measures and are out of AerSale and Monocle's control or cannot be reasonably predicted without unreasonable efforts. You should review AerSale's audited financial statements, which are included in the proxy statement/prospectus to be delivered to Monocle's stockholders, and not rely on any single financial measure to evaluate AerSale's business. Other companies may calculate Adjusted Revenue, Pro Forma Adjusted Revenue, Adjusted EBITDA and Pro Forma Adjusted EBITDA differently, and therefore AerSale's Adjusted Revenue, Pro Forma Adjusted Revenue, Adjusted EBITDA, Pro Forma Adjusted EBITDA and other non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Two 'Purpose Built' Segments Maximizing the Value of Mid-Technology Flight Equipment

Asset Management Solutions		TechOps	
USM & Flight Equipment Sales	Engine & Aircraft Management	Aircraft & Component MRO	Engineered Solutions
			
<ul style="list-style-type: none"> ▪ Cargo market generating increased aftermarket demand for mid-technology aircraft, engines, and USM parts ▪ Cost-efficient fleet acquisition sourcing ▪ Opportunistic early monetizing of portfolio aircraft and engines ▪ 'One stop' aircraft, engine, and USM spare parts support options 	<ul style="list-style-type: none"> ▪ Higher risk-adjusted returns ▪ Counter-cyclical increased demand for asset management services arising from significant early aircraft retirements ▪ Customized short-term lease deployments achieve premium lease rates ▪ Disassembly of aircraft and engines provide low cost USM parts for resale, and internal MRO operations support 	<ul style="list-style-type: none"> ▪ Maturing mid-technology aircraft fleet driving long-term growth in demand for aftermarket MRO ▪ Significant cost advantage from in-sourced aircraft/engine and USM part capabilities ▪ Surge in demand for aircraft storage drives adjacent business unit revenue streams for services and acquisitions ▪ Provides critical market inputs for modeling demand, valuation and pricing 	<ul style="list-style-type: none"> ▪ High margin solutions ▪ Limited competition due to high level of required technical and regulatory expertise ▪ Comply with new regulatory mandates ▪ Improves safety and/or dispatch reliability ▪ Comprehensive capabilities position AerSale as preferred integrator of new technologies for aftermarket aircraft

Selected Customers

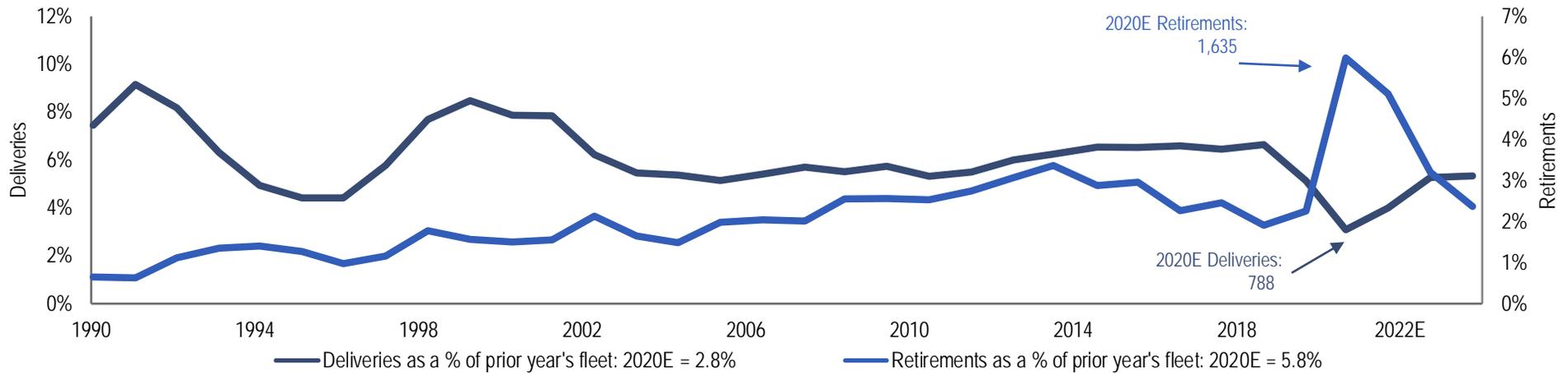


Selected Customers



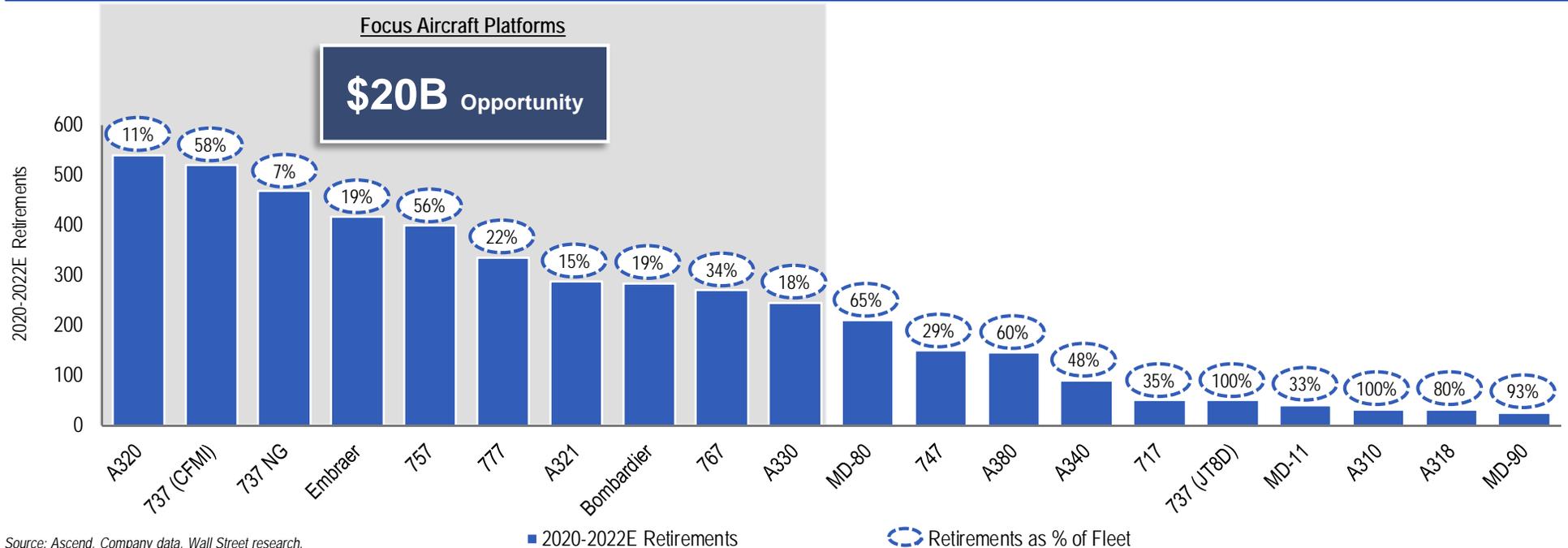
Increased Aircraft Retirements Generate Attractive Opportunities for AerSale

Aircraft Retirements Rose to All-Time Highs During COVID-19 Crisis



Source: Ascend, Wall Street research.

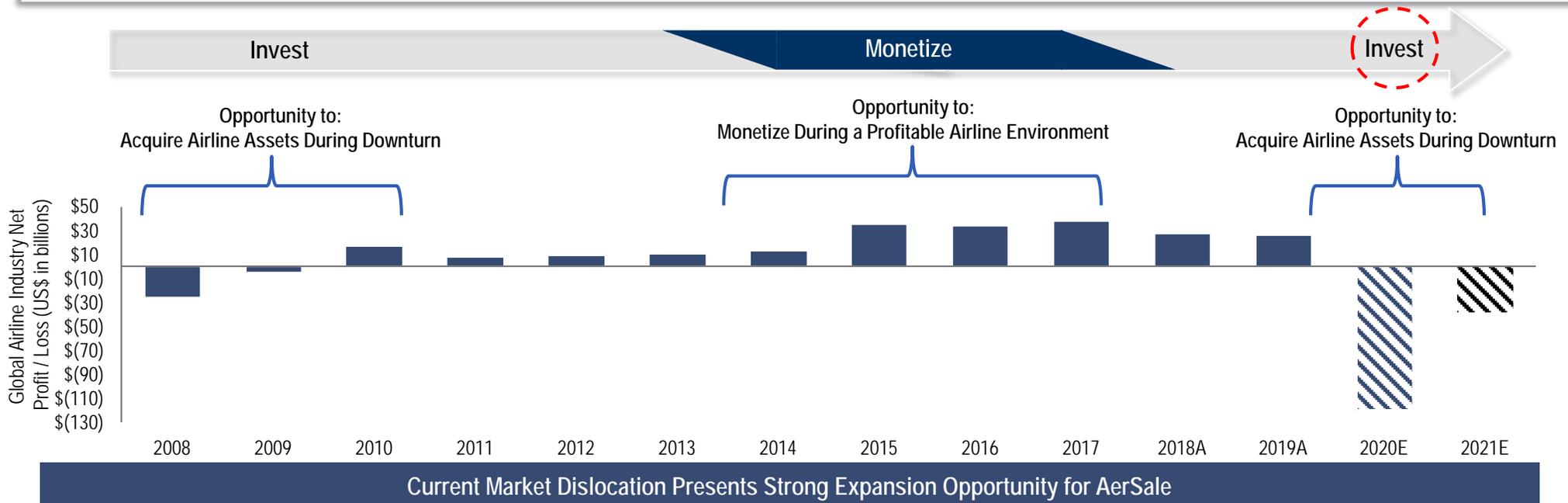
Retirements Expected Across All Platforms — Offer Unprecedented Acquisition Pipeline for AerSale



Source: Ascend, Company data, Wall Street research.

