



# AERSALE CORPORATION

NASDAQ: ASLE  
Investor Presentation

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## Industry and Market Data

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In this 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

In this presentation, we rely on and refer to information and statistics regarding market participants in the sectors in which AerSale competes and other. This presentation includes non-GAAP financial measures, including Adjusted EBITDA. 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. See the Non-GAAP financial reconciliation in the Appendix to this presentation for more information. These non-GAAP financial measures complement the AerSale’s consolidated financial statements presented in accordance with GAAP. However, these non-GAAP financial measures are not intended to supersede or replace the AerSale’s GAAP results. These AerSale believes that Adjusted EBITDA provides 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 Adjusted EBITDA to compare AerSale’s performance to that of prior periods for trend analyses and for budgeting and planning purposes. You should review AerSale’s audited annual financial statements and unaudited interim financials included in AerSale’s filings with the SEC and not rely on any single financial measure to evaluate AerSale’s business. Other companies may calculate Adjusted EBITDA differently, and therefore AerSale’s Adjusted EBITDA may not be directly comparable to similarly titled measures of other companies. industry data. We obtained this information and statistics from third-party sources, including reports by market research firms, and company filings

# Investment Case Summary

Demonstrated 10-year  
revenue CAGR of 7.0%

- **Diverse platforms** to drive near-term growth
  - Three MRO expansion projects coming online by 2025
- Asset Management Business that provides **unique value extraction model**
  - Whole Asset Sales, Specialty Leasing and Parts (USM)
- **Engineered Solutions** provide long-term growth opportunity
- **Margin improvement** driven by **MRO expansions** coming online and **leverage on higher sales**

# AerSale at a Glance



**Company Mission-** AerSale operates a purpose-built model that provides end-to-end support for commercial aerospace companies

Through its dedicated Asset Management business, the Company acquires used aircraft and deploys the assets through its whole asset, lease and parts channels

In its Tech Ops business, the Company operates six MRO facilities and develops innovative and proprietary aftermarket products

