



## INVESTOR OVERVIEW

March 17, 2021

# FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

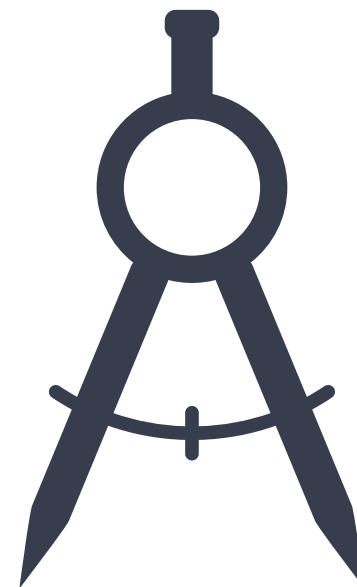
This presentation may contain a number of “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about PAE’s possible or assumed future results of operations, financial results, business strategies, debt levels, competitive position, industry environment, potential growth opportunities, potential impact of COVID-19, effects of regulation, backlog, estimation of resources for contracts, risks related to IDIQ contracts, risks related to the National Aviation Maintenance and Logistics Services Contract, strategy for and management of growth, needs for additional capital, risks related to U.S. government contracting generally, including congressional approval of appropriations, bid protests and our expectations regarding the acquisitions of CENTRA Technology, Inc. and Metis Solutions Corporation. These forward-looking statements are based on PAE’s management’s current expectations, estimates, projections and beliefs, as well as a number of assumptions concerning future events. When used in this presentation, the words “estimates,” “projected,” “expects,” “anticipates,” “forecasts,” “plans,” “intends,” “believes,” “seeks,” “may,” “will,” “should,” “future,” “propose” and variations of these words or similar expressions (or the negative versions of such words or expressions) are intended to identify forward-looking statements.

These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside PAE’s management’s control, that could cause actual results to differ materially from the results discussed in the forward-looking statements.

Forward-looking statements included in this presentation speak only as of the date of this presentation. PAE does not undertake any obligation to update its forward-looking statements to reflect events or circumstances after the date of this presentation except as may be required by the federal securities laws.

This presentation contains non-GAAP financial measures. For more information about our use of non-GAAP financial measures see the appendix.

In this presentation, unless the context indicates otherwise, the terms “PAE” and the “company” refer to PAE Incorporated and its subsidiaries taken as a whole.





**CHARLIE PEIFFER**

Interim President and Chief Executive Officer

# OUR MISSION

**FOR SAFETY, SECURITY AND STABILITY  
THROUGHOUT THE WORLD, NO MATTER  
THE CHALLENGE.**

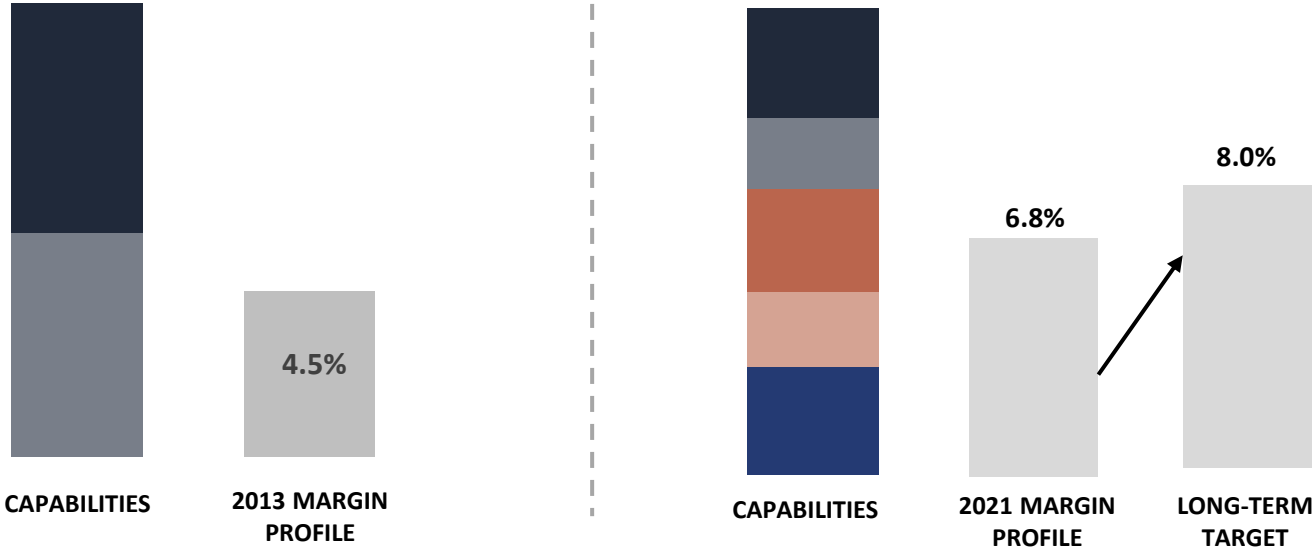


Merging technology with advanced business practices delivering faster, smarter and more efficient managed solutions.