AerSale is Purpose Built to Capitalize on Market Dislocation

- AerSale has the **demonstrated ability to identify and acquire the right aircraft and engines** to generate outsized returns in a recovering market
 - Other industry participants (i.e. pure-play MRO's, leasing organizations, and financial buyers) lack the infrastructure and expertise to efficiently capitalize on the current market cycle
- **"First access" opportunity** on aircraft stored at AerSale facilities
 - Retirement of younger aircraft will spur growth in pent-up demand for USM parts previously only available from the OEM
 - The addressable USM market is estimated to be over \$4B+, and anticipated to experience significant growth as aircraft utilization normalizes
- **Capital-constrained mid-life aircraft operators are optimal buyers for Engineered Solutions** that significantly reduces their cost of regulatory compliance to keep their aircraft in service
- **Further upside amidst current market distress to acquire businesses that bring new capabilities and customers**, but lack the integrated business model to thrive in the current market dislocation

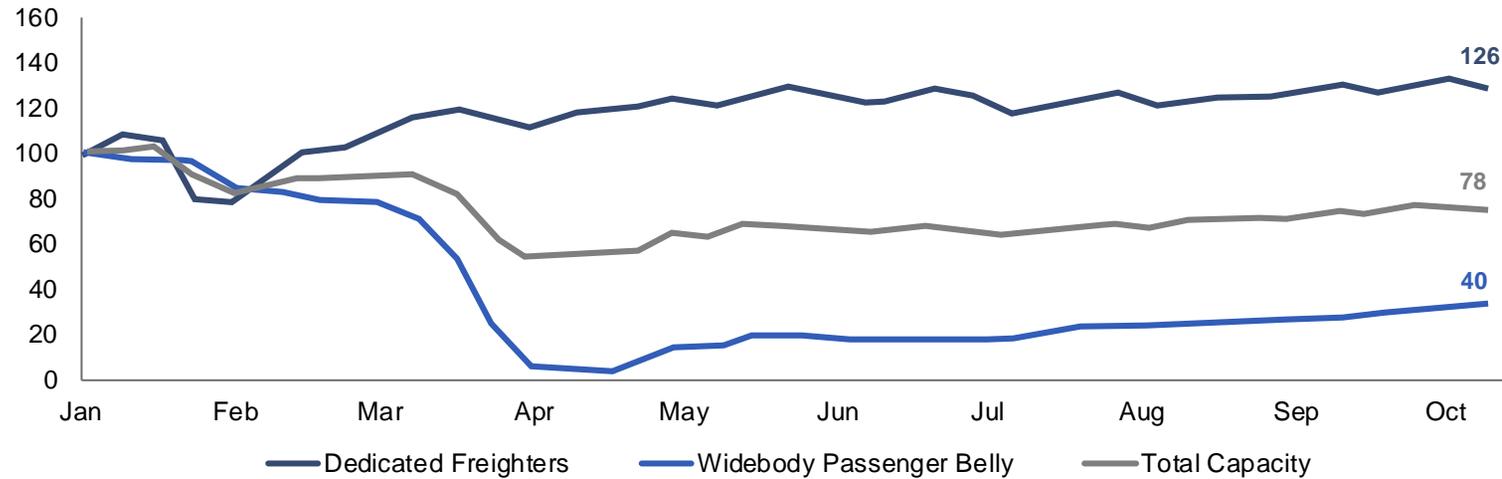


Strong Cargo Market Has Created Upside for AerSale



Daily International Cargo Capacity

Index (100 = week ending January 19)

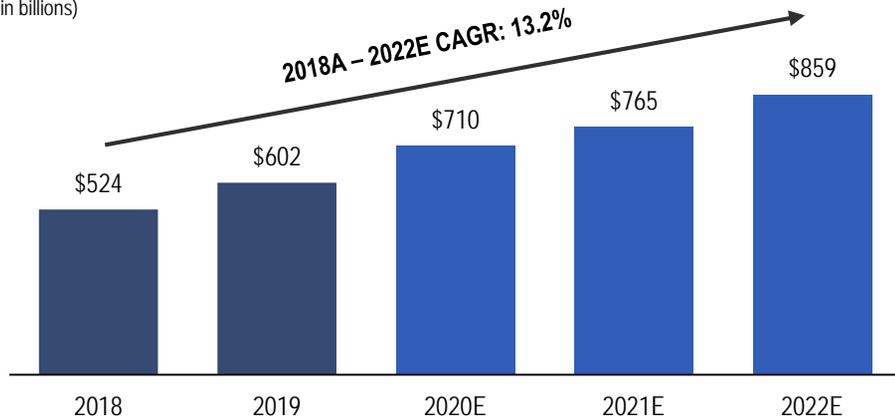


Cargo Capacity Growth vs. Last Year	
Dedicated Freighters	26%
Widebody Passenger Belly	(60%)
Total Capacity	(22%)

Source: Flightradar24, Boeing.

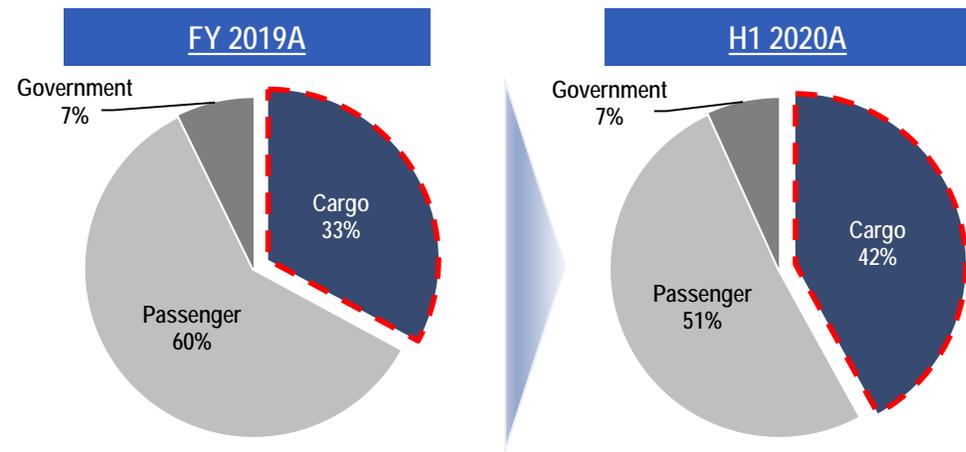
Increasing E-Commerce Sales⁽¹⁾

(\$ in billions)



Source: eMarketer (May 2020).

AerSale Revenue Contribution⁽²⁾

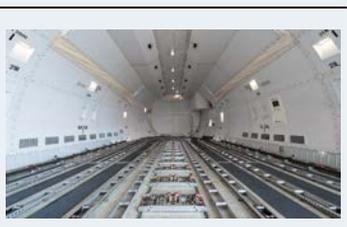


Cargo Customer Demand Expected To Remain Robust, Driven Further By Loss Of Passenger Aircraft Belly Capacity

(1) Includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food service and drinking place sales, gambling and other vice goods sales.

(2) Revenue contribution identifiable to customer usage. Represents 77% and 67% of total revenue for H1 2020 and FY2019, respectively.