- Employees – 726\*
- Year Founded 2008

## TTM Financials\*

- Revenue - \$345.1M
- Gross Margin – 30.1%
- Adj EBITDA - \$34.5M

## Asset Management

**Revenue: \$215.5M**

**Gross Margin: 38.3%**

Used Serviceable Material (USM) & Flight Equipment Sales

Engine & Aircraft Management

## TechOps

**Revenue: \$129.6M**

**Gross Margin: 16.6%**

Airframe and Component MRO Services

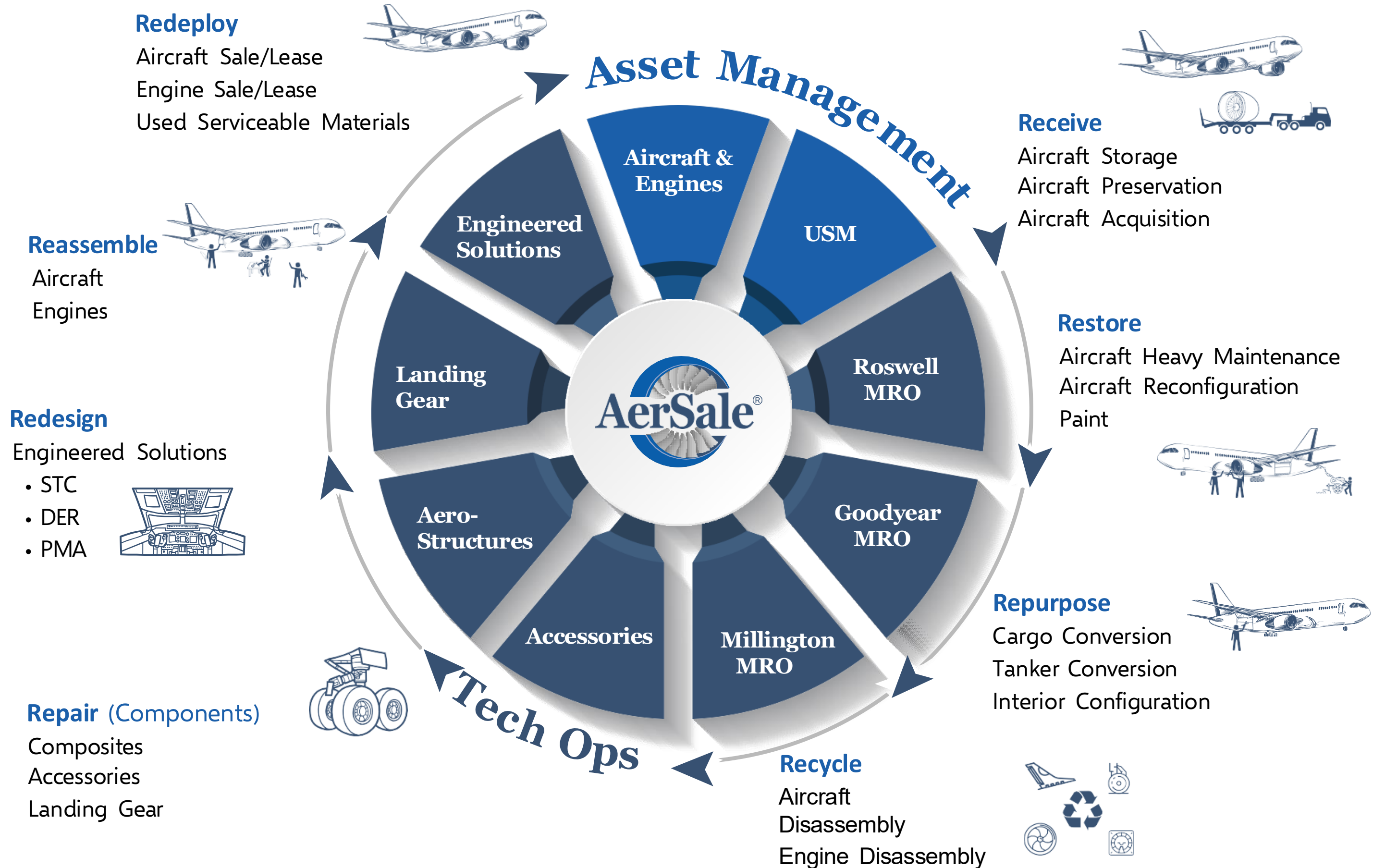
Engineered Solutions

\* As of December 31, 2024 per Company

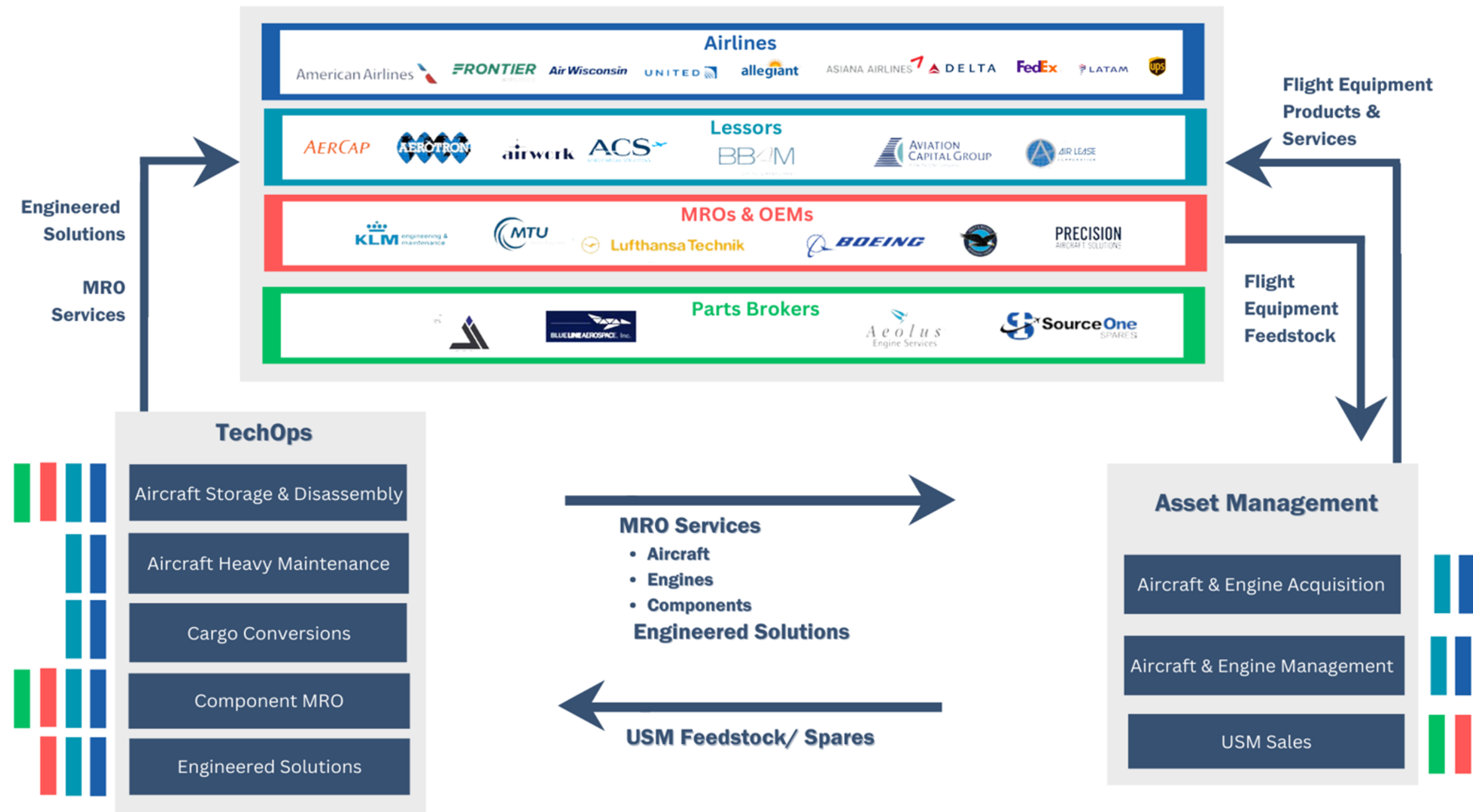
\*\*As of Dec 31, 2024 per Company



# Full Life Cycle Management



# Holistic integrated business support provides enhanced customer experience



72% of revenue from top 100 Customers Generated Multi-Business Unit Sales (December 31, 2024)

