PICCARD AVIATION PARTNERS

Aircraft Leasing

Institutional Investment Opportunity

A structured cornerstone investment opportunity for large institutional investors — sovereign wealth funds, pension funds, banks, insurers and major family offices — to gain large-scale access to aircraft leasing, one of the most resilient and fastest-growing real-asset classes in global finance.

8–12%
TARGET IRR

from USD +50M
EQUITY

8–10 Years
LEASE TERM

EXECUTIVE SUMMARY

A Compelling Entry Point into Institutional Aircraft Leasing

Piccard Aviation Partners is structuring a cornerstone investment vehicle sized for a single large institutional investor — or a small club of two to three anchor co-investors — to acquire a diversified portfolio of modern commercial aircraft and lease them to airlines under long-term, contractually secured dry-lease agreements. Aircraft leasing combines bond-like income reliability with the appreciation potential of real assets — a rare combination in today's markets.

- Anchor equity commitment of USD 150–200 million to fund a diversified multi-aircraft portfolio (~USD 500 million in assets)
- 8–10-year dry-lease agreements with vetted airlines as lessees, generating fixed, contractually secured periodic distributions
- Target net investor IRR of 8–12%, depending on lessee credit profile, aircraft type and debt structure
- Capital return supported by aircraft residual value realized at remarketing or end-of-term sale

AT A GLANCE

Asset class	**Commercial aircraft (dry lease)**
Anchor ticket size	**USD 150–200 Mio. equity**
Portfolio size	**~USD 500 Mio. in aircraft**
Structure	**Special purpose vehicle (SPV)**
Lease term	**8–10 years**
Target IRR	**8–12% p.a.**
Target MOIC	**~1.9x – 2.2x**
Distributions	**Semi-annual, increasing**
Exit	**Residual value sale / remarketing**

INVESTMENT HIGHLIGHTS

Why This Opportunity, Why Now

USD ~200–450 Bn.

Global aircraft leasing market size (2026), with a high single-digit to low double-digit CAGR into the early 2030s

~53%

Share of the global commercial aircraft fleet that is leased rather than directly owned — up from ~22% in 2000

8–10 Years

Contractually fixed lease terms provide multi-year earnings visibility, backed by internationally enforceable leasing law (Cape Town Convention)

Low Correlation

Aircraft leasing cash flows are driven by air travel demand and contracted rents — a differentiated income stream versus equities and bonds

Sources: aggregated industry market research estimates (2026); figures vary by provider and should be treated as directional.

PAP's thesis: Pool investor capital into a small number of carefully selected, well-collateralized aircraft, lease them to creditworthy operators under long-term contracts, and capture both the contracted yield and the residual-value upside — a diversifying, income-generating real-asset allocation.

MARKET OPPORTUNITY

A Large, Structurally Growing Market

Independent market research estimates diverge on absolute market size — a function of differing provider definitions — but converge on the same structural conclusion: leasing's share of the global commercial aircraft fleet continues to rise, and the sector keeps growing at a high single-digit to low double-digit CAGR into the early 2030s.

Asset-Light Airline Strategy

Airlines increasingly favor leasing over ownership to preserve balance-sheet flexibility and redirect capital into operations

