

2022

YEAR IN REVIEW



FIRM OVERVIEW AND INVESTMENT STRATEGIES

ABOUT AE INDUSTRIAL PARTNERS

AE Industrial Partners (AEI) is a private equity firm specializing in Aerospace, Defense & Government Services, Space, Power & Utility Services, and Specialty Industrial markets. AE Industrial Partners invests in market-leading companies that can benefit from its deep industry knowledge, operating experience, and relationships throughout its target markets. Learn more at www.aeroequity.com.

OUR INVESTMENT STRATEGIES

AE Industrial Partners Private Equity makes control-oriented investments in leading middle market companies throughout our target markets

Fund I

\$680M

2015 vintage
10 platforms
38 add-on acquisitions

Fund II

\$1.36B

2018 vintage
17 platforms
34 add-on acquisitions

Fund III

\$1.75B

Target
2022 vintage
2 platforms

AE Industrial Partners Structured Solutions invests in secured and unsecured debt instruments (second lien and subordinated debt), preferred stock and growth equity investments in our target markets

AE Industrial Partners Aerospace Leasing acquires aircraft and engine assets and structures leasing solutions designed to produce current income and capital appreciation for investors

AE Industrial Partners HorizonX Ventures invests in businesses developing technologies that have the potential to positively transform, impact and sustain the future of our target markets

TARGET MARKETS

DEFENSE & GOVERNMENT SERVICES



COMMERCIAL AEROSPACE



SPECIALTY INDUSTRIAL



SPACE



BUSINESS AVIATION



POWER & UTILITY SERVICES



2022...

\$768

Million of Equity Capital Invested¹

3

New Private Equity
Platforms²

14

Private Equity
Add-On Acquisitions

6

Exits³

2

Structured Solutions
Investments

3

Aircraft Acquired by
Aerospace Leasing⁴

5

HorizonX
Ventures Investments

We continued to invest in our team...

61

Total Employees

5

New Investment
Team Members

17

Operating Partners &
Strategic Advisors

¹ Includes equity capital deployed from Fund I, Fund II, Fund III, AEI Structured Solutions, AEI Aerospace Opportunities and AEI HorizonX as well as co-investment from limited partners. Includes investments closed in January and February 2023.

² Includes REDLattice which closed in January 2023.

³ Includes ENERCON and Resolute which were sold in early 2023.

⁴ Includes one aircraft under a signed sale agreement that is expected to close in the first quarter of 2023.



PRIVATE EQUITY - CURRENT PORTFOLIO¹

¹ Excludes ENERCON and Resolute which were sold in early 2023.

² Belcan and Applied Composites were acquired by AE Industrial Partners Extended Value Fund, LP, an investment fund managed by AEI.

2022 PRIVATE EQUITY INVESTMENT ACTIVITY

NEW PLATFORMS

		
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SELECT ADD-ONS

	 Acquired by: Altus	 Acquired by: Resolute
 Acquired by: G.S. Precision	 Acquired by: Altus	 Acquired by: Alpine Air
 Acquired by: Applied Composites	 Acquired by: BigBear.ai	 Acquired by: G.S. Precision
 Acquired by: Altus	 Acquired by: Altus	 Acquired by: ENERCON
 Acquired by: Edge Autonomy	 Acquired by: Belcan	 Acquired by: AIM

¹ REDLattice was acquired in January 2023.

NEW PLATFORMS OVERVIEW



Target Market:Space
Headquarters:Cedar Park, TX

Firefly is developing a family of launch and in-space vehicles and services that provide industry-leading affordability, convenience, and reliability. Firefly's launch vehicles utilize common technologies, manufacturing infrastructure and launch capabilities, providing low earth orbit launch solutions for up to ten metric tons of payload at the lowest cost per kg in the small-launch class. Combined with Firefly's in-space vehicles, such as the Space Utility Vehicle and Blue Ghost Lunar Lander, Firefly provides the space industry with a single source for missions from low earth orbit to the surface of the Moon or beyond.