# Focus on all stages of aircraft & engines

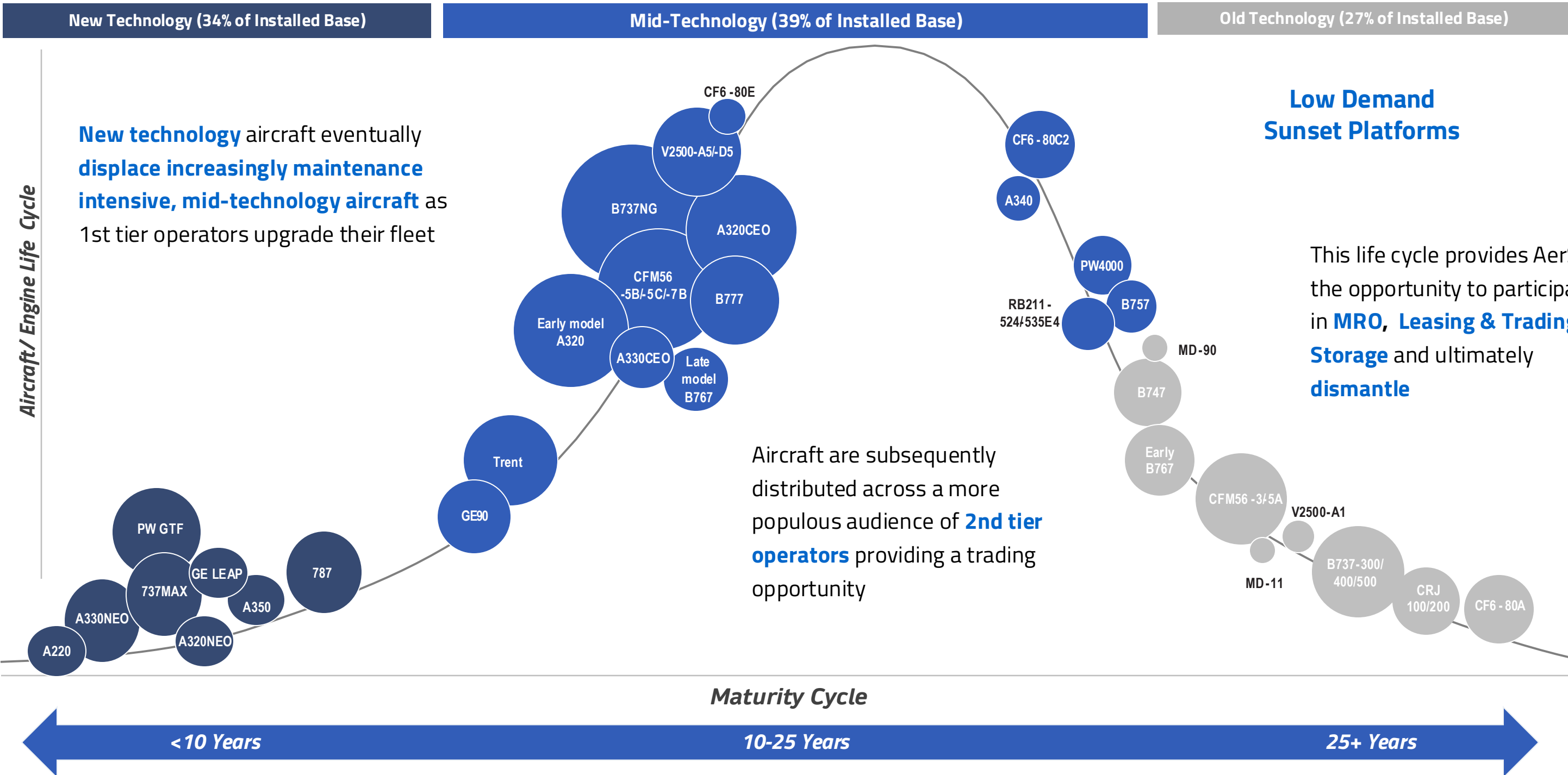


## TechOps

focuses on new technology platforms which are the largest and fastest growing group for upcoming maintenance cycles

## Asset Management

focuses primarily on mid-life Flight Equipment platforms



Well Positioned To Benefit From Increasing Levels of Passenger Traffic

# Asset Management



## Leasing & Trading

### Global Sales Office

- Miami, FL, USA

## Used Serviceable Material (USM)

### Global Parts Distribution Center

- Memphis, TN, USA

### Regional Sales Offices

- Cardiff, UK
- Dublin, IE
- Singapore



## Leasing & Trading of Aircraft & Engines

- Mid-life flight equipment focus in combination with short-term engine leasing emphasis generate high ROI lease premiums and risk adjusted returns
- Specializing in the sale and lease of large 'mid-life' commercial transport category aircraft and engines
- Featuring innovative and flexible lease solutions tailored to the individual needs our clients
- Upstream and downstream market participation enable strategic advantage for early identification of market shifts to optimize investments at the aircraft, engine and component levels

## Used Serviceable Material (USM)

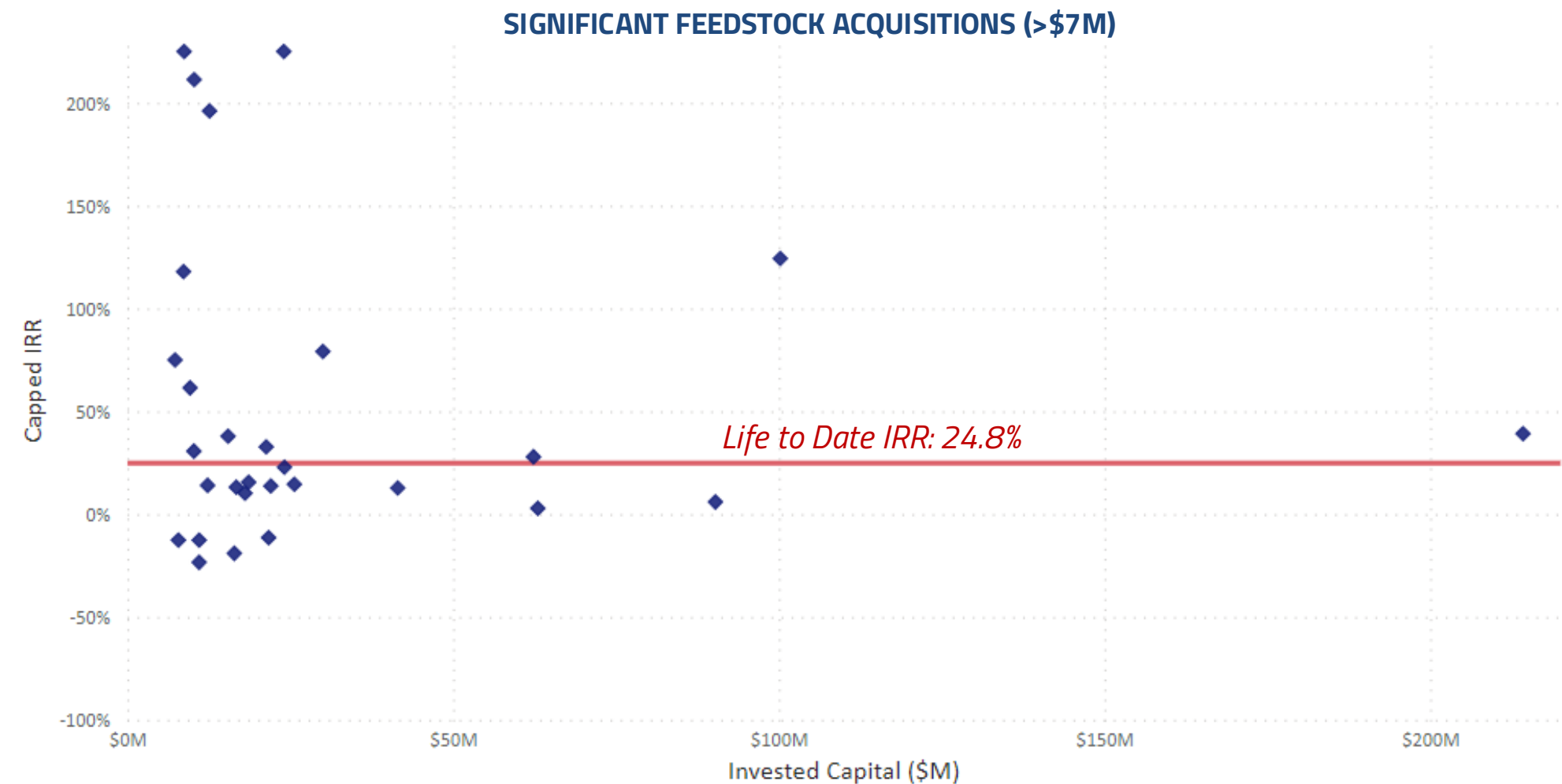
- Elevated passenger level providing stable demand for mid-life aircraft, engine, and USM parts to support airline operations
- Integrated 'in-house' component MRO capabilities provide unparalleled technical support
- Parts exchange and loan programs / Consignment/ Repair management services
- 24 hour AOG desk located in major air freight hub