Significant Opportunity to Capitalize on Current Market Conditions

<p>1</p> <p>USM Ripe for Recovery</p>	<ul style="list-style-type: none">As an attractive alternative to expensive “new” replacement parts, USM is well positioned to rapidly expand as air travel normalizesRequired inspections to bring thousands of mid-life aircraft / engines out of preservation for return to service, is set to drive significant growth in USM consumption in a recovering market	
<p>2</p> <p>Leasing Business Positioned to Expand</p>	<ul style="list-style-type: none">Unprecedented buying window has opened, which will foster high-margin leasing growth as increasing number of aircraft return to service“Green time” engines to be in high demand by Airlines as alternative to expensive engine shop visit restorationsGrowing demand for lease engines amid required engine inspections, as stored aircraft return to service	
<p>3</p> <p>MRO and Aircraft Storage</p>	<ul style="list-style-type: none">Record demand for aircraft storage has AerSale parking areas loaded to near capacity, with additional parking surface area currently under constructionRecord level captive audience for future aircraft activations, modifications, transitions and acquisitions	
<p>4</p> <p>Growing Dedicated Freighter Market</p>	<ul style="list-style-type: none">Increased e-commerce activity in combination with decreased ‘belly cargo’ capacity from passenger flight reductions, are driving current surge in demand for dedicated freighters and passenger-to-freighter conversion servicesAerSale in discussions with freighter operators, aircraft OEMs, and cargo door STC holders to increase AerSale’s aircraft conversion capacity in combination with integrated MRO support services	
<p>5</p> <p>Ideal Conditions for Expansion</p>	<ul style="list-style-type: none">Most established mid-life aircraft participants over-extended amid a pre-COVID-19 overheated marketDistressed competitive landscape ideal for capturing assets, infrastructure and talent	
<p>6</p> <p>Robust Financial Position</p>	<ul style="list-style-type: none">A diversified business model has enabled AerSale to weather the storm and remain cash flow positive every month during the pandemicUnleveraged balance sheet provides tremendous opportunity	

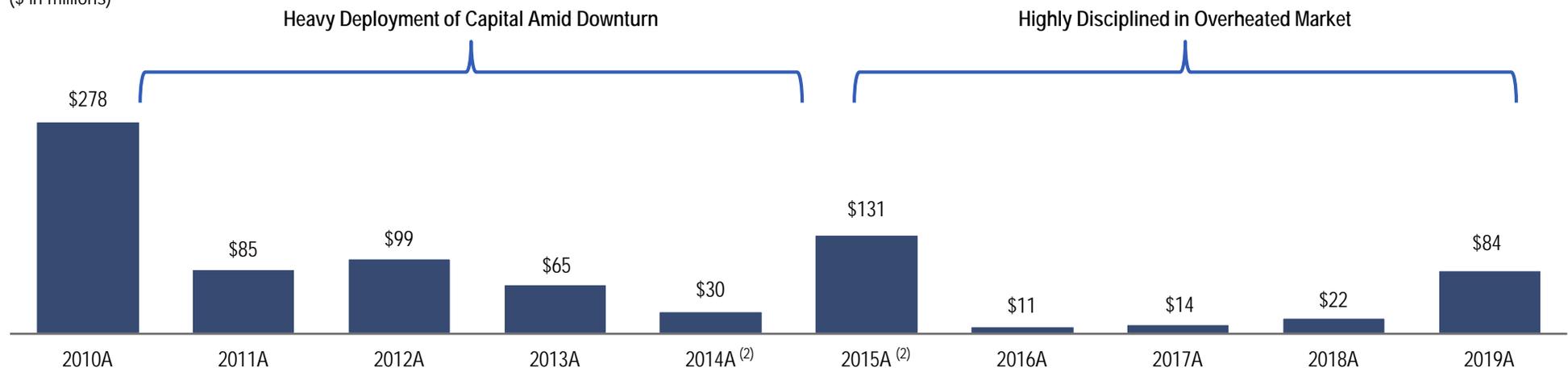
Select Near-Term Acquisition Opportunities

AerSale is Tooled to Address Counter-Cyclical Market

- AerSale has a proven history acquiring assets when market uncertainty prevails
 - Investment decisions driven by deep understanding of underlying asset values and the evolving demand for interchangeable and upgradable aircraft and engine components
 - AerSale's longstanding reputation for transaction closing certainty underpins the Company's significant and growing acquisition pipeline
 - The Company's proprietary demand and pricing data enables AerSale to execute on transactions opportunistically vs. reactively
- During prior down cycles, AerSale strategically deployed substantial capital to acquire assets at discounted levels while airlines experienced periods of uncertainty and volatility during the Great Financial Crisis
- This strategy minimized capital expenditures during market up cycles, enabling AerSale to focus on profitably monetizing prior investments
- Expected IRR on new bid opportunities will be substantially above historically strong returns

AerSale Asset Acquisition History⁽¹⁾

(\$ in millions)



AerSale Has a Highly Structured & Proven Process to Execute Amid Market Dislocation

⁽¹⁾ Asset acquisition history defined as spend on assets.

⁽²⁾ Excludes asset acquisitions related to Xtra Airways, a former AerSale subsidiary.

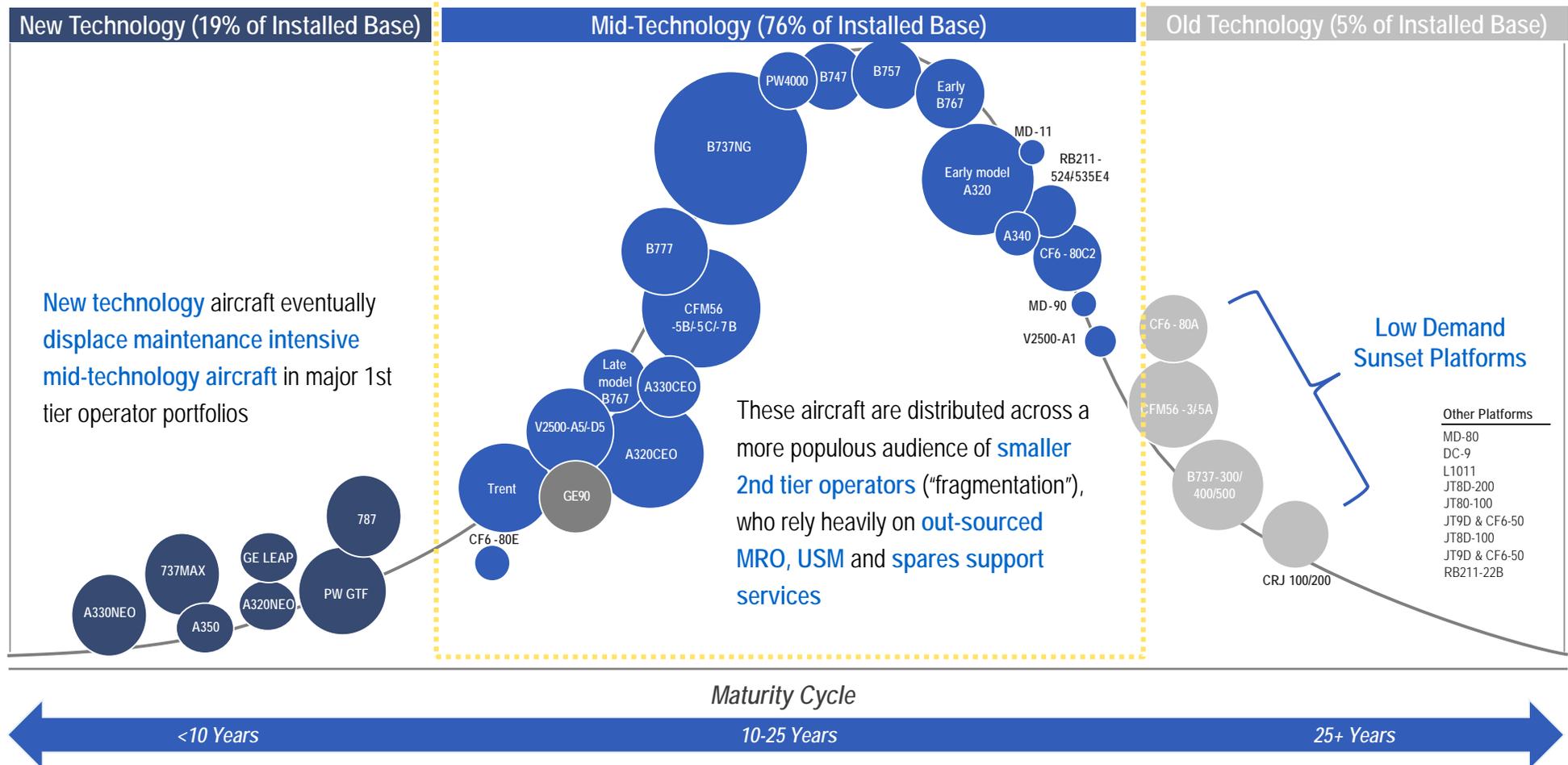
Mid-Technology Flight Equipment Aircraft & Engine Platform Focus



Focuses on Mid-Technology Sector

- Maintenance intensive, mid-life Flight Equipment aircraft & engine platforms
 - Largest and fastest growing group

Aircraft / Engine Life Cycle



Positioned to capitalize on MRO and Asset Management for younger aircraft prematurely requiring aftermarket services due to COVID-19

Source: ASCEND, AerSale Management.
 Note: Size of bubble indicates size of global installed base. Light blue shading indicates AerSale's focus.