# DELIVERING MISSION ESSENTIAL MANAGED SOLUTIONS TO THE CUSTOMER



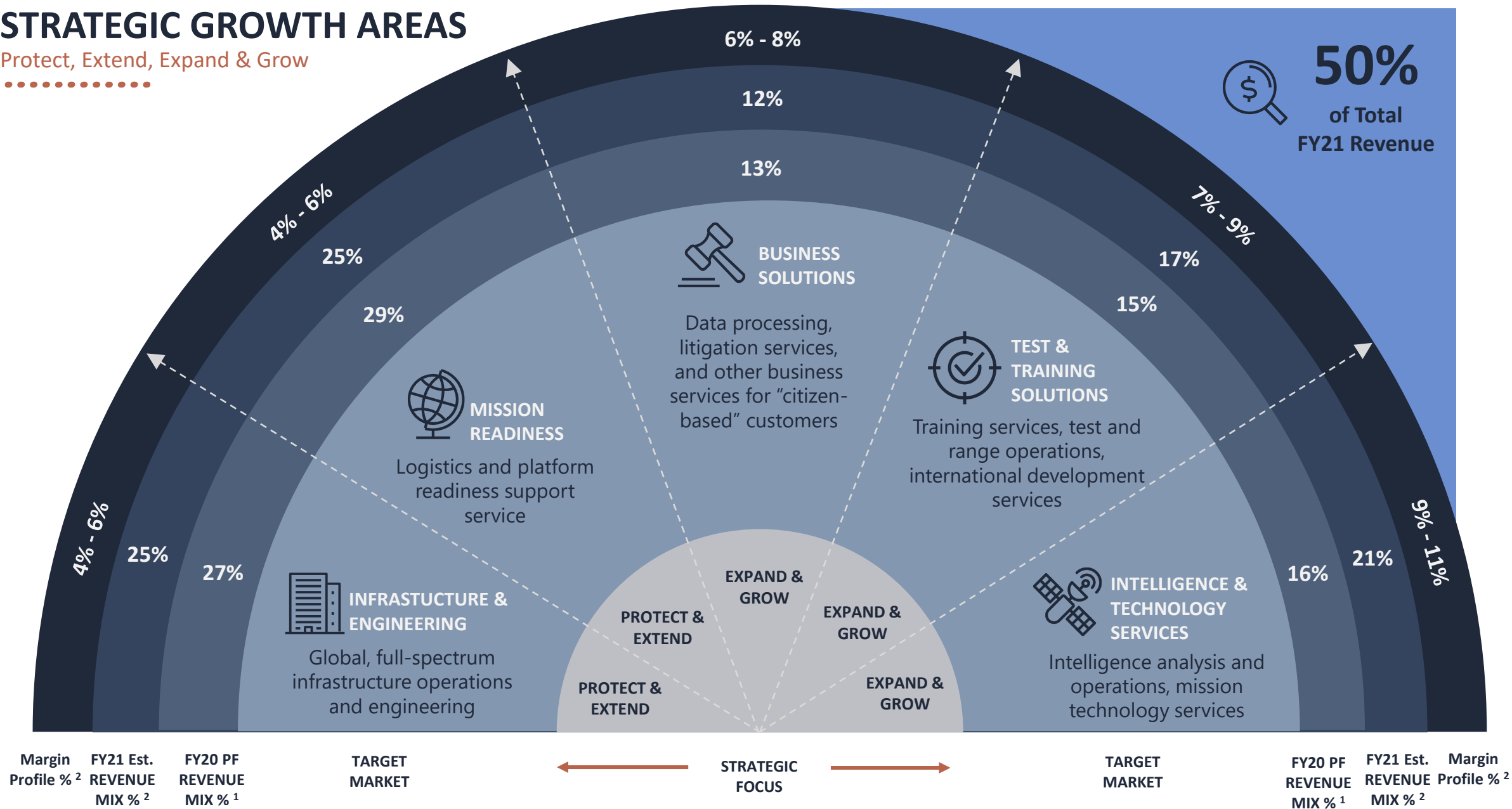
2013	2021 AND BEYOND
Strategic Focus: Operations and Maintenance	Modernize
Geography: OCONUS; Middle East focus	Global and 63% U.S. focused
Contract Mix: Cost Plus	Fixed Price, T&M and Cost Plus
Customer Diversification: Dept of State, DoD	DoD 30%, Intel 20% and FedCiv 50%
Contract Diversification: Largest Contract >10%	No Contract > than 7%
IDIQ Portfolio: Contracts 3-5	IDIQ Portfolio: Contracts 100+
Workforce: Technical Services	Workforce: Subject Matter Expertise, Highly Trained Workforce