Target Market:Defense & Govt Services
Headquarters:Chantilly, VA

REDLattice is a mission-focused provider of full spectrum cyber capabilities and technology solutions for customers in the U.S. national security, defense and commercial communities. REDLattice helps its customers deliver mission success by rapidly designing, developing, and implementing cutting edge applications and engineering solutions for some of their most complex challenges. The Company's subject matter experts in vulnerability research (VR), reverse engineering (RE), tool development, malware analysis, and advanced operational capabilities help to develop the next generation of cyber tools and solutions.

NEW PLATFORMS OVERVIEW

Target Market:Space
Headquarters:Denver, CO



York Space Systems is a leading independent provider of small satellites, satellite components and turnkey mission operations to both government and commercial customers. With a suite of spacecraft solutions designed for all mission types, York manufactures satellite buses purposefully designed to balance scalability, manufacturability, and efficiency in order to address the evolving, high-volume demand for small satellite constellations in low earth orbit.



SPOTLIGHT BUY AND BUILD STRATEGY

Business Aviation



Fund I

Alpine Air is a leading provider of critical air infrastructure necessary to support complex logistics requirements caused by e-commerce and supply chain complexity. Alpine Air provides single-pilot operations supporting UPS, FedEx, DHL, and the USPS feeder operations across the U.S. Alpine Air leverages a unique business model in rural or mountainous regions, where the Company has built a fleet strategy centered around reliability, simplicity of operations and standardization of aircraft. Alpine Air’s engineering expertise has resulted in the creation of a supplemental type certificate (“STC”) which enables Alpine Air to offer its customers superior value via the largest single-pilot operated cargo airplane in the Beech 1900D Freighter.

AEI first invested in Alpine Air Express, Inc. in May 2019, and subsequently acquired substantially all of the assets of Great Lakes Airlines (GLA) in April 2020 and Suburban Air Freight (Suburban) in March 2022. The acquisition of GLA’s assets enabled Alpine Air to expand its fleet and leverage its proprietary STC, fueling growth and visibility by creating a predictable feedstock of future aircraft. Acquiring Suburban provided entry into a new blue-chip customer, DHL, and expanded Alpine Air’s geographic footprint.

SPOTLIGHT BUY AND BUILD STRATEGY

Specialty Industrial



Fund II

Altus Fire & Life Safety (Altus) is a full-service fire and life safety services provider offering a complete suite of solutions, from the design, engineering, installation, maintenance and servicing of state-of-the-art fire and life safety systems to training, consulting, crisis management and business continuity services. Headquartered in New York City, NY with over 100 years of collective industry experience, Altus caters to a diverse set of customers across the commercial, healthcare, industrial, education, hospitality and a variety of other end markets. With a strong presence in New England and the Mid-Atlantic, Altus couples reliable and responsive service with best-in-class products to maximize safety and deliver a comprehensive fire and life safety solution to its customers.

AEI formed Altus in May 2021 with the acquisition of Cross-Fire & Security, Co., leveraging their stellar reputation for providing unequalled quality and reliability in the fire detection and life safety space and strong network of entrenched relationships with key suppliers. Following the platform’s initial formation, Altus has acquired six additional founder-owned fire and life safety services providers including Alarm and Suppression, Inc., Northeast Integrated Systems / Northeast Fire Systems, Adcock’s Systems (Adcock), Croker Fire Drill (Croker), Fire Systems, Inc. (FSI) and BK Systems, Inc. (BK), enabling Altus to strategically build scale in its core geographies and further expand its portfolio of service offerings. Altus has a strong pipeline of additional opportunities.

A Transformational 2022:

- Bolstered Management Team with Top Talent:** Added Bob Frisch, an experienced leader with decades of expertise in aviation programs, regulation, and planning, as the Chief Operating Officer
- Diversified Into New Markets:** Expanded into the rapidly growing On-Demand Charter end-market, providing diversification and another avenue for growth
- Added Key Customers & Expanded Footprint:** With the acquisition of Suburban, Alpine Air now works closely as a trusted partner to DHL and expanded its geographic reach
- Safety Continues to be a Top Priority:** Remained focused on maintaining high safety standards and made additional investments, including hiring a Safety & Security Coordinator, updating Alpine Air’s Safety Program Manual, and participating in Novata’s ESG Data Convergence project