# Performance summary of AerSale historical feedstock purchases

- 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

Since Inception AerSale has invested > \$1.5 Billion in feedstock



# MRO Facilities

## Structural Component MRO

Repair and modification of composite structures

## Landing Gear MRO

Overhaul of landing gear

## Accessories MRO

Repair and overhaul of hydraulic, pneumatic and mechanical components

## Airframe MRO

Heavy Maintenance, Disassembly and Storage of aircraft

- AerSale Aerostructures, AerSale Landing Gear Solutions, and AerSale Component Solutions routinely work exchanges through AerSale Asset Management to expedite aircraft, engine and component deployment as needed to effectively manage customer needs
- AerSale Landing Gear Solutions significantly lowers return to service MRO expenses associated with maintenance support of portfolio aircraft for sales and lease
- AerSale Component Solutions leverages in-house component MRO capabilities to enhance sister business unit profitability and brand loyalty through enhanced customer experience
- Storage and disassembly operations at Goodyear & Roswell enable low-cost acquisition of aircraft, engines, and components to support Sales, Leasing and MRO activities and provide our customers comprehensive Heavy Maintenance services
- Decommissioning MRO and aircraft storage provide countercyclical offset in down markets

# Complete Airframe MRO Services



Airframe heavy maintenance and modification centers

- Goodyear, AZ
- Roswell, NM
- Millington, TN



## Overview

- 4 hangars and 12 bays encompassing over 500,000 sq. ft. of flight equipment workspace
- Featuring arid desert storage capacity for preservation of up to 600 aircraft
- Over 320 highly skilled engineers, project managers and aircraft technicians and mechanics
- Distinguished 'Unlimited' Class IV FAA repair station authorization at Goodyear

## Capabilities:

- Airframe Heavy Checks
- Structural Modification
- Interior Reconfiguration
- Passenger-to-Freighter Conversion
- Firefighter Tanker Modification
- Ready spares inventory support
- Paint
- Extensive in-house engineering capabilities
  - Structures
  - Electro-mechanical components
  - Aircraft systems- Supplemental Type Certificate 'STC' innovations

# Component MRO Services

## Structural & Landing Gear MROs

- Miami, FL (Component Solutions)
- Rio Rancho, NM (Landing Gear)

## Accessories MRO

- Miami, FL



## Component MRO Centers

### Accessories, Miami, FL

- Component MRO services spanning Hydraulics, Pneumatics, Electronics, CSDs/IDGs, Wheels and Brakes, Power Generation, Fuel Components and Landing Gear components
- Dedicated to the continual introduction of life-extending component repairs that increase reliability while lowering the cost of component maintenance

### Landing Gear, Rio Rancho, NM

- Premier provider of overhaul, modification, and repair services covering transport category aircraft landing gear and their components
- In-house repair development and engineering with extensive on- site repair capabilities

### Now servicing:

Boeing: B737, B757, B767

Airbus: A319, A320, A321

Embraer: E170, E175

*A330 – Coming Soon*

## Structures Component

- Maintenance, repair, and overhaul of structural components for both commercial and military aircraft
- Featuring high quality aircraft composite and sheet metal repairs, for enhanced component reliability and service life

### Specializing in:

Nacelles

Fan/Thrust Reversers

Flight Control surfaces

Cargo and Entry Doors

Fairings, Shrouds, Panels, and Scoops

Radomes



# NEW MRO TO ADD UP TO \$50M IN REVENUE



## Pneumatics Capabilities

This investment will provide access to the pneumatic component MRO market for the bulk of the world's fleets and accelerate growth in new generation pneumatic systems, in turn increasing current and future revenue and growth.

### Untapped Fleets and Engine Types



- E170, 175, 190 (CF34-8/10)
- CJR200, 700, 900 (CF34-8/10)
- B777 (GE-90, GE9X, Trent 800)
- B787 (GEnx, Trent 1000)
- A350 (Trent XWB)
- A320 family (CFM56-5, V2500)
- B737 family (CFM56-7B)

## Structures Expansion

Expanding our footprint from <30,000 sq ft to 90,000 sq ft

## Airframe Heavy MRO – Millington, TN

- Located at Millington-Memphis Airport
- 112,000 sq.ft complex
- Two narrow-body bays

Will serve as a hub for AerSale's operations in the region, supporting our mission to provide cost-effective aftermarket solutions to airlines, leasing companies MRO providers worldwide

### Capabilities

- On-site storage and disassembly with back-shop capabilities and over 3 acres of ramp space
- Aircraft MRO support, including C- checks, bridging checks, modifications, transitions, and inspections
- Structural component MRO services, including paint booth and oven