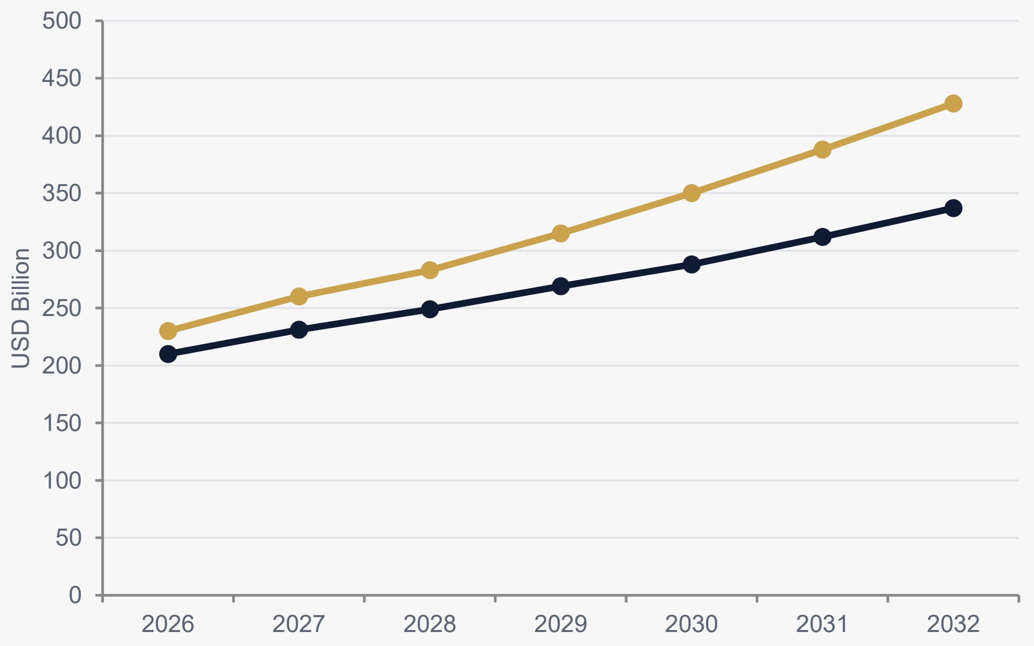
Passenger Traffic Growth

Long-term global demand for air travel keeps growing, led by emerging markets in Asia-Pacific, the Middle East and Latin America

Fleet Modernization

Airlines are replacing older aircraft with new, fuel-efficient models — sustaining leasing and remarketing volumes

GLOBAL AIRCRAFT LEASING MARKET — ILLUSTRATIVE GROWTH CURVE



INVESTMENT RATIONALE

Why Aircraft Leasing Belongs in a Diversified Portfolio

Contractually Fixed, Bond-Like Income

Lease rents are contractually fixed for 8–10 years, largely independent of short-term market volatility — a predictable cash yield, uncorrelated to equity or bond cycles.

Hard Asset Collateral

Investors hold a claim on a mobile, internationally repossessable hard asset. The Cape Town Convention grants lessors strong, enforceable repossession rights across more than 80 signatory states.

Portfolio Diversification

Returns from aircraft leasing are driven by airline traffic and leasing economics — a standalone risk factor relative to equities, government bonds, private equity or real estate.

Structural Growth Tailwind

Long-term growth in passenger and freight traffic, together with the airline industry’s ongoing shift toward leased fleets, provides a structural (not merely cyclical) demand driver.

INVESTMENT STRUCTURE

A Cornerstone SPV Structure, Sized for a Single Anchor Investor

ANCHOR INVESTOR

Sovereign wealth fund / pension fund, insurer or family office

USD 150–200 Mio. Equity

→

SPV

Special purpose vehicle (owner of the portfolio)

Equity + Senior Debt

→

AIRLINE

Vetted operating airline(s) under a dry lease

8–10 Years Lease Term

Capital flows left to right (equity first, then debt-financed acquisition); lease rents and residual-value proceeds flow right to left back to investors.

GOVERNANCE

PCP acts as asset and investment manager; the anchor investor receives a seat on the SPV advisory board, consent rights on key decisions, and institutional reporting and audit.

LEVERAGE

Senior, aircraft-secured debt typically finances ~60–65% of portfolio acquisition cost and is sized to preserve loan-to-value discipline throughout the lease term.

SERVICING

Lease administration, rent collection, insurance and technical/maintenance oversight are delegated to specialized aircraft asset managers.

TARGET ASSETS & LESSEES

Disciplined Aircraft and Airline Selection Criteria

AIRCRAFT SELECTION CRITERIA

- New, fuel-efficient narrowbody and select widebody aircraft types (e.g. A320neo/A321neo family, A330-900neo, 737 MAX family)
- Young to mid-life aircraft (typically under 8 years at acquisition) to maximize value retention and marketability
- Widely operated, high-volume models with deep secondary markets — supporting remarketing and exit liquidity
- Independent third-party technical inspection and appraisal prior to acquisition