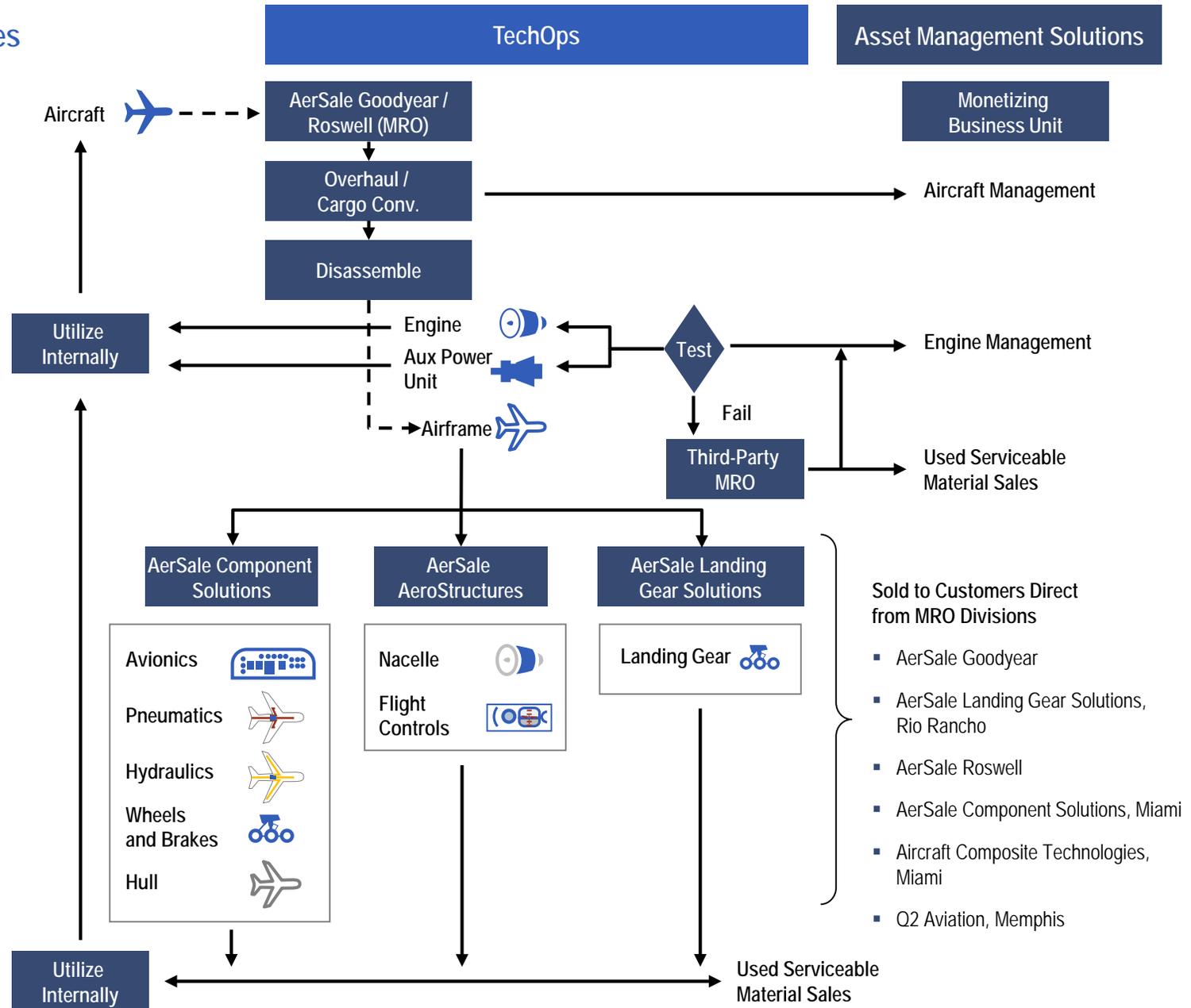
Integrated Business Segments Identify Highest Demand and Markets

Business Segment Alternatives

Realizes the highest value of mid-technology flight equipment by ensuring each aircraft, engine, and sub-component is returned to service in its highest profitability capacity:

- Out-right retail sale
- Ready spare exchange
- Lease to generate recurring revenue
- Consume as aircraft, engine, or module to support owned, and third-party portfolio assets
- Lowers owned asset MRO
- Drives MRO margin

Maximizes Optimal Flight Equipment Exit Opportunities



Significant Market Opportunity for Proprietary Engineered Solutions

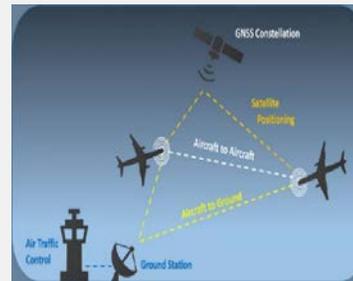


AerSafe™



- Fuel Tank Ignition Mitigation System to meet FAA mandated Fuel Tank Flammability Reduction (FTFR) requirements
- FAA approved for B737CL, B737NG, B767, A319, A320, and A321 (B777 certification — 3Q 2020)
- EASA approved for B737NG
- 40-60% less costly than OEM solution with comparable/superior capabilities

AerTrak™



- Advanced means to meet FAA mandated Automatic Dependent Surveillance Broadcast Out (ADS-B Out) requirements
- FAA approved for B737CL, B737NG, B757, B777
- EASA approved for B737CL, B737NG, B757, B777 (in process)
- 40-60% less costly than OEM solution with comparable/superior capabilities

AerAware



- Enhanced Flight Vision System (EFVS) designed to improve aircraft operational capability in inclement weather conditions
- Combines aircraft flight information and flight symbology, navigation guidance, and real-time imagery of the external scene to the pilot on a head-wearable display
- FAA approval expected for B737 in first quarter 2021, with A320 approval to follow shortly thereafter
- 25-35% less costly than OEM solution with comparable/superior capabilities

Solution Overview

Market Opportunity (# of Aircraft)

5,000+

4,000+

16,000+

\$10B
Total Market Opportunity

Potential Future Engineered Solutions Opportunities: Health / Safety, In-Flight Entertainment, SATCOM, and Connectivity

Nose-to-Tail MRO Facilities Augment Inter-Business Unit Performance and Profits

Comprehensive MRO Capabilities Reduce Cost of Parts for Internal Utilization, While Providing Profitable End User Revenue Stream

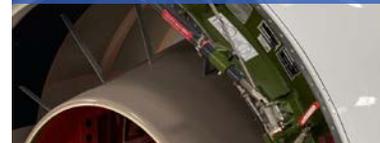
- Goodyear & Roswell aircraft disassembly operations generate engines and USM feedstock for sales, leasing and MRO support
- AerSale Landing Gear Solutions provides comprehensive landing gear MRO services
- AerSale Component Solutions provides cost effective MRO services spanning all major aircraft systems
- AerSale AeroStructures provides expert MRO services for nacelles and flight controls from its facilities in Miami and Memphis

MRO Service Offerings

Systems Components



Aero Structural Components



Complete Airframes



Select Capabilities

- ✓ **Technical and Specialized Aircraft Component Repair** Including Landing Gear, Hydraulic, Electromechanical, and Wheels and Brakes
- ✓ **Overhaul, Modification, and Repair** of Airframe Structural Components
- ✓ Whole aircraft structural Modifications, Interior Reconfiguration, Passenger-to- Freighter Conversion

	Goodyear, AZ	Rio Rancho, NM	Roswell, NM		Miami, FL		Memphis, TN
Type	Aircraft & Engine MRO Operations Center	AerSale Landing Gear Solutions	Warehouse & Distribution Center	Aircraft & Engine MRO Operations Center	Component MRO (Avborne)	Component MRO (Aircraft Composite Technologies)	Component MRO (O2)
Leased / Owned	Leased	Leased	Leased	Leased	Leased	Leased	Leased
Sq. Ft.	250,000	100,000	255,000	135,000	112,000	31,000	150,000
# of Employees	139	46	58		37	31	22