# Engineered Solutions



## AerSafe®



### Purpose

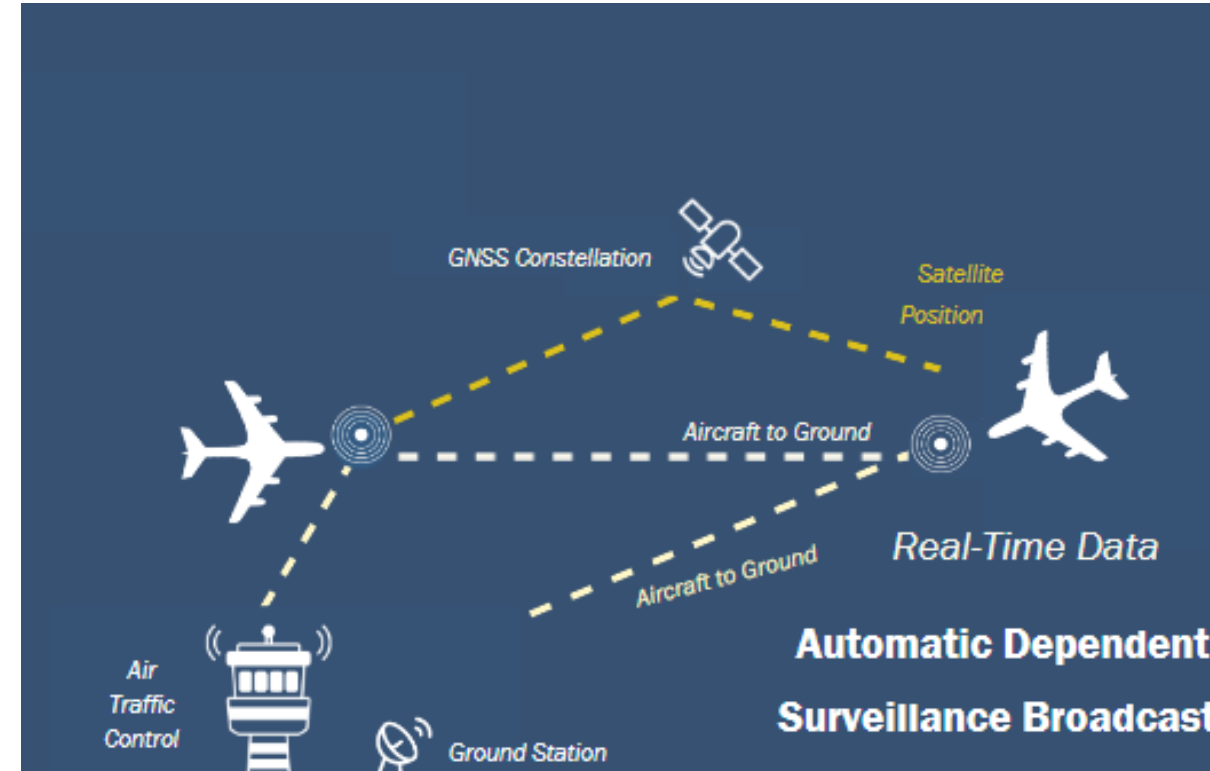
Developed as a means for fuel tank ignition mitigation to meet FAA mandated Fuel Tank Flammability Reduction (FTFR)  
An approved solution for the Fuel Quantity Indication System (FQIS) mandate requirements due in 2026

#### Certifications:

FAA, EASA, and ANAC certified for B737NG, B777, and A320 family of aircraft

FAA and EASA certified for B757-200/-300

## AerTrak®



### Purpose

Developed an advanced means to meet FAA mandated Automatic Dependent Surveillance Broadcast Out requirements

#### Certifications:

FAA and EASA approved for B737CL, B737NG, B757, B777

ANAC approved for B757

TCCA and FATA approved for B737CL and B737NG

## AerAware™



### Purpose

Enables pilots to continue to operate aircraft during otherwise prohibited visibility conditions

#### Certifications:

FAA certified for B737NG. EASA certification in progress

A320 certification is in progress



# AerAware<sup>TM</sup>

AerAware is a cutting-edge Enhanced Flight Vision System (EFVS) designed to provide pilots with superior visibility and situational awareness, in low-visibility conditions. Recently approved by the FAA for the Boeing B737NG, it integrates advanced imaging technology with real-time aircraft data to enhance flight safety and efficiency.

## Enhanced Flight Vision System Components:

AerAware EFVS utilizes the Skylens Head Wearable Display (HWD) that projects three different layers of images onto a transparent visor to produce the Combined Vision System (CVS)

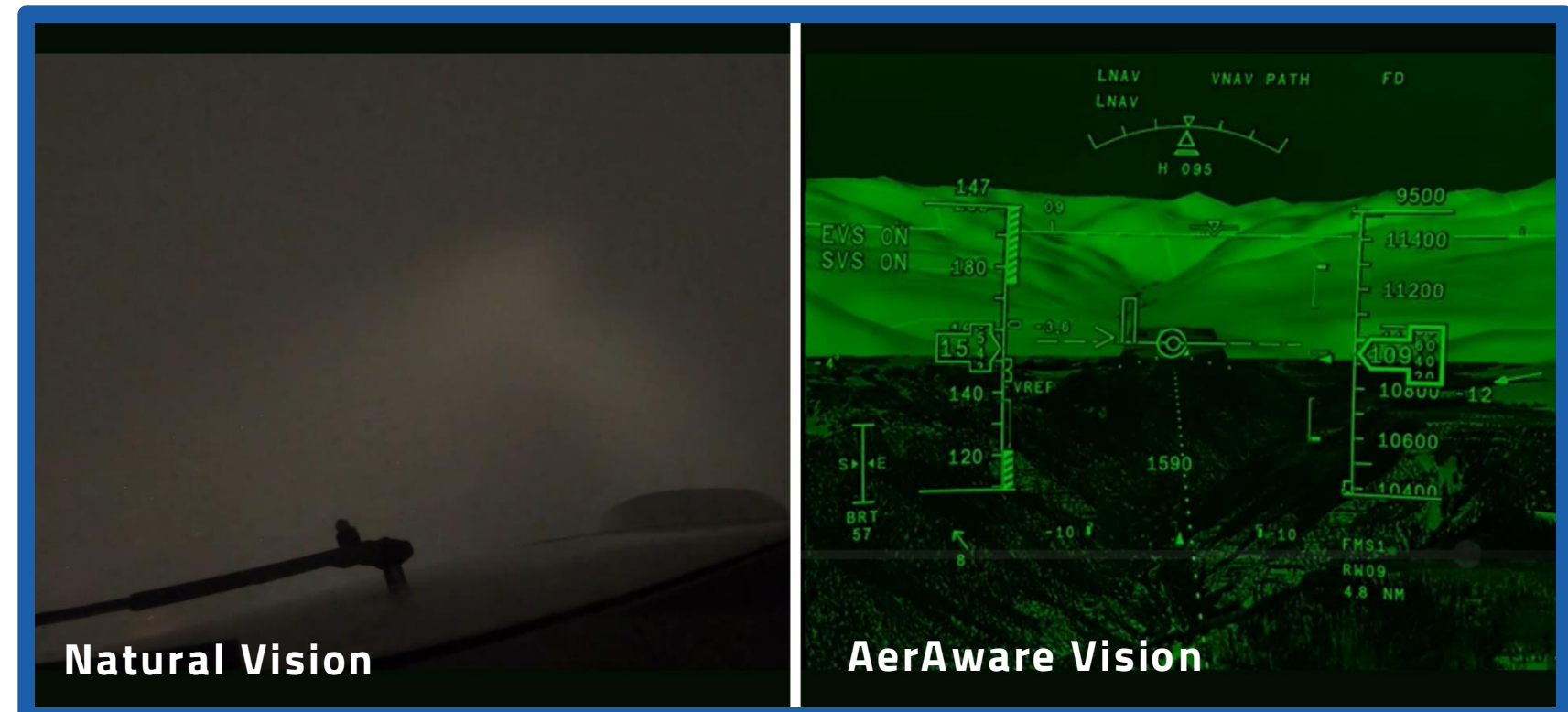
- **Layer 1: Traditional VHUD Primary Flight Display Symbolology**
- **Layer 2: Synthetic Vision** - Graphical terrain images from onboard database
- **Layer 3: Enhanced Vision** - Multi sensor camera system mounted on the radome of aircraft