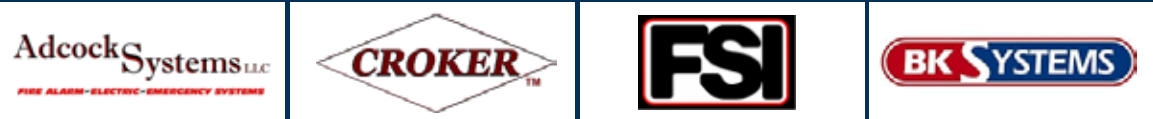
2022 Acquisition



A Transformational 2022:

- Bolstered Management Team with Top Talent:** Added John Adams, who has deep experience driving growth in diverse industries including physical security and technology, as Chief Executive Officer as well as Ron McCrummen (35+ years of experience) as Chief Financial Officer and Dr. Heather Waitman (20+ years of experience) as Senior Director of Human Resources
- Established the Altus Brand:** Rebranded the platform to “Altus Fire & Life Safety” and made significant progress in integrating and standardizing the platform’s business units in the areas of IT, human resources, finance and reporting, treasury, risk management and more
- Drove Significant Top-Line Growth:** Grew revenue from \$52M to \$106M, both via organic initiatives including cross-selling Croker’s offerings to other Altus businesses and incentivizing further pursuit of aftermarket sales as well as via the acquisitions of Adcock, Croker, FSI and BK
- Expanded Portfolio of Fire and Life Safety Services:** Continued to diversify Altus’s service offerings and further become a “one-stop shop” for its customers by adding sprinkler capabilities to the platform

2022 Acquisitions



SPOTLIGHT BUY AND BUILD STRATEGY

Defense & Government Services



Fund II

Edge Autonomy is a leader in providing innovative autonomous systems, advanced optics, and resilient energy solutions to the US Department of Defense, US Federal Civilian Agencies, allied governments, academic institutions, and commercial entities. Edge Autonomy draws on a 34+ year history of aerospace engineering, advanced manufacturing expertise, and technologically advanced manufacturing. Edge Autonomy was formed with the vision of creating a differentiated unmanned and autonomous platform that embraces priority UAS/C5ISR market trends with highly expeditionary products incorporating cutting-edge technology at the appropriate scale to deliver on significant system purchases. The Company's unmanned technologies are used in nearly 60 countries by government, commercial and academic customers. Edge Autonomy benefits from its vertically integrated operations and global footprint with key support offices located in Bend, Oregon, and Herndon, Virginia.

AEI first invested in Edge Autonomy in January 2021. In November 2021, Edge Autonomy acquired Jennings Aeronautics and in August 2022 Edge Autonomy acquired Adaptive Energy. The acquisition of Jennings Aeronautics brought together two of the world's leading small unmanned aerial vehicle platforms with market leading capabilities in multi-domain unmanned and autonomous systems. The acquisition of Adaptive Energy brought critical technology and intellectual property around the design and manufacturing of solid oxide fuel cells in-house.

A Transformational 2022:

Bolstered Management Team with Top Talent: Added Allen Gardner, the former CTO at Skydwell Aero where he focused on the confluence between technical execution and business development, as Chief Technology Officer

Strategic and Accretive M&A: Acquired Adaptive Energy, which provided extensive synergies to Edge Autonomy including the opportunity to expand usage of Adaptive Energy's SOFC on the Penguin platform along with increased margin contribution from Adaptive Energy products

Focus on Talent Development and Recruitment: Edge Autonomy has ~325 full-time employees across two continents of which ~265 are dedicated to highly technical production and engineering R&D efforts as well as hiring ~125 full-time employees in 2022

Backlog: Edge Autonomy has grown backlog to ~\$120M as of December 2022 (equal to ~550% year over year growth)

2022 Acquisition



SPOTLIGHT BUY AND BUILD STRATEGY

Commercial Aerospace



Fund II

G.S. Precision (GSP) is a premier provider of small machined and fabricated components, manufacturing complex, high-precision components and specialty hardware used in a variety of mission critical aerospace, defense and space applications. GSP provides a broad base of differentiated engineering capabilities, geographic presence, and a vertically integrated business model that enables GSP to deliver industry leading quality and performance for its demanding customers and applications. The highly experienced team utilizes state-of-the-art technologies to work with a wide range of materials, including high temperature alloys, and specializes in parts requiring extremely tight tolerances and special processes. GSP has been able to capitalize on the growth within the space industry resulting in contracts with large blue-chip customers.