Deep Customer Relationships Supported by Diversified Service Offering



Fully Integrated Mid-Technology Flight Equipment Offerings



55% of Top 100 Customers Generated Multi-Business Unit Sales (FY 2019)

Executive Management Team Features Unrivaled Aftermarket Expertise



- Highly qualified executive leadership team with an **average of 25 years of relevant industry experience**, through multiple industry cycles, and wide-ranging business conditions
- **Deep industry relationships** through years of business transactions spanning major airlines, OEMs, MRO service providers, leasing, financiers and trading organizations
- Senior management brings together the necessary expertise, infrastructure and resources to **expertly execute on a broad range of aviation aftermarket opportunities**



Nicolas Finazzo
Co-Founder, Chairman,
CEO & President
TechOps
30 Yrs Experience



Robert Nichols
Co-Founder, Executive Vice Chairman
& President
Asset Management Solutions
25 Yrs Experience

Functional Areas ⁽¹⁾



Martin Garmendia
Chief Financial Officer
& Treasurer
20 Yrs Experience



Vanessa Machado
Sr. VP
Human Resources
20 Yrs Experience



Boris Streun
Sr. VP
Technical Services
30 Yrs Experience



Enrique Pizzi
Chief Information
Officer
29 Yrs Experience



Ron Wolf
Sr. VP
Quality
30 Yrs Experience



Basil Barimo
Division President
MRO Services
30 Yrs Experience



Craig Wright
Division President
Aircraft & Engine
Management
20 Yrs Experience



Iso Nezaj
CTO & Division President
Engineered Solutions
35 Yrs Experience

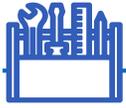


Gary Jones
Division President
Airframe &
Engine Materials
37 Yrs Experience

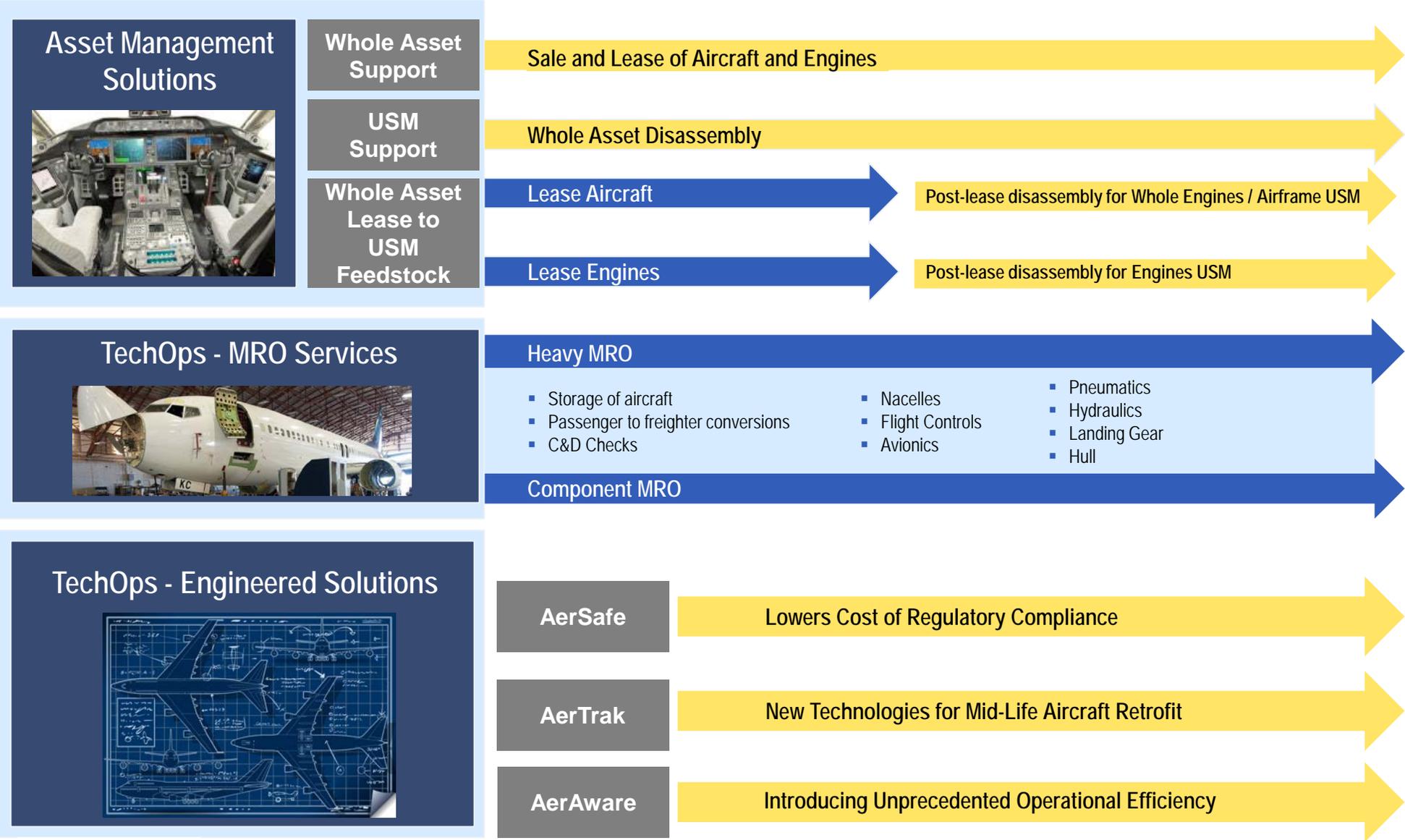
(1) Functional areas report directly to Chairman and CEO.

Attractive Global Opportunities For Scalable Business Platform



<p>1</p>  <h3>Aviation Aftermarket Trough Poised to Rebound</h3> <ul style="list-style-type: none">• Unprecedented opportunity to acquire aircraft / feedstock at discounted values amid wave of aircraft retirements• Massive grounding of global fleets to drive significant surge in MRO demand as aircraft are recertified for return to service	<p>2</p>  <h3>Development & Innovation of New Engineered Solutions Offerings</h3> <ul style="list-style-type: none">• Rapidly increasing demand for significant savings on alternative products and services needed to enhance aircraft performance• High-margin proprietary repairs, modifications, and aircraft system installations that are difficult to replicate	<p>3</p>  <h3>Development of New High-Margin MRO Capabilities</h3> <ul style="list-style-type: none">• Global MRO market will continue to grow — >3% CAGR expected through 2024• Ongoing pent-up demand for landing gear MRO capacity in post-Covid environment• Facilities and expertise in place to profitably scale AerSale's MRO capabilities
<p>4</p>  <h3>Expanded Sales to U.S. Government Agencies</h3> <ul style="list-style-type: none">• Stable and increasing DoD O&M budget — ~5% CAGR from FY2016 to FY2020• Defense sector in early stage of outsourced solutions for aging aircraft platforms• AerSale has successfully executed on numerous governmental agency awards	<p>5</p>  <h3>Geographic Expansion of MRO Services</h3> <ul style="list-style-type: none">• Initial focus is Asia Pacific Region, the largest and fastest growing aviation market region• Developing partnerships with regional MRO providers to fast-track local capabilities• Creates a regional platform for USM distribution, Engineered Solutions sales and other services• Strengthens AerSale's brand and creates blueprint for other regions (e.g. Middle East and LatAm)	<p>6</p>  <h3>Scalable Platform With Proven and Accretive M&A Strategy</h3> <ul style="list-style-type: none">• Well-positioned for future acquisitions within highly fragmented aviation aftermarket industry• Focus on expanding core capabilities & solutions, expansion into adjacent categories, and penetrating new customers & markets• Long track record of successful integration