LESSEE (AIRLINE) SELECTION CRITERIA

- Established operators with a proven operating track record and stable route economics
- Diversified lessee base spanning flagship airlines, leading low-cost carriers and regional champions — avoiding single-airline concentration
- Structured credit enhancements: security deposits, maintenance reserves and, where relevant, parent-company or state support
- Ongoing creditworthiness monitoring throughout the lease term via financial covenants and reporting obligations

ILLUSTRATIVE PORTFOLIO COMPOSITION (ASSET BASE ~USD 500 MIO., ~10–14 AIRCRAFT)

Category	Share	Typical Lessees
Narrowbody (A320neo/A321neo/737 MAX) — ~7–9 aircraft	60–70%	Tier-1 & Tier-2 network / LCC lessees
Widebody (A330-900neo/787 family) — ~2–4 aircraft	20–30%	Long-haul network airlines
Regional / freighter (selective, opportunistic)	0–15%	Diversification & yield enhancement

CAPITAL DEPLOYMENT

Illustrative Sources & Uses (USD 500 Mio. Portfolio Acquisition)

The illustration below shows a representative transaction at the portfolio level, sized to the anchor investor's commitment. Actual portfolio size scales with the final equity commitment of USD 150–200 million, deployed across a diversified fleet of approximately 10–14 aircraft.

SOURCES

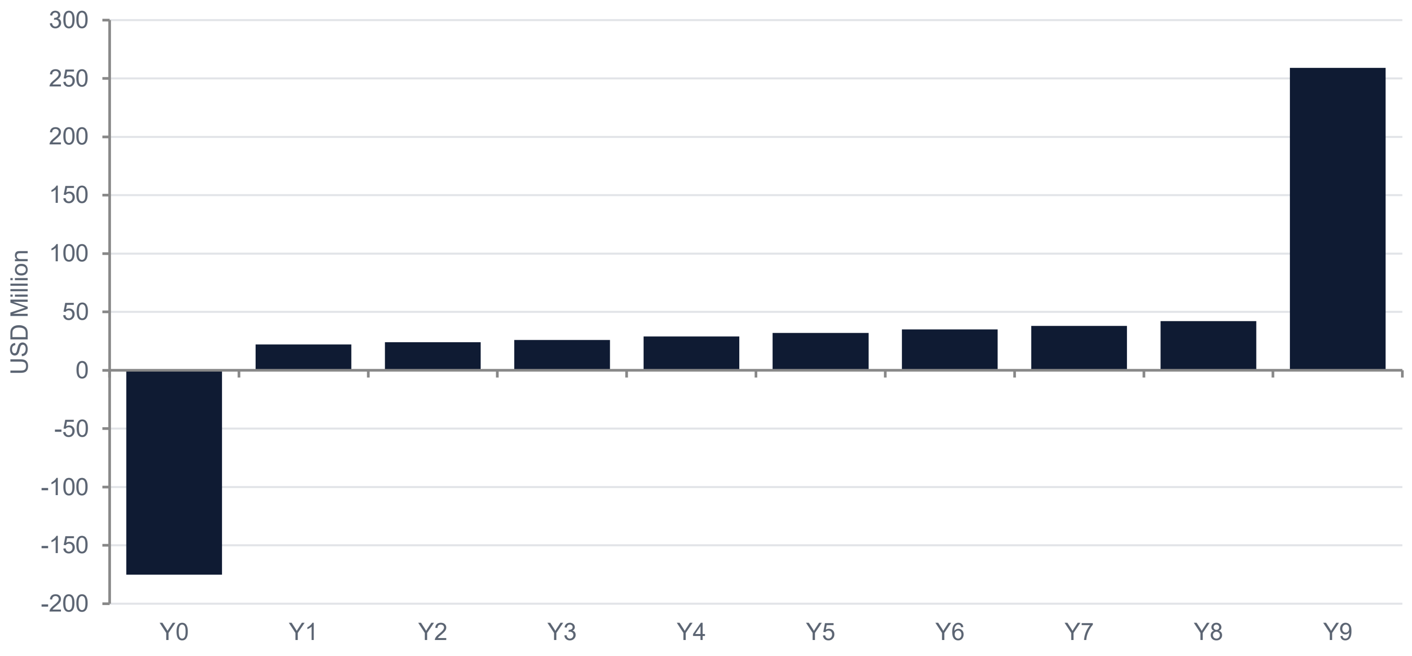
Source	USD	%
Anchor investor equity (SPV)	175,000,000	35%
Senior secured aircraft loan	325,000,000	65%
Total Sources	**500,000,000**	**100%**