AEI first invested in GSP in November 2019. In March 2022, GSP acquired SMC Aerospace and in April 2022 GSP acquired F.T. Gearing. The acquisition of SMC Aerospace expanded GSP's capabilities into complex tube manufacturing, providing access to manufacturing capacity. The acquisition of F.T. Gearing expanded GSP's capabilities into complex gear manufacturing, providing a beachhead into new blue-chip customers, and expanded GSP's geographic reach into the United Kingdom.

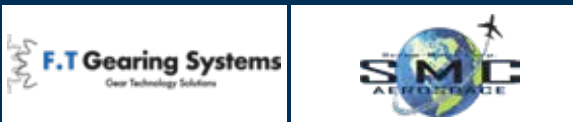
A Transformational 2022:

Bolstered Management Team with Top Talent: Added John Kemme as VP of Engineering and Jody Pierce as CFO; John Kemme has more than three decades of manufacturing, design, new product introduction, process industrialization; Jody Pierce has more than three decades of finance and accounting experience and successfully led the marketing and sale of a 96-year-old family-owned business

Strategic and Accretive M&A: Acquired SMC Aerospace and F.T. Gearing, which provided GSP with access to new, hard to penetrate customers, new complex tube and gear capabilities, additional capacity, and an expanded geographic footprint

Renewed Focus on Development and Recruitment: Reopened the GSP school of Manufacturing Technology since COVID, creating a rich pool of talented machinists to fuel future growth; the school was visited by Vermont's Governor, Phil Scott, as part of National Apprenticeship Week

2022 Acquisitions



SPOTLIGHT EXIT

BHI Power & Utility Services

Fund I

BHI Energy (BHI) is an industry-leading provider of specialty services supporting the daily operations, routine maintenance and capital investment requirements for the power generation and electricity transmission & distribution end markets. BHI's broad service offering enables it to be an embedded provider of choice to a diverse customer base comprised of blue-chip utility and energy companies. BHI has a workforce of over 8,500 experienced project management and technical, professional and craft employees operating at more than 150 project locations globally.



Under AEI's ownership, BHI grew through numerous organic and inorganic initiatives including:

- Aided over a dozen newly added nuclear reactors to help sustain their operations, which contributed over \$2.3 billion of funds to the Company's backlog
- Invested for future growth into its renewable energy division and organically invested to greenfield the Company's energy infrastructure grid hardening division
- Recruited top nuclear executives from large-scale utilities and service providers to serve in executive leadership and board roles to help the Company maintain its industry leading position
- Completed five complementary add-on acquisitions to bolster the Company's energy infrastructure maintenance and construction divisions

SPOTLIGHT EXIT

SOLAIRUS Business Aviation

Fund II

Solairus Aviation (Solairus) is the industry leader in private aviation management with a technology-enabled recurring revenue business model that enables it to scale quickly and profitably. Solairus' core business is assisting aircraft owners with the safe, reliable, and efficient management and operation of their aircraft. Solairus also has a complementary charter business that primarily utilizes its managed fleet. With more than 280 medium- to large-cabin aircraft under management, Solairus has the largest fleet in the U.S., providing its customers with significant cost savings given the negotiating leverage this scale provides.



Under AEI's ownership, Solairus grew through numerous organic growth initiatives including:

- Grew Solairus' managed fleet by 22% (adding 50 net new aircraft) by leveraging AEI's industry relationship with OEMs, aircraft owners, private aviation influencers, and Global Jet Capital (AEI investment)
- Added two new board members, David Hurley (Former Vice Chairman of PrivatAir) and Nathan Rosenberg (Founding Partner of Insigniam), to help accelerate fleet growth and lend subject matter expertise to the management team
- Completed various IT initiatives to further accelerate the Company's tech-enabled posture, scalability, and client experience