# STRATEGIC GROWTH AREAS

Protect, Extend, Expand & Grow



Source: PAE Management

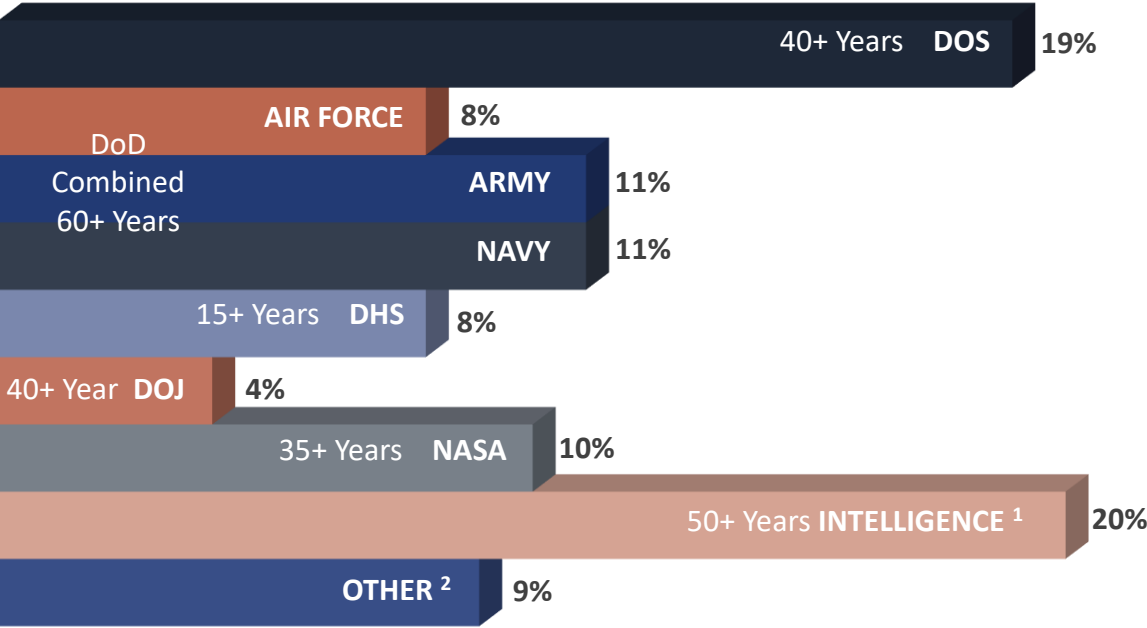
<sup>1</sup> Based on the company's FY 2020 financial results and adjusted Pro Forma for CENTRA and Metis revenue

<sup>2</sup> Based on the company's FY 2021 plan

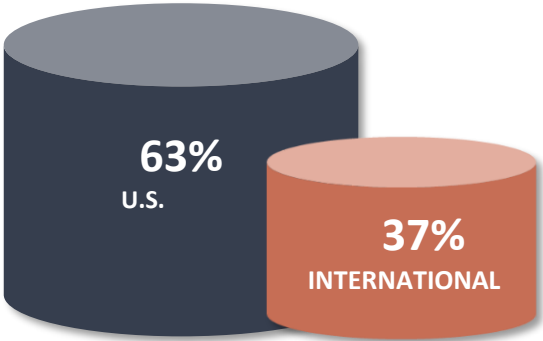
# DIVERSE BUSINESS PORTFOLIO

CREATES A UNIQUE COMPETITIVE ADVANTAGE

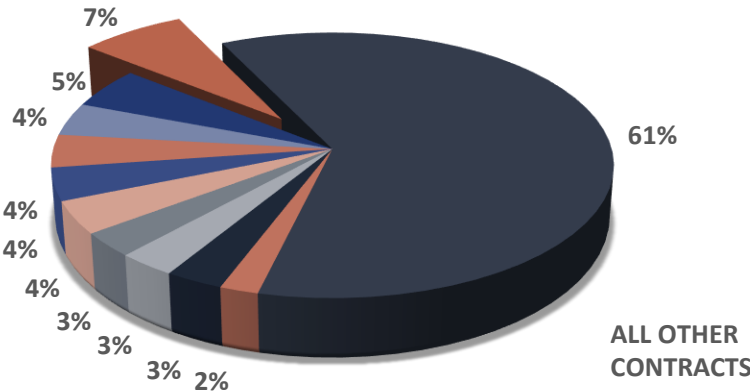
CUSTOMER BREAKOUT (% of 2021 plan revenue)



GEOGRAPHIC DIVERSITY (% of 2021 plan revenue)



CONTRACT DIVERSITY (% of 2021 plan revenue)



<sup>1</sup> Intelligence includes national intelligence as well as INSCOM, SOCOM, DIA, DTRA and others

<sup>2</sup> Other includes NOAA, USPS, Commercial and others

Source: PAE management; based on 2021 revenue

# EXECUTING A MARGIN EXPANSION STRATEGY WITH A PROVEN TRACK RECORD