USES

Use	USD	%
Aircraft portfolio purchase price	480,000,000	96.0%
Transaction & legal costs	9,000,000	1.8%
Initial maintenance reserve	8,500,000	1.7%
Acquisition fee (PAP)	2,500,000	0.5%
Total Uses	**500,000,000**	**100%**

PAP fee structure (anchor ticket, size-tiered): 0.5% acquisition fee, 1.00% p.a. asset management fee (on deployed equity), 1.0% disposition fee at exit — fully aligned with and subordinate to distributions to investors.

9-Year Illustrative Cash Flow to the Anchor Investor (USD 175 Mio. Ticket)



Year 0: the anchor investor commits equity of USD 175,000,000. Distributions begin in Year 1 and grow as senior debt amortizes; Year 9 includes the final lease payment plus net proceeds from the residual-value sale.

BASE CASE — KEY RESULTS

Equity deployed

USD 175.0 Mio.

Lease term

9 years

Cum. current-yield return

USD 119.25 Mio. (68%)

Exit / residual value proceeds

USD 241.5 Mio.

Total distributions

USD 360.8 Mio.

Equity multiple (MOIC)

2.06x

Target IRR

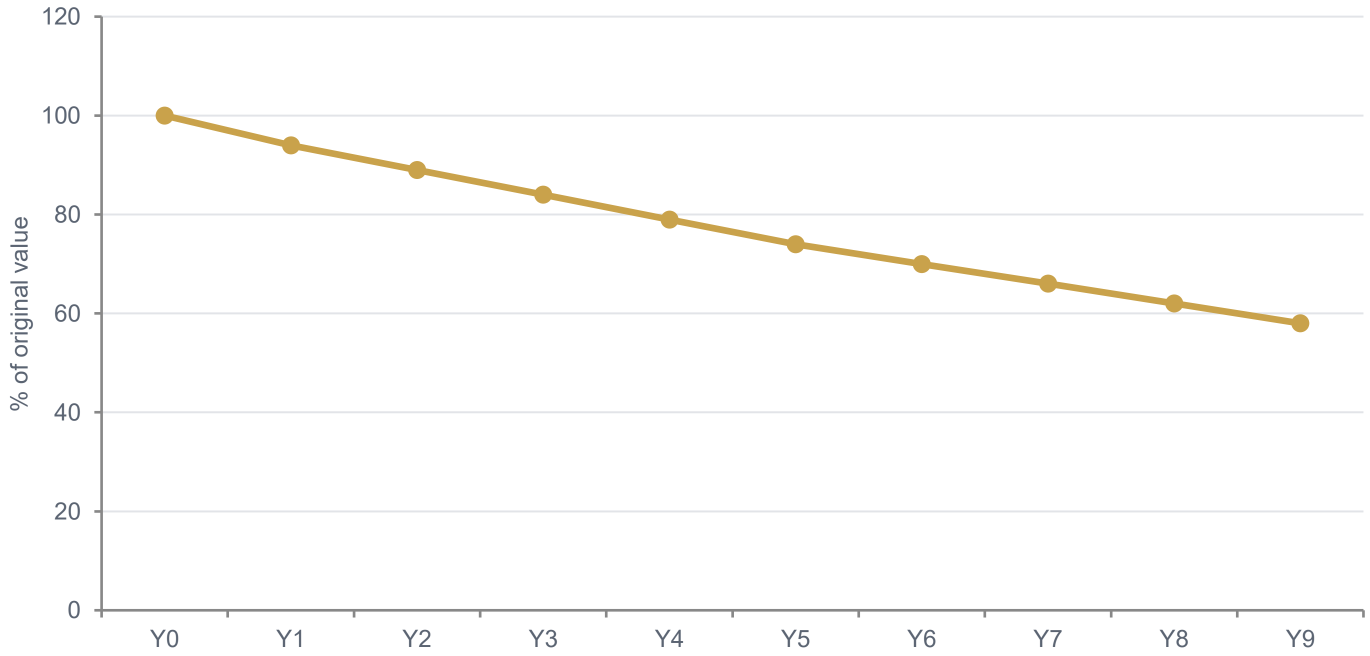
~10.0%

IRR shown net of PAP management, acquisition and disposition fees. See scenario comparison for the range across different lessee credit profiles.