SPOTLIGHT EXIT

ENERCON Power & Utility Services

Fund II

ENERCON, headquartered in Kennesaw, Georgia and founded in 1983, is a multi-disciplinary engineering services firm supporting the safe and efficient production, delivery and use of energy. ENERCON provides both environmental and engineering services across the nuclear, transmission and distribution, and energy markets. ENERCON offers a broad range of professional services to private, public and government sector clients throughout the United States and internationally, including engineering design, regulatory services, environmental protection, compliance and inspections

Under AEI's ownership, ENERCON's adjusted EBITDA has grown by approximately 75% and implemented numerous organic and inorganic growth initiatives, including:

- Successfully transitioned the business from employee stock ownership plan to private equity
- Extended the capability of the existing Executive Team and hired a new Chief Financial Officer to improve financial reporting
- Implemented various cost and productivity improvements across the organization
- Recapitalized the business and issued a significant dividend in June 2022 in just 16 months of ownership
- Acquired Ardent Environmental Group, Inc. in July 2022, thereby expanding upon ENERCON's environmental service offerings and geographical reach within the Western United States
- Monetized ENERCON's equity investment in NuScale Power (NYSE:SMR)



SPOTLIGHT EXIT

RESOLUTE Specialty Industrial

Fund II

From its inception as a standalone entity in 2015 and partnership with AE Industrial Partners, Resolute has transformed into a leading, nation-wide provider of specialty HVAC&R solutions, with technical offering of cooling, chillers, heating, dehumidification, air filtration, and power generation systems for mission-critical applications. Resolute is well positioned to benefit from the highly technical, mission-critical service offering across a fragmented industry, driven by attractive unit economics and high barriers to entry, as well as a diverse range of customers for planned maintenance and unplanned emergencies with unique OEM partnerships and long term contracts.

Under AEI's ownership, Resolute has grown meaningfully and has unlocked value through multiple accomplishments, including:

- Executed five add-on acquisitions to transform Resolute into a nation-wide service provider, as well as expanded organically into several new markets and regions
- Accelerated fleet investment and expansion to create the largest independent provider of specialty rental solutions and unmatched technical support
- Established a world-class Board of Directors to provide meaningful collaboration of oversight of an experienced management team, including Dave Myers (former CEO of York International), Dave Kornblatt (former CFO, Triumph Group) and Kelly Romano (AEI Operating Partner and former President of UTC's Intelligent Buildings Technologies)
- Implemented a company-wide ERP transformation to drive efficiencies in asset tagging, tracking and utilization monitoring, enabling rapid scaling and expansion of the Company



2022 AEI STRUCTURED SOLUTIONS

AEI Structured Solutions invests in secured and unsecured debt instruments, preferred stock and non-control, common equity investments in our target markets.

Target Market: Defense & Government Services
Headquarters: Vienna, VA
Investment Type: Debt & Preferred Equity
Capital Use: Acquisition financing

The Ambit Group (Ambit) designs, deploys, and delivers the next generation of government. Since 2004, Ambit has partnered with federal clients with wide-ranging missions across homeland security, regulatory, federal science, and civilian service to solve the toughest challenges at the heart of the nation's priorities.

Following closing, AEI added Pam Braden (AEI Operating Partner and former CEO of Gryphon Technologies, an AEI portfolio company) to the Board of Directors and Carol Davis (Senior Executive at Gryphon Technologies) as a full-time senior consultant. These key additions significantly helped Ambit senior management navigate from relying on 8(a) set asides to becoming a Full and Open contractor. Ambit was acquired by DMI in October 2022.



Target Market: Defense & Government Services
Headquarters: Leesburg, VA
Investment Type: Debt and Preferred Equity
Capital Use: Add-on Acquisition



FireTeam Solutions, a leading provider of mission-critical technology services to the U.S. Intelligence Community, merged with Case Consulting, a high-end software development and engineering services provider to the U.S. Intelligence Community's most discerning customers. Case Consulting supports the mission critical requirements of the federal government and private industry by providing highly talented and exceptionally skilled software developers, architects, software testers, and program managers. Its exceptional employees have deep experience in delivering superior system engineering expertise, project management support, and application development and design via Agile methodologies. Case Consulting has a well-earned reputation for quality, responsiveness and absolute excellence.