AerSale Monetization Strategy



Revenue by Type

- Service Revenues
- Product Revenues

*Engineered Solutions Revenue Model: # of Kits * Price per Kit*

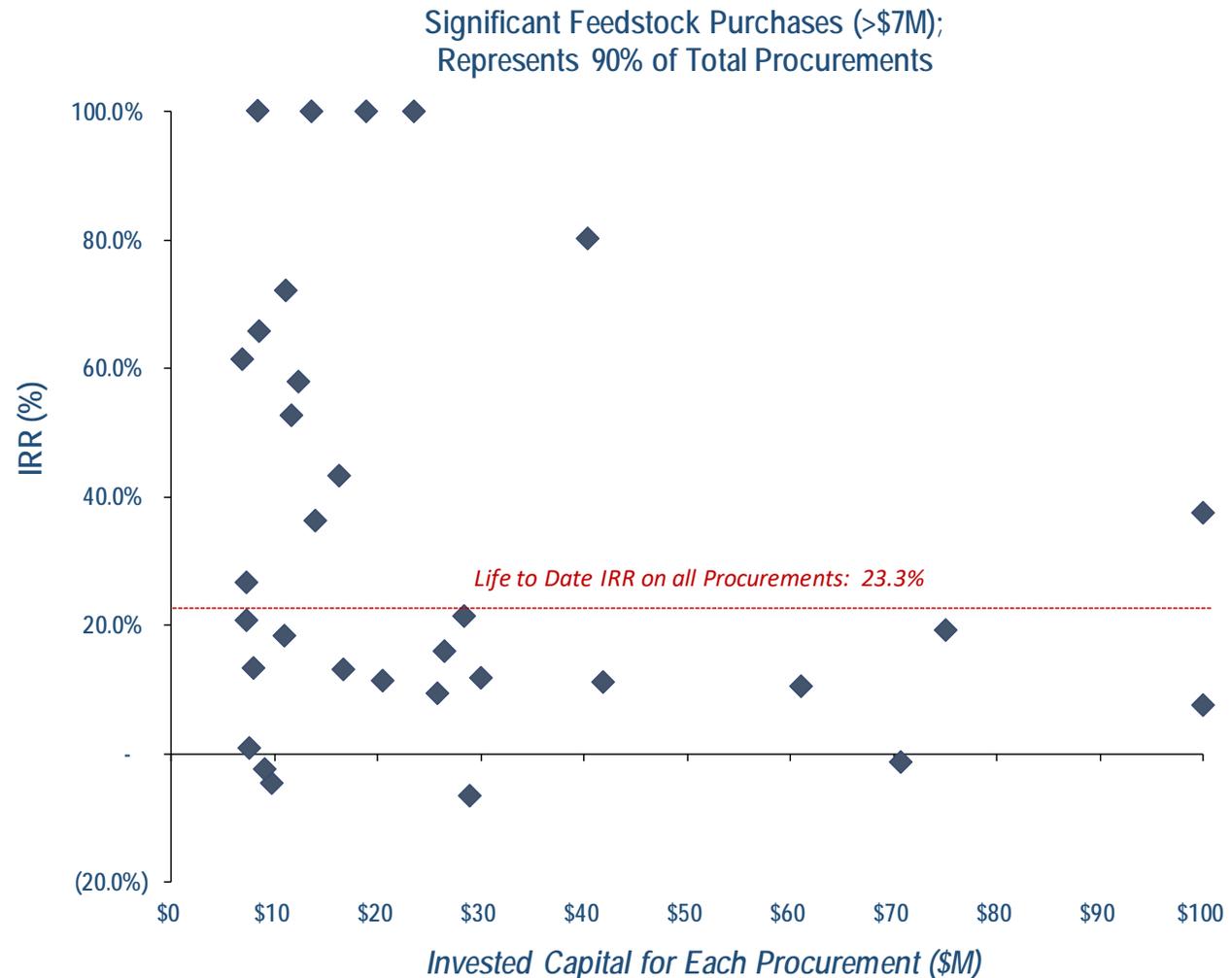
Integrated Business Model Provides Opportunities for Cross Selling

Performance Summary of AerSale Historical Feedstock Purchases



Since Inception AerSale has purchased >\$1.2 Billion in feedstock

- Proprietary database, deep technical knowledge, and market intelligence provide comprehensive assessment and prioritization from procurement to monetization
- Systemic inspection and valuation data are further verified and refined to produce predictive modeling inputs through our proprietary valuation process



Note: Analysis per Management analysis; IRR is unaudited and includes refurbishment costs. Graphical data reflects thirty-two individual asset purchases. Data Points with values exceeding IRR or Invested Capital for Each Procurement plotted at maximum value.

Business Integration - Case Study: B747 Fleet Purchase

Situation Overview

- AerSale acquired 19 Boeing CF6-80C2 powered 747-400 aircraft from a major Asian operator downsizing its fleet following the last recession of 2008/2009, for ~ \$214M (paid over two years)
- Utilized integrated capabilities across business units to extract highest value
- Engineered Solutions to modify aircraft seating for regulatory compliance
- Developed FAA certification (STC) for customer interior reconfigurations
- Utilized TechOps MRO capabilities to provide on-going engine, APU, and landing gear support programs
- Utilized Asset Management capabilities to deploy assets in optimal markets
 - Aircraft Sales & Leasing in Passenger and Cargo configurations
 - Engine Sales & Leasing in Passenger and Cargo markets
 - Used Serviceable Material (USM) Sales and Exchanges

Investment Cash Flow Profile (\$M)

Modeled Revenue: \$381M

Actual + Proj. Revenue: \$486M



Number of Aircraft

4
(Sold)

6
(Leased)

9
(Disassembled)

14

42

Customer



- Disassembled to support USM part sales

Engines in Active Lease Pool

Engines Disassembled



Boeing 747-400



CF6-80C2

AerSale's Full Suite of Capabilities Drive Outsized Returns by Realizing Higher Value for Aircraft and their Sub-Components

Asset Alternative Applications - Case Study: A300 Fleet Purchase



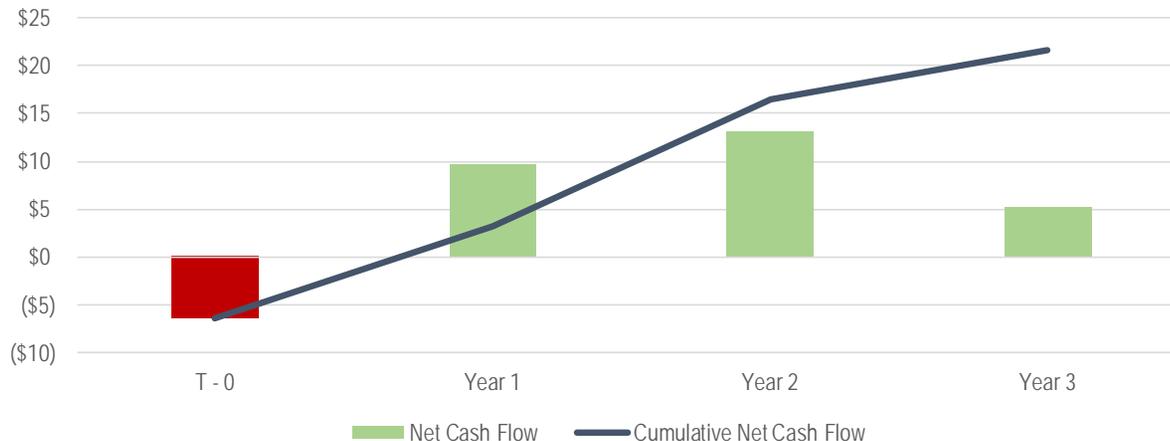
Situation Overview

- The Airbus A300 and A310 aircraft market was rapidly entering its sunset phase
- AerSale acquired a fleet of eight CF6-80C2A-powered Airbus A300/A310 aircraft and four additional spare engines from an international passenger airline, for ~ \$12.6M (paid over two years)
- AerSale utilized its TechOps Engineering group to develop custom engine modification work scopes to convert these low-demand Airbus engines, to high-demand CF6-80C2 Boeing compatible variants for cargo and passenger aircraft
- Conversion costs were significantly lowered by utilization of AerSale USM in engine conversions
- AerSale leveraged the added scale in CF6-80C2 engine support to drive increased interest and relationships among the major cargo integrators
- AerSale subsequently leveraged its newly expanded engine client relationships to introduce airframe and engine USM sales support to these same customers

Investment Cash Flow Profile (\$M)

Modeled Revenue: \$30M

Actual + Proj. Revenue: \$57M



Number of Aircraft

1
(Sold)

7
(Disassembled)

1

4

15

Customer

- Sold Whole Asset to undisclosed customer in November 2018

- \$3.8mm of parts sold to-date, with additional pending airframe in process of disassembly for USM part sales

Engines Sold as Whole Asset

Engines in Active Lease Pool

Engines Disassembled

Engine Lease Customers



AerSale's Deep Knowledge of Inter-Fleet Dynamics Realized Higher Value for Engines

Post-Covid Investment Opportunity: Boeing 757 Fleet Acquisition



Cash Flows Forecasted Beginning Early First Quarter 2021 → Will Augment 2021 Visibility and Accelerate Plan

Transaction:

- In September 2020 AerSale contracted to acquire 24 Boeing 757-200 aircraft equipped with Rolls-Royce RB 211-535 engines, and 16 spare engines
 - Significant advantages of on-site delivery of all aircraft and engines at AerSale's Roswell, NM. based aircraft MRO facility
 - Avoidance of relocation expenses to move aircraft to AerSale facilities (Estimated savings of \$100+k per aircraft)
 - Provides immediate access for equipment inspection, refurbishment, modification, and sales presentation