Capital Return Is Anchored in Aircraft Residual Value

As is typical for aircraft operating leases, the aircraft retains substantial value at end of term. At the conclusion of the 8–10-year contract, PAP runs a structured remarketing and sale process — to the existing lessee (purchase option), a new airline operator, or another institutional lessor — realizing residual value on investors' behalf.

ILLUSTRATIVE AIRCRAFT VALUE RETENTION CURVE

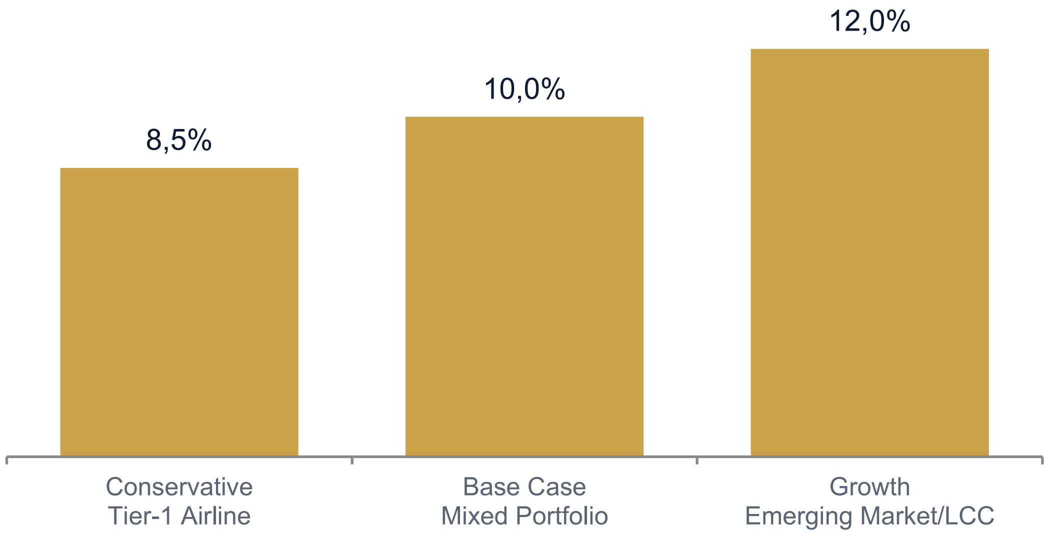


EXIT WATERFALL — YEAR 9 (BASE CASE)

Portfolio residual value	USD 314.0 Mio.
Less: remaining senior debt	(USD 60.0 Mio.)
Less: disposition costs (~3%)	(USD 9.4 Mio.)
Less: PAP disposition fee (1%)	(USD 3.1 Mio.)
Proceeds to equity	**USD 241.5 Mio.**
Plus: final-year lease distribution	USD 17.3 Mio.
Total distribution, Year 9	**USD 258.8 Mio.**

RETURN SCENARIOS

Target IRR of 8–12%, Depending on Lessee & Structure



	Conservative	Base Case	Growth
Lessee profile	Tier-1 network airline	Mixed portfolio	Emerging market / LCC
Lease term	10 years	9 years	8 years
Equity deployed	USD 175 Mio.	USD 175 Mio.	USD 175 Mio.
Avg. annual cash yield	~7.3%	~7.6%	~8.9%
Equity multiple (MOIC)	1.97x	2.06x	2.16x
Target IRR	**8.5%**	**10.0%**	**12.0%**

Actual realized returns on any single transaction depend materially on: (i) the airline's creditworthiness and lease rate, (ii) aircraft type and age at acquisition, and (iii) prevailing debt market conditions at financing. PAP targets a portfolio outcome in the middle of this range. Illustrative, indicative figures net of PAP fees, for discussion purposes only.