STRUCTURED SOLUTIONS CURRENT PORTFOLIO



2022 AEI AEROSPACE LEASING

AEI Aerospace Leasing is a broader aerospace leasing platform that capitalizes on opportunities across the aerospace sector in commercial, business and special mission aviation. Leveraging an ecosystem of sector-focused portfolio companies, industry veterans and a dedicated leasing team – AEI Aerospace Leasing offers bespoke leasing solutions to our customers and attractive, risk-adjusted returns to our investors.

ACQUISITION ACTIVITY¹

Date of Acquisition	# of Aircraft	Aircraft Type	Transaction Type
March 2022	2	Airbus A321	Aircraft purchase with lease attached
1Q 2023	1	Boeing 737-800SF	Aircraft purchase with lease attached

EXIT ACTIVITY

Date of Exit	# of Aircraft	Aircraft Type	Transaction Type
February 2022	1	Boeing 757-200F	Aircraft sale with lease attached
August 2022	3	CFM56-5B4/3	Engine sale


PORTFOLIO MANAGEMENT

- Initiated an engine consignment program with Kellstrom Aerospace Group
Seed Asset: 1x CFM56-5B4/P that was redelivered from flynas in October 2022
- Executed a second 12-month lease extension for an easyJet A319 in February 2023

HUMAN CAPITAL

- Nathan Dickstein promoted to Managing Director and Head of AEI Aerospace Leasing in August 2022
- Stephanie Sanford, a proven executive with decades of aviation leasing experience, joined AEI Aerospace Leasing as a Senior Vice President in October 2022

AEROSPACE LEASING CURRENT PORTFOLIO¹

\$137.5M Total Invested Equity Capital	(4x) Airbus A319s 	(3x) Airbus A319s 	(2x) Airbus A321s 
15 Aircraft 1 Engine Consolidated Fleet	(5x) Airbus A320s 	(1x) Boeing 737-800SF 	(1x) CFM56-5B4/P 

¹ Includes one aircraft under a signed sale agreement that is expected to close in the first quarter of 2023.

AEI HORIZONX

AEI HorizonX is the venture capital platform of AE Industrial Partners that invests in early-stage hard-tech and software entrepreneurs that are seeking to create the sustainable future of mobility, aerospace, and industrial enterprise, including the climate tech that AEI HorizonX believes will enable this transformation. HorizonX was founded in 2017 as the dedicated venture capital arm of The Boeing Company, one of the world's largest aerospace companies. In 2021, Boeing partnered with AE Industrial Partners, a leading mid-market aerospace private equity firm, to create AEI HorizonX, a financially-oriented venture platform operated by industry & technology specialists.



David Joyce
STRATEGIC ADVISOR,
CHAIRMAN OF HORIZONX



Brian Schettler
PARTNER,
HEAD OF AEI HORIZONX



Michael Lohnert
PARTNER



Laurence Vigeant-Langlois
MANAGING DIRECTOR



Beckett Jackson
PRINCIPAL



Tyler Rowe
PRINCIPAL



Mallika Gummalla
DIRECTOR



Eugene Kim
VICE PRESIDENT



Lauren Graupman
ANALYST

AEI HorizonX Fund I is 90% deployed across 50+ portfolio companies and now is raising a new \$250M Fund II to invest in a new portfolio of exciting startups. AEI HorizonX Fund II is focused on investments in Seed and Series A startups looking to transform legacy sectors – specifically aerospace, defense and, industrials across these three focus areas.

MOBILITY & CLIMATE

*Sustainable movement
of people and goods*

Digital Solutions for
Travel, Climate & Energy

Green
Technology

Next-Gen
Energy Solutions

Autonomy

ENTERPRISE APPLICATIONS

*Applications that improve logistics,
operations and workforce*

Software & Data
Infrastructure Platforms

Artificial Intelligence
& Machine Learning

IoT & Software as a
Service Automation

Human-Machine
Interaction Platforms

NETWORKS & SECURITY

*Next frontier of deep tech
and cross-sector capabilities*

Cyber &
Software Security

Next-Gen Computer
& Sensor Solutions

Edge Processing &
Connectivity

Cross-Sector &
Dual-Use Technologies

AEI HORIZONX 2022 INVESTMENTS



Shift5 is an operational technology (OT) cybersecurity company that defends military platforms and critical transportation systems from cyberattacks. Shift5 unlocks the serial networks and data that control planes, trains, and tanks, providing visibility into fleet assets where operators have historically been locked out and allows operators to gain complete observability, detect threats, and maintain resilience of OT systems as cyber-physical attacks become an increasingly attractive strategy for digital attackers.