STC #: ST04576AT



## Benefits:

- **Enhanced Safety:** enhances flight crew situational awareness, which results in improved energy management during critical phases of flight.
- **Cost Savings:** minimizes the potential of delays or diversions
- **Efficiency:** provides dispatch and landing approach priority, as well as low visibility landing capability



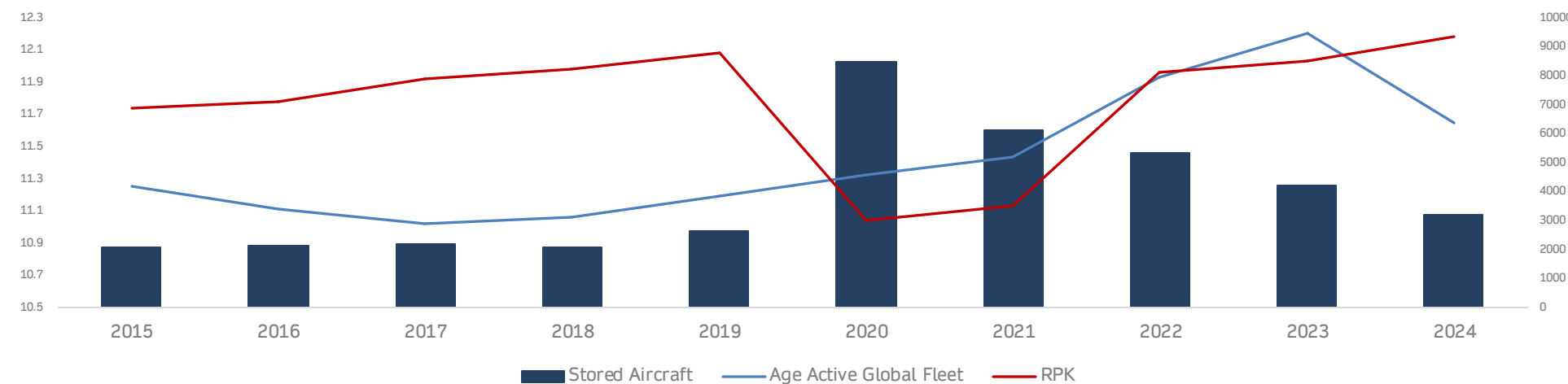




# Outsized Demand for Aftermarket MRO Services and Spares Support



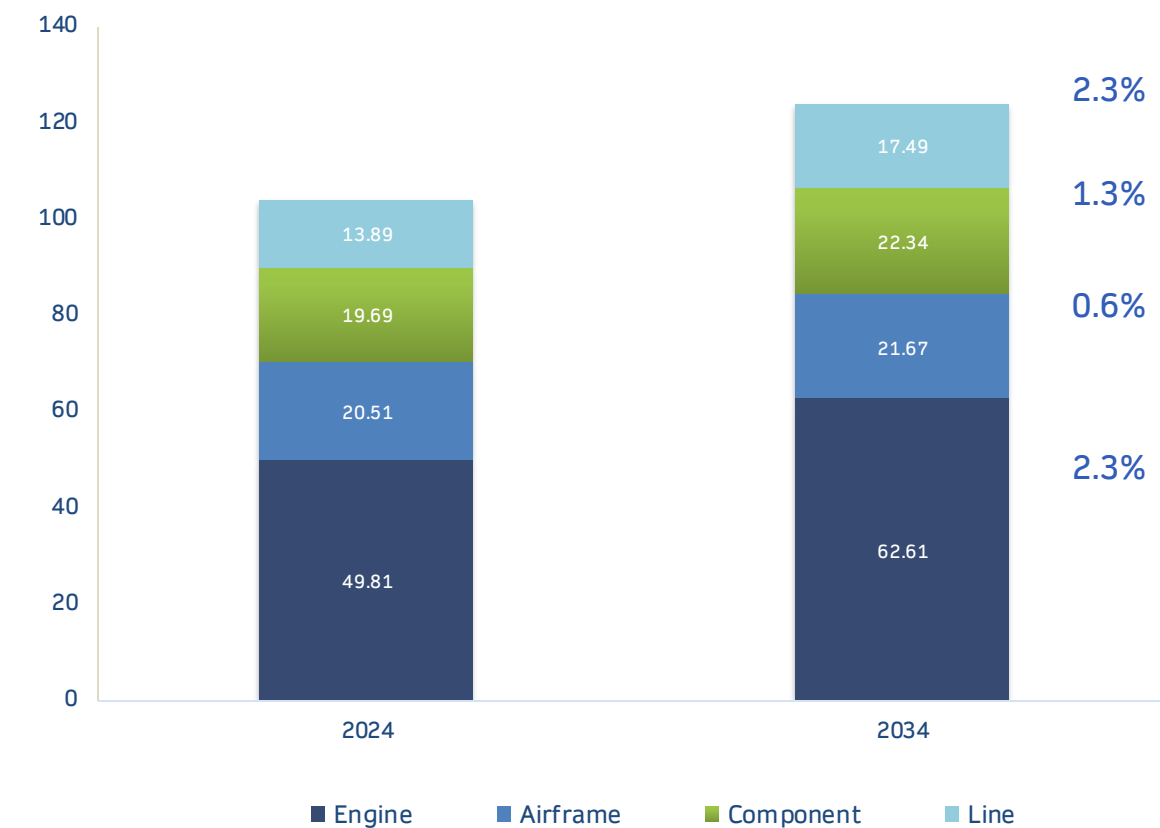
## ➤ Average Age of Active Global Fleet vs RPK