Rationale:

- AerSale management shares a long history of successful high-yield fleet acquisitions in past recessionary markets
- AerSale has exceptional technical expertise, MRO capabilities and market savvy on B757 aircraft and Rolls-Royce RB211-535 engines
- Rolls-Royce powered Boeing 757s rank among the most preferred cargo conversion aircraft due to: Low capital cost, Large payload, and Long range
- Post-Covid spike in e-commerce driving strong freighter demand, and expected to remain healthy over next few years
- High level of interest from large-scale cargo operators to purchase up to all aircraft for conversion to freighter service
- Strong demand for RB211-535 spare engines for purchase and/or lease, to avoid or defer expensive engine shop visits (circa \$6 million to overhaul)

Monetizing Alternatives:

- Holistic transaction valuation in consideration of all business unit monetizing alternatives to identify "highest and best use" of assets
- 'Sell' vs. 'lease' placement, with collection of follow on post-lease USM cash flows' alternatives considered for all aircraft and engines
- Utilization of extensive historical and real-time demand and pricing data, with enhanced accuracy through actual return-to-service and scrappage inputs
- Cross-selling opportunities to 'bundle'; Cargo conversion MRO, USM sales, Component MRO, and Engineered Solution upgrade (e.g. AerTrak/AerSafe)

Attractive Economics → Investment Payback in Less Than a Year



Section IV

Appendix



Non-GAAP Consolidated Financial Reconciliation

(\$ in millions)	FY Ending December 31st,	
	2018A	2019A
Revenue, Net	\$290.7	\$304.2
A AerLine Divestiture Adjustment	(53.7)	--
Adjusted Revenue	\$237.0	\$304.2
B Normalized Full-Year Avborne Revenue	15.6	--
C Normalized Full-Year Qwest Revenue	19.0	10.8
D Normalized Full-Year ACT Revenue	7.9	9.9
Pro Forma Adjusted Revenue	\$279.5	\$324.9
Reported Net Income / (Loss)	\$48.0	\$15.5
Add-backs:		
Interest Expense / (Income)	\$2.4	\$3.0
Depreciation and Amortization	29.8	30.1
Income Tax Expense / (Benefit)	(3.2)	4.2
E Total Income from Discontinued Operations	(21.3)	--
F AerLine Divestiture Adjustment	(4.8)	--
G Management Fees	0.6	0.6
H Legal Settlement	(3.0)	--
I Out-Of-Period Leasing Revenue	(1.6)	--
J Inventory Adjustment	--	--
K Equipment Impairment	--	--
L One-Time Adjustments and Non-Recurring Items	0.9	3.6
Adjusted EBITDA	\$47.8	\$56.9
M Normalized Full-Year Avborne EBITDA	1.1	--
N Normalized Full-Year Qwest EBITDA	4.2	2.3
O Normalized Full-Year ACT EBITDA	3.2	3.8
P Public Company Costs	(2.8)	(2.8)
Pro Forma Adjusted EBITDA	\$53.5	\$60.2

Commentary

- A** Reflects discontinued operations of charter airline business sold in 2018
- B** Includes pre-acquisition Avborne historical revenue as if acquired in Jan 2018 (acquired Nov 2018)
- C** Includes pre-acquisition Qwest historical revenue as if acquired in Jan 2018 (acquired May 2019)
- D** Includes pre-acquisition ACT historical revenue as if acquired in Jan 2018 (acquired Jan 2020)
- E** Reflects the results of discontinued operations due to the deconsolidation of AerLine, a variable interest entity consolidated with AerSale from January 1, 2018 to August 31, 2018
- F** Reflects (i) the capitalized heavy maintenance cost written-off by AerLine as part of the sale of the related asset fleet, recorded in discontinued operations, equal to \$3.2 million, and (ii) the margin generated from the sale of the majority of the asset fleet that AerSale previously leased to AerLine, equal to \$1.6 million
- G** Reflects management fee paid to LGP for consulting and general management, transactional / financial advisory services
- H** Reflects adjustment related to successful litigation against an airline
- I** Reflects collections of rents not recognized due to collection risk, which are related to periods not being presented
- J** Reflects adjustment related to one-time inventory impairment charge incurred
- K** Reflects adjustment related to one-time equipment impairment charge incurred
- L** Reflects items identified as non-recurring or non-operating in nature and normalization of redundant and/or outlier activities including out-of-period leasing revenue, acquisition expense, normalized appraisal expense, transaction expense and others
- M** Includes pre-acquisition Avborne historical adjusted EBITDA as if acquired in Jan 2018 (acquired Nov 2018)
- N** Includes pre-acquisition Qwest historical adjusted EBITDA as if acquired in Jan 2018 (acquired May 2019)
- O** Includes pre-acquisition ACT historical adjusted EBITDA as if acquired in Jan 2018 (acquired Jan 2020)
- P** Reflects estimated public company related expenses

Source: AerSale Management.

Note: Due to rounding, numbers presented may not add up precisely to the totals indicated.

Non-GAAP Consolidated Financial Reconciliation (Cont.)

(\$ in millions)	Q1 '19A	Q2 '19A	Q3 '19A	YTD '19A	Q1 '20A	Q2 '20A	Q3 '20A	YTD '20A
Revenue, Net	\$52.2	\$63.0	\$68.1	\$183.3	\$55.9	\$46.6	\$57.1	\$159.6
A AerLine Divestiture Adjustment	--	--	--	--	--	--	--	--
Adjusted Revenue	\$52.2	\$63.0	\$68.1	\$183.3	\$55.9	\$46.6	\$57.1	\$159.6
B Normalized Full-Year Avbome Revenue	--	--	--	--	--	--	--	--
C Normalized Full-Year Qwest Revenue	4.8	6.0	5.7	16.5	--	--	--	--
D Normalized Full-Year ACT Revenue	2.5	3.0	2.0	7.4	--	--	--	--
Pro Forma Adjusted Revenue	\$59.5	\$71.9	\$75.8	\$207.2	\$55.9	\$46.6	\$57.1	\$159.6
Reported Net Income / (Loss)	\$1.3	\$0.2	\$5.0	\$6.5	\$0.5	(\$7.4)	\$14.7	\$7.8
Add-backs:								
Interest Expense / (Income)	\$0.4	\$0.8	\$1.0	\$2.2	\$0.5	\$0.5	\$0.3	\$1.3
Depreciation and Amortization	6.6	6.9	8.3	21.8	7.9	6.7	5.9	20.5
Income Tax Expense / (Benefit)	0.4	(0.0)	1.3	1.7	0.3	(2.2)	4.4	2.5
E Total Income from Discontinued Operations	--	--	--	--	--	--	--	--
F AerLine Divestiture Adjustment	--	--	--	--	--	--	--	--
G Management Fees	0.1	0.1	0.1	0.4	--	--	--	--
H Legal Settlement	--	--	--	--	--	--	--	--
I Out-Of-Period Leasing Revenue	--	--	--	--	--	--	--	--
J Inventory Adjustment	--	--	--	--	--	12.9	--	12.9
K Equipment Impairment	--	--	--	--	--	3.0	--	3.0
L One-Time Adjustments and Non-Recurring Items	0.3	0.4	(0.2)	0.5	0.1	0.1	0.2	0.4
Adjusted EBITDA	\$9.2	\$8.4	\$15.5	\$33.1	\$9.3	\$13.7	\$25.6	\$48.5
M Normalized Full-Year Avbome EBITDA	--	--	--	--	--	--	--	--
N Normalized Full-Year Qwest EBITDA	1.0	1.3	--	2.3	--	--	--	--
O Normalized Full-Year ACT EBITDA	0.9	1.3	0.7	2.9	--	--	--	--
P Public Company Costs	(0.7)	(0.7)	(0.7)	(2.1)	(0.7)	(0.7)	(0.7)	(2.1)
Pro Forma Adjusted EBITDA	\$10.4	\$10.2	\$15.5	\$36.2	\$8.6	\$13.0	\$24.8	\$46.4