Tidelift is an open-source supply chain resiliency platform. Tidelift leverages a two-sided marketplace to help mitigate health and security issues in open-source software for enterprise level organizations. Tidelift's open-source management subscription provides enterprises with a unique tool to create, track and manage catalogs of approved open-source components to avoid using at-risk code – mitigating potential cyberattacks or infrastructure workflow bottle necks.



Solestial is a space solar energy company developing ultrathin and lightweight silicon solar cells and panels that can self-cure radiation damage at normal operating temperatures in Low Earth Orbit (LEO). Solestial's solar panels can be produced at scale using automated production methods at 90 percent lower cost than solar panels widely used by today's satellite industry. This best-in-class silicon photovoltaic technology, which is optimized for space, delivers orbital reliability of at least 10 years in LEO.



Second Front Systems (2F) fast-tracks government access to disruptive, commercially-proven, software-as-a-service (SaaS) applications for national security missions. Leading software providers – ranging from publicly traded defense contractors to startups – and government agencies trust 2F's Game Warden DevSecOps platform and secure cloud hosting environment to accelerate their delivery and harness the cloud revolution at scale.

AEI HORIZONX PORTFOLIO UPDATES



SparkCognition Government Systems' (SparkCognition) was awarded a spot on a \$950M Air Force contract to advance JADC2 efforts, focused on development and integration of next-generation AI technologies tailored to national defense

SparkCognition closed a Series D funding round to accelerate sales efforts and facilitate organic and inorganic growth, totaling \$123M and achieved a unicorn valuation of \$1.4B post-investment



EP Systems was announced as the power system supplier of multiple advanced air mobility platform aircraft including Plana, Ampaire, SkyDrive, Supernal, and Aura Aero, adding to their growing customer list which includes NASA, Boeing, Safran and Bell Helicopter

EP Systems raised a \$13M convertible note from Hyundai and Jet Blue Technology Ventures to continue certification efforts and customer acquisition



Immfly landed a series of new customers, including Tui and Virgin Australia, and rolled out Immfly Retail – a 360 in-flight retail solution for passengers; the Company grew over 100% in revenue with minimal cash burn

Immfly raised a \$6M Series B round to continue scaling their product offerings and sales efforts

2022 INVESTMENT AND SENIOR TEAM ADDITIONS



Pamela Braden
OPERATING PARTNER



Reggie Brothers
OPERATING PARTNER



Marc Duvall
OPERATING PARTNER



Chris Emerson
OPERATING PARTNER



David Joyce*
STRATEGIC ADVISOR,
CHAIRMAN OF AEI HORIZONX



Charlie Short
MANAGING DIRECTOR,
HEAD OF CAPITAL FORMATION



Stephanie Sanford
SENIOR VICE PRESIDENT,
AEI AEROSPACE LEASING



Chad Crosby*
VICE PRESIDENT,
HEAD OF TAX



Alan Kamienny
VICE PRESIDENT,
HEAD OF ACCOUNTING



Dev Rudra
VICE PRESIDENT,
PSO GROUP



Ryan Scarnecchia
VICE PRESIDENT,
HEAD OF FINANCE



Sara Forrest*
SENIOR ASSOCIATE,
INVESTOR RELATIONS



Tristan Capes-Davis
ASSOCIATE



McKenzie Koch*
ASSOCIATE



Isabella Velasco
ASSOCIATE



Lauren Graupman
ANALYST, AEI HORIZONX

* Joined AE Industrial in 2023.

COMMITMENT TO THE FUTURE

AE Industrial Partners' commitment to Environmental, Social and Governance factors will create value for our stakeholders, our portfolio companies and society at large. We are bullish on the market opportunities that will be unlocked in our target markets as decarbonization and resource efficiency become even bigger global trends.