RISK FACTORS

A Balanced View of Key Investment Risks

Lessee Credit Risk

Default, restructuring or insolvency of an airline could interrupt lease payments and require repossession and re-leasing of the aircraft.

Residual Value Risk

End-of-term aircraft value depends on market conditions, demand for the aircraft type, and technological obsolescence at the point of sale.

Interest Rate & Refinancing Risk

Rising interest rates increase debt costs and could affect refinancing terms for debt within the SPV.

Market Cyclicality

Air travel demand is sensitive to macroeconomic cycles, fuel price shocks, geopolitical events and health crises.

Illiquidity

Aircraft and SPV equity interests are illiquid; investors should expect to hold the investment for the full lease term.

Regulatory & Country Risk

Cross-border leasing is exposed to risks related to aviation regulation, tax treatment and repossession rights in the lessee’s jurisdiction.

RISK MITIGATION

How the Structure Is Designed to Manage These Risks

Diversified Lessee Exposure

Portfolio construction avoids concentration in individual airlines; credit monitoring and covenant reporting throughout the lease term.

Structured Lease Protections

Security deposits, maintenance reserve accounts and, where applicable, parent-company or state guarantees, embedded in lease terms.

Conservative Leverage & LTV

Senior debt is sized so that loan-to-value headroom is preserved as the aircraft depreciates.

Specialized Asset Management

Technical oversight, valuation and remarketing are conducted with specialized aircraft asset managers throughout the holding period.

Enforceable Legal Framework

Cape Town Convention protections support efficient, internationally recognized repossession rights in signatory states.

Liquid, Deep Secondary Market

Focus on widely operated aircraft types with active global trading markets, supporting remarketing flexibility at end of term.

PORTFOLIO SUITABILITY

An Excellent Diversification Tool Within a Broader Portfolio

Aircraft leasing sits at the intersection of real assets and structured credit — offering return drivers that behave differently from traditional listed equities, sovereign and corporate bonds, and most other real-asset classes such as real estate.

- Cash flows driven by contractual lease rents and global air travel demand — not by interest-rate or equity-market sentiment
- Tangible, mobile collateral with an active global secondary market, unlike illiquid private-equity or venture holdings
- Multi-year, contractually fixed income stream complements shorter-duration fixed-income and floating-rate credit allocations
- Historically resilient long-term demand growth, even through periodic cyclical shocks, supports strategic portfolio inclusion

ILLUSTRATIVE COMPARISON OF RETURN DRIVERS

Asset class	Primary return drivers
Aircraft leasing	Air travel demand, lease contracts, residual value
Listed equities	Corporate earnings, valuation multiples, interest rates
Government bonds	Interest rates, inflation expectations
Private equity	Deal multiples, leverage, exit markets
Direct real estate	Local property cycles, occupancy, interest rates

INDICATIVE TERMS

Summary of Proposed Investment Terms

Term	Indicative Terms
Vehicle	Single-purpose SPV holding a diversified aircraft portfolio
Total equity raise	USD 150,000,000 – 200,000,000 (single anchor investor or up to 2–3 institutional co-investors)
Portfolio size	~USD 500,000,000 in aircraft assets (~10–14 aircraft, ~65% debt-financed)
Target lease term	8–10 years, dry-lease structure
Target IRR	8–12% p.a. (net of fees), depending on lessee / structure
Target equity multiple (MOIC)	~1.9x – 2.2x over the investment period
Distribution frequency	Semi-annual cash distributions
Governance	Seat(s) on SPV advisory board and consent rights for the anchor investor
Acquisition fee	0.5% of aircraft purchase price
Asset management fee	1.00% p.a. on deployed equity (size-tiered)
Disposition fee	1.0% of gross sale proceeds at exit
Reporting	Semi-annual investor reporting, annual independent audit

Final terms subject to binding legal documentation, regulatory review and completion of due diligence.

Let’s Discuss This Opportunity

Piccard Aviation Partners is available to discuss allocation, access to due diligence materials, and structuring details.

Piccard Aviation Partners (PAP)