Commentary

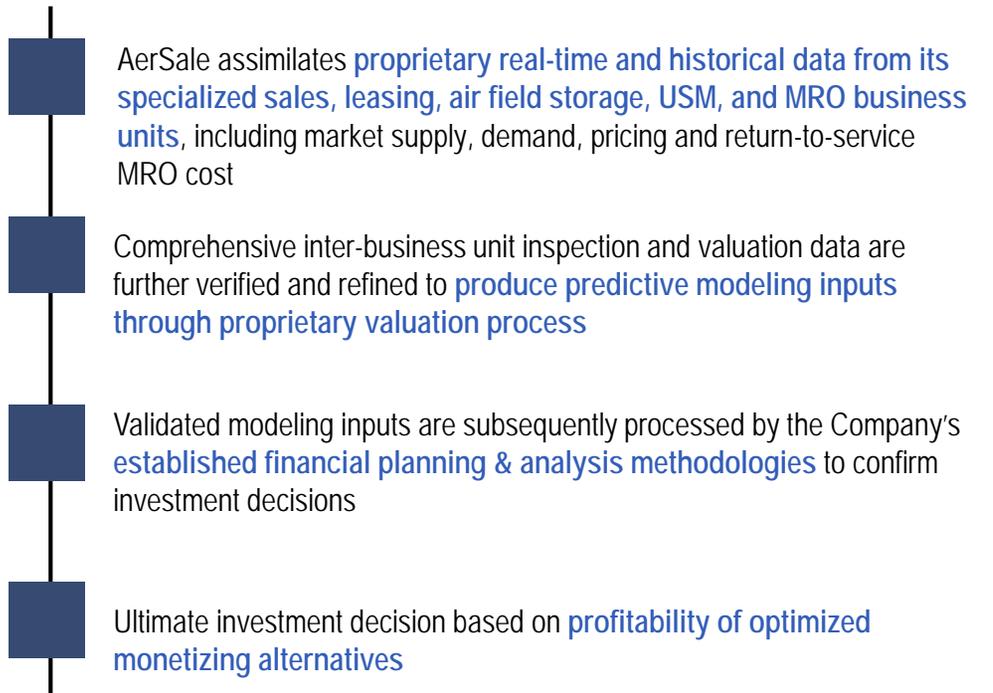
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Source: AerSale Management.

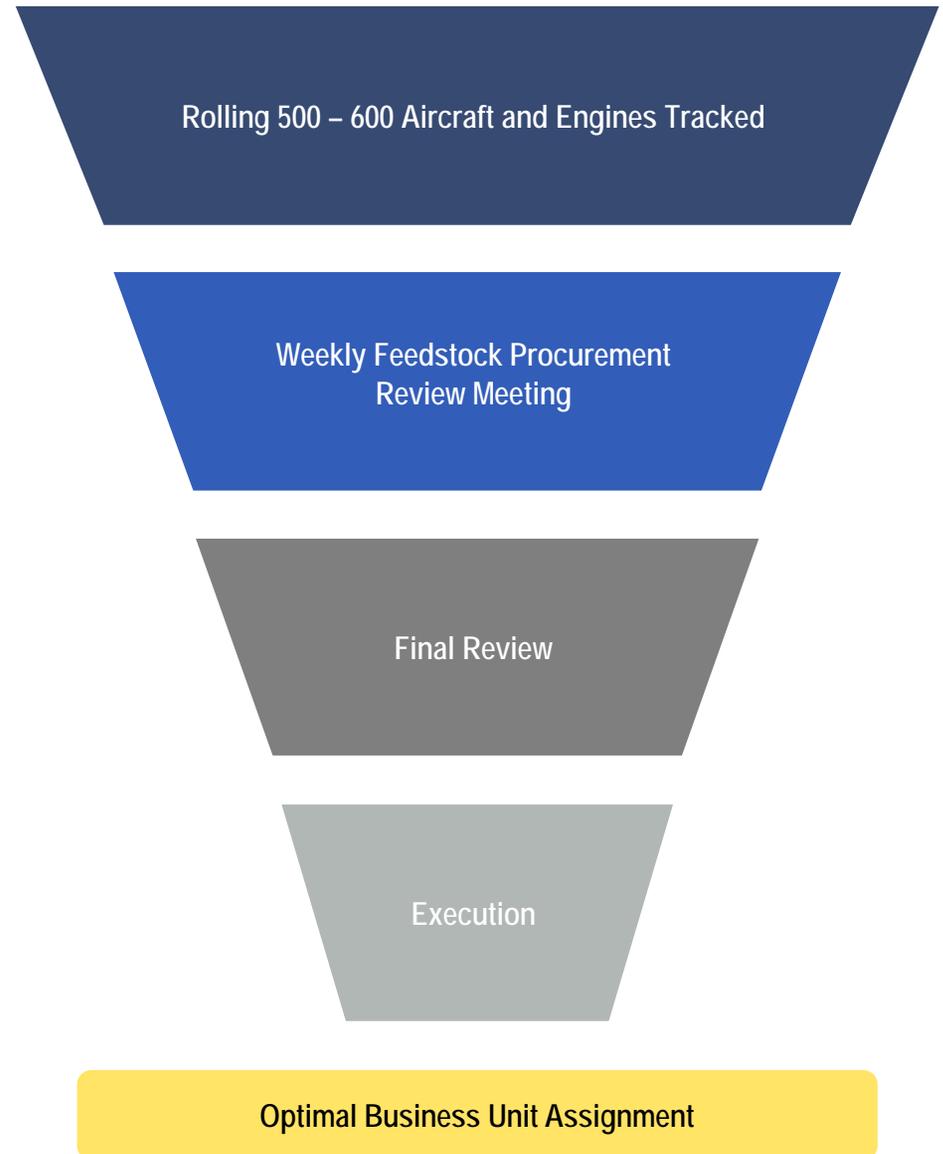
Note: Due to rounding, numbers presented may not add up precisely to the totals indicated. Information provided for YTD Ending September 30th, 2020 is preliminary and subject to review and revision. Both the 2Q 2020 and 3Q 2020 Reported Income includes ~\$6.35 million benefit each quarter, or \$12.7 million in the aggregate, from a grant received under the Air Carrier Protection Program of the US CARES Act.

Disciplined Acquisition of Targeted Flight Equipment Feedstock

AerSale's Formal Feedstock Procurement Process Efficiently Manages Capital



- ✓ **Deep technical knowledge and market expertise** leads to highly informed decisions
- ✓ Identification of **highest yield products and services** across all mid-technology commercial transport category civil and government compatible aircraft platforms
- ✓ Identification of all alternative investment exit paths to further **minimize financial risk**



Cross-Selling - Case Study: Passenger-to-Freighter Conversions

Situation Overview

- In 2018 AerSale TechOps secured a B757-200 passenger-to-freighter (P2F) conversion contract for ten aircraft conversions
- To support the P2F program, AerSale initiated an Engine Pylon rotation program to facilitate pylon upgrades for the fleet
- The P2F program has generated \$25.0 million in MRO revenue; additional revenues from cross-selling have totaled \$9 million to date as follows:
 - The Engine Pylon program has driven significant USM sales from existing engine pylon inventory generated from previous AerSale aircraft retirements which generated an additional \$1.1 million of material sales.
 - AerSale also leveraged the P2F program to cross-sell \$4.5 million in MRO management services covering the overhaul of their respective aircraft landing gear. This also provided the Company with insight into this market that led to development of Landing Gear Overhaul capabilities at our Rio Ranch MRO.
 - Other cross-selling initiatives generated an additional \$3.4 million in incremental Engineered Solutions sales for AerTrak, in addition to other modification sales
- The Engine Pylon program ultimately led AerSale's Rio Rancho MRO facility to extend the Engine Pylon rotation program to other customers
- The P2F program is still in progress, and generating incremental MRO and USM sales at this time



Boeing 757-200



Engine Pylon Modification



Landing Gear



AerTrak

Leveraged Engineered Solutions Capabilities to Cross-Sell Other Products and Services

Disciplined, Accretive Acquisitions



Headquarters	Memphis, TN	Miami, FL
Date of Acquisition	May 2019	January 2020
Business Description	Established supplier of USM to Commercial Operators & Government Agencies	MRO operation focused on: composite flight control surfaces, nacelle & fan / thrust reversers
Key Customers	    	    
Strategic Rationale	<ul style="list-style-type: none"> Increases capacity & market penetration for USM parts Strengthens supply chain management & efficiency Cross-selling of MRO services to Qwest's customers Opportunity for facilities consolidation Utilizes the same ERP systems as AerSale Attractive valuation 	<ul style="list-style-type: none"> Increases scale of TechOps Increases penetration into government programs Creates significant cross-selling opportunities (e.g. landing gear & systems components) Utilizes the same ERP systems as AerSale Ability to double throughput of existing facilities Attractive valuation
Total Consideration & EV / EBITDA Multiple ⁽¹⁾	\$26.1 million 4.6x	\$18.2 million 5.0x
Financial Impact	Immediately Accretive	Immediately Accretive
Sources of Consideration	Internally Generated Cash	Internally Generated Cash

Source: AerSale Management.

(1) Valuation multiple is pre-synergy.