## ➤ Older Aircraft Fleet support future retirements



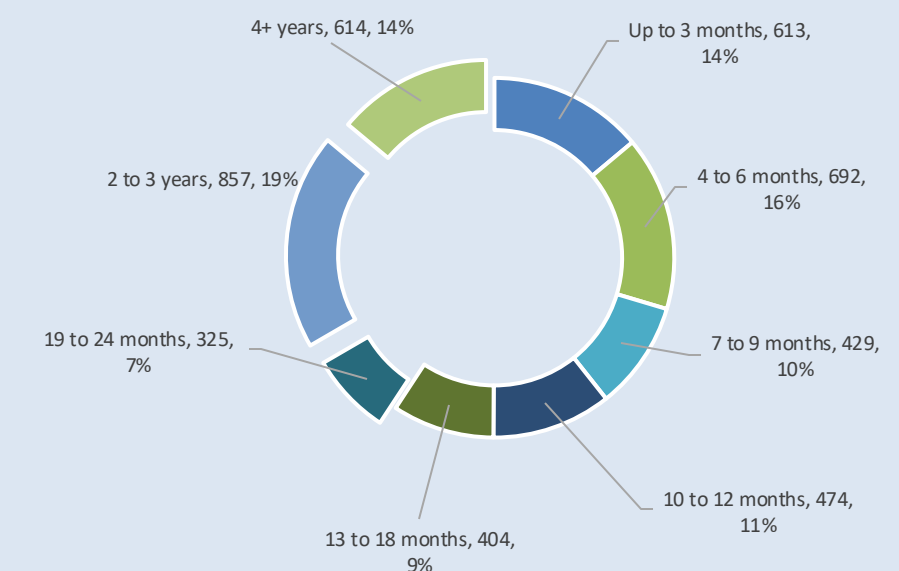
## ➤ MRO Industry CAGR estimated as 1.8% in the next ten years



Source: Oliver Wyman

- Aircraft storage levels continues to decline as demand for lift exceeds OEM manufacturing production
- Demand for midlife aircraft, engines and USM to remain strong over forecast period as OEMs struggle to ramp up new aircraft deliveries
- Operators have exhausted available "Green time" spares which is escalating demand for airframe, engine and component MRO
- Aircraft that has been stored for over 1 year are expected to retire which represents 49% of the stored fleet providing future feedstock opportunities

## Stored Aircraft By Duration in Storage

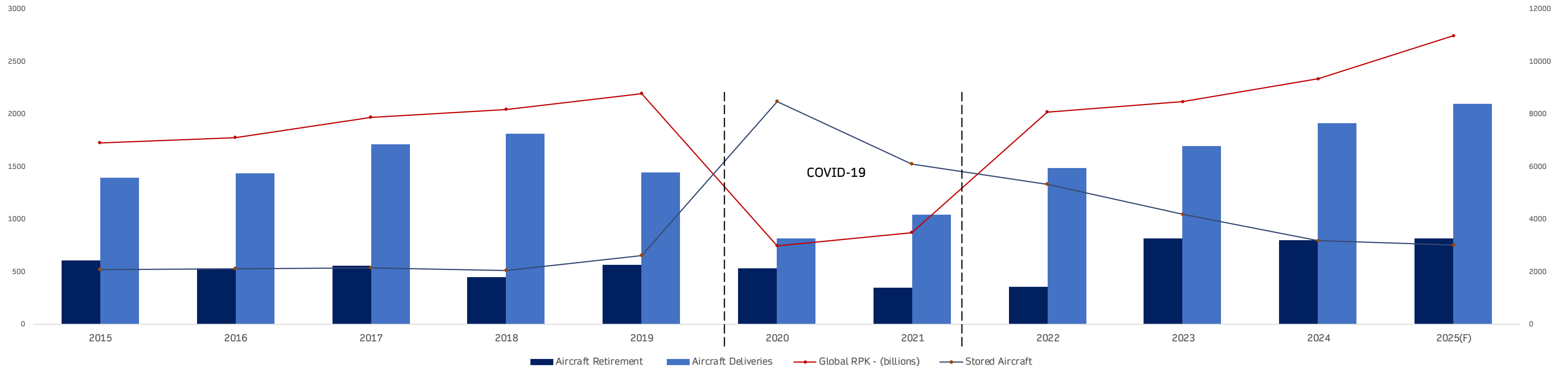


Source: Naveo Consultancy

# Supply shortage for Aftermarket MRO Services and Spares Support



Airline Industry Growth vs Retirement & Storage Trends

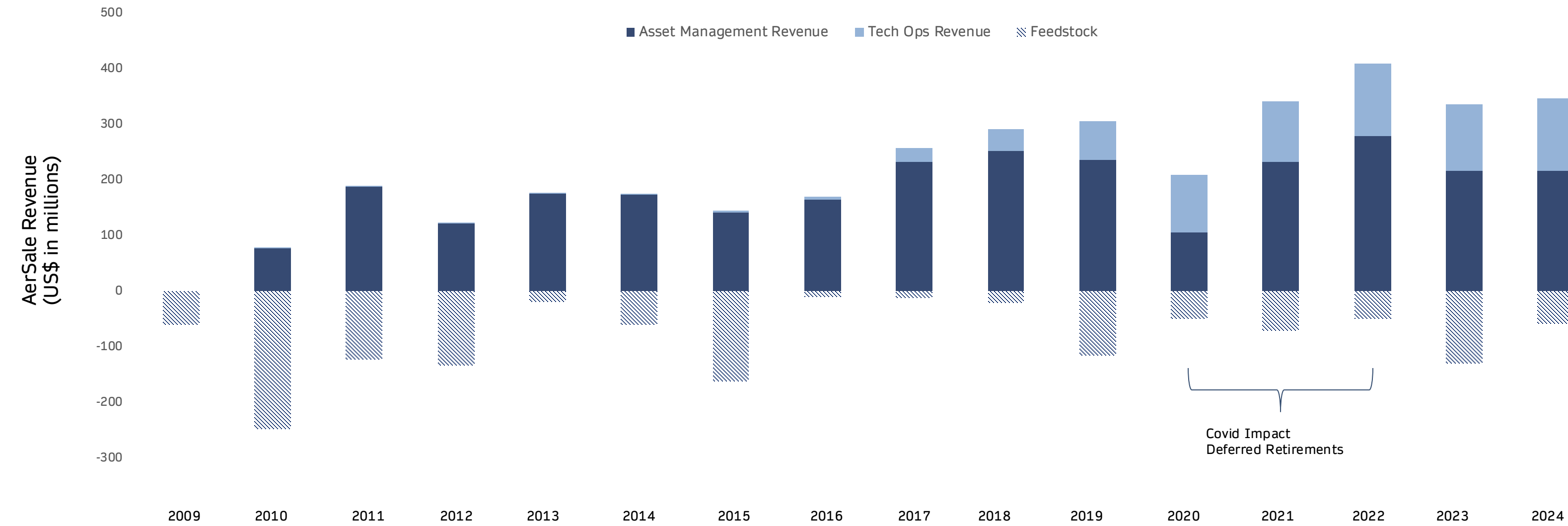


Global Air Traffic demand (measured in revenue passenger kilometers or RPK) forecast to outstrip new aircraft deliveries over the next few years