AEI's 2022 Initiatives – Key Highlights

In 2022, we made considerable strides in supporting our portfolio companies to develop ESG oversight and program management processes to ensure they capitalize on the burgeoning decarbonization and efficiency opportunity set while managing risks.

Building Best-in-Class ESG Integration Processes

AEI is enabling portfolio companies to build robust, strategic ESG corporate programs, policies and practices for effective risk management and value creation.

ESG integration in due diligence

As part of the initial due diligence, AEI evaluates how portfolio companies are allocating time and resources to address and manage risks related to ESG. Should gaps exist, AEI works with the portfolio company post-transaction to address the gaps and ensure adequate competence is in place.

ESG integration in value creation with a focus on material performance topics and target setting

- AEI implemented a semiannual review of performance scorecards as a part of the Value Creation Assessment (VCA) reviews done with the top management of each portfolio company.
- Furthermore, starting in 2022, we have requested all portfolio companies, where we have control investments, to establish an ESG lead and a board-level ESG committee within the next 12 months.
- AEI has partnered with third-party consultant ESG Base to conduct both top-down and bottom-up analysis of how its portfolio companies perform on GHG intensity, energy consumption intensity, and safety.

SIGNATORIES & COMMUNITY

SIGNATORY TO UNPRI



COMMITTED TO THE ESG DATA CONVERGENCE INITIATIVE



SIGNATORY TO INITIATIVE CLIMAT INTERNATIONAL (ICI)



SIGNATORY TO ILPA DIVERSITY IN ACTION INITIATIVE



AEI PROUDLY SPONSORS:



SIGNATORY TO CFA INSTITUTE'S DEI CODE FOR INVESTMENT PROFESSIONALS



PRIMARY CONTACTS

Michael Greene

MANAGING PARTNER
mgreene@aeroequity.com
(561) 372-7827

David Rowe

MANAGING PARTNER
drowe@aeroequity.com
(561) 372-7826

Jon Nemo

SENIOR PARTNER
jnemo@aeroequity.com
(561) 372-7832

Charlie Compton

PARTNER
ccompton@aeroequity.com
(561) 372-7834

Kirk Konert

PARTNER
kkonert@aeroequity.com
(561) 372-7835

Charlie Santos-Buch

PARTNER
csantos-buch@aeroequity.com
(561) 372-7823

Peter Schumacher

PARTNER
pschumacher@aeroequity.com
(561) 372-7822

Laurence Vigeant-Langlois

MANAGING DIRECTOR
langlois@aeroequity.com
(561) 372-7829

Trey Bivins

PRINCIPAL
tbivins@aeroequity.com
(561) 372-7836

Jeffrey Hart

PRINCIPAL
jhart@aeroequity.com
(561) 372-7837

Bryan McElwee

PRINCIPAL
bmcelwee@aeroequity.com
(561) 372-7831

Tyler Letarte

VICE PRESIDENT
tletarte@aeroequity.com
(561) 372-0907

Jonathan Luszczakoski

VICE PRESIDENT
jluszczakoski@aeroequity.com
(561) 372-0966

Andrew McElhinney

VICE PRESIDENT
amcelhinney@aeroequity.com
(561) 372-0879

Austen Dixon

VICE PRESIDENT
adixon@aeroequity.com
(561) 372-0996

Graham Kantor

VICE PRESIDENT
gkantor@aeroequity.com
(561) 372-0968

Michael Lohnert

PARTNER,
HORIZONX
mlohnert@aeroequity.com
(561) 372-0125

Brian Schettler

PARTNER, HEAD OF HORIZONX
bschettler@aeroequity.com
(561) 372-0126

Charlie Short

MANAGING DIRECTOR
HEAD OF CAPITAL FORMATION
cshort@aeroequity.com
(917) 588-0017

Marc Baliotti

SENIOR MANAGING DIRECTOR
STRUCTURED SOLUTIONS
mbaliotti@aeroequity.com
(203) 653-8201

Nathan Dickstein

MANAGING DIRECTOR
AEROSPACE OPPORTUNITIES
ndickstein@aeroequity.com
(561) 372-0133

Tess Sprechman

VICE PRESIDENT
HEAD OF INVESTOR RELATIONS
tsprechman@aeroequity.com
(561) 372-0967