Feedstock from annual retirements forecast to remain greater than 2x years 2021/2022 and 1.5x from 2019

Aircraft stakeholders be more willing to sell aging aircraft once confidence increases in delivery schedules for new aircraft replacements

# Opportunity to monetize across cycles



# Financial Update – Twelve months ended 12/31/2024

	Twelve Months Ended 12/31/24	YoY Growth	Margin	Commentary
<b>Asset Management Solutions Segment Revenue</b>	<b>\$215.5 M</b>	<b>0.1%</b>	<b>38.3%</b>	<ul style="list-style-type: none"> <li>Revenue increased by \$0.3M or 0.1%, compared to the prior year period</li> <li>Positive growth in the Engine segment of \$39.4M was offset by a \$39.1M decline in the Aircraft segment</li> </ul>
<b>Tech Ops Segment Revenue</b>	<b>\$129.6 M</b>	<b>8.6%</b>	<b>16.6%</b>	<ul style="list-style-type: none"> <li>Revenue increased by \$10.3M, or 8.6%, compared to the prior year period</li> <li>The increase was primarily driven by higher MRO product sales and higher service revenue from component repair activities</li> </ul>
<b>Consolidated Gross Profit</b>	<b>\$103.9 M</b>	<b>12.5%</b>	<b>30.1%</b>	<ul style="list-style-type: none"> <li>AMS Gross Profit of \$82.4M or 38.3% margin</li> <li>TechOps Gross Profit of \$21.5M or 16.6% margin</li> </ul>
<b>Consolidated adj. EBITDA<sub>(a)</sub></b>	<b>\$33.4 M</b>	<b>172.3%</b>	<b>9.7%</b>	<ul style="list-style-type: none"> <li>Adj EBITDA increased by \$21.2M or 172.3% versus the previous year mainly due to improved Asset Management margins and lower overall expenses.</li> </ul>
<b>Consolidated Net Income</b>	<b>\$5.9 M</b>	<b>205.2%</b>	<b>1.7%</b>	<ul style="list-style-type: none"> <li>Increased \$11.4M, or 205.2%, compared to prior year due to lower overall expenses and improvements in the Engine segment and USM sales</li> </ul>

**Balance Sheet Statistics: \$4.7M Cash** (as of 12.31.24)

- Healthy Balance Sheet
- \$138.1M available of \$180M ABL revolver



# Near Term Financial Drivers

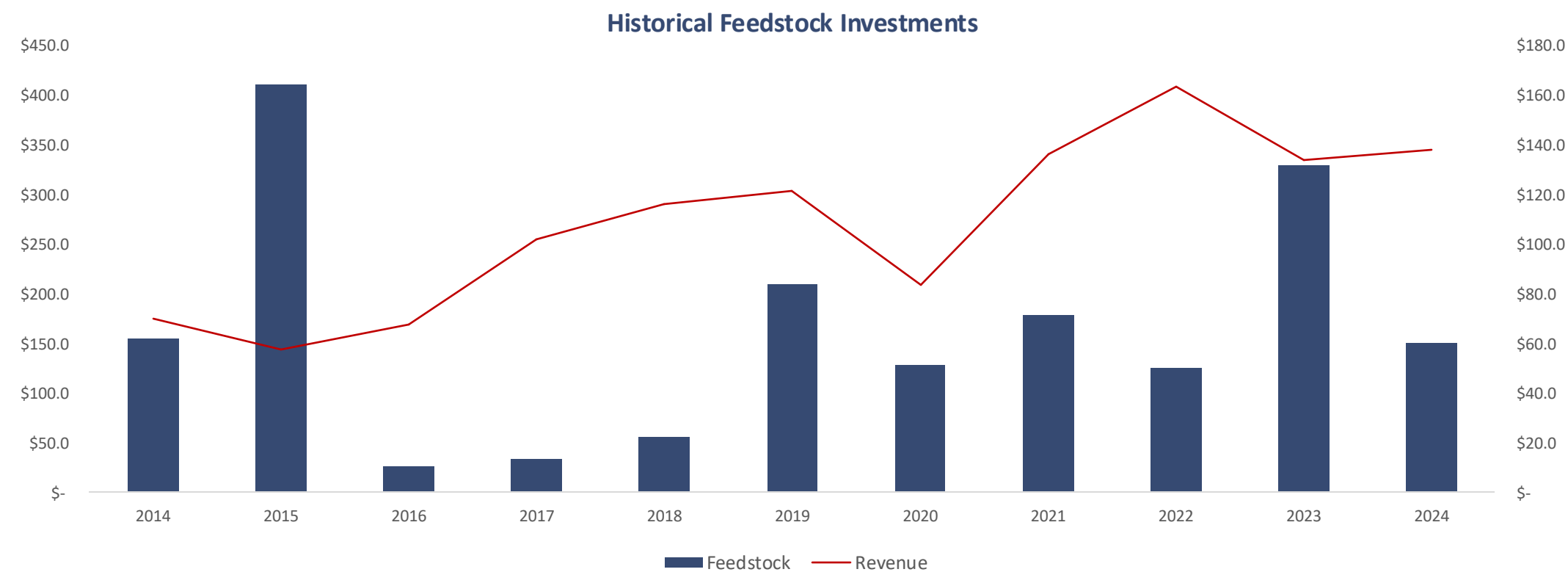
- Continued support from strong commercial backdrop for Asset Management and MRO
- MRO expansion projects expected to be additive in 2025 and beyond
  - Up to \$50M in revenue annually at capacity
  - Expanding capabilities to newer technology platforms
- Multi-pronged monetization strategy for remaining B757 Passenger to Freighter (P2F) aircraft
  - Marketing of the newest and youngest vintage B757s in the market.
  - Monetization through Whole Aircraft or Engine leasing or sales
- Progress toward AerAware launch order



## Uses of Capital

AerSale deploys capital to maximize our return on investment on:

- Organic MRO growth investments that provide greater return than M&A and improve existing MRO margins
- Disciplined Feedstock acquisitions targeting a 25% ROI and leveraging our multi-dimensional value extraction model



# Capital Allocation

# Investment Case Summary

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revenue CAGR of 7.0%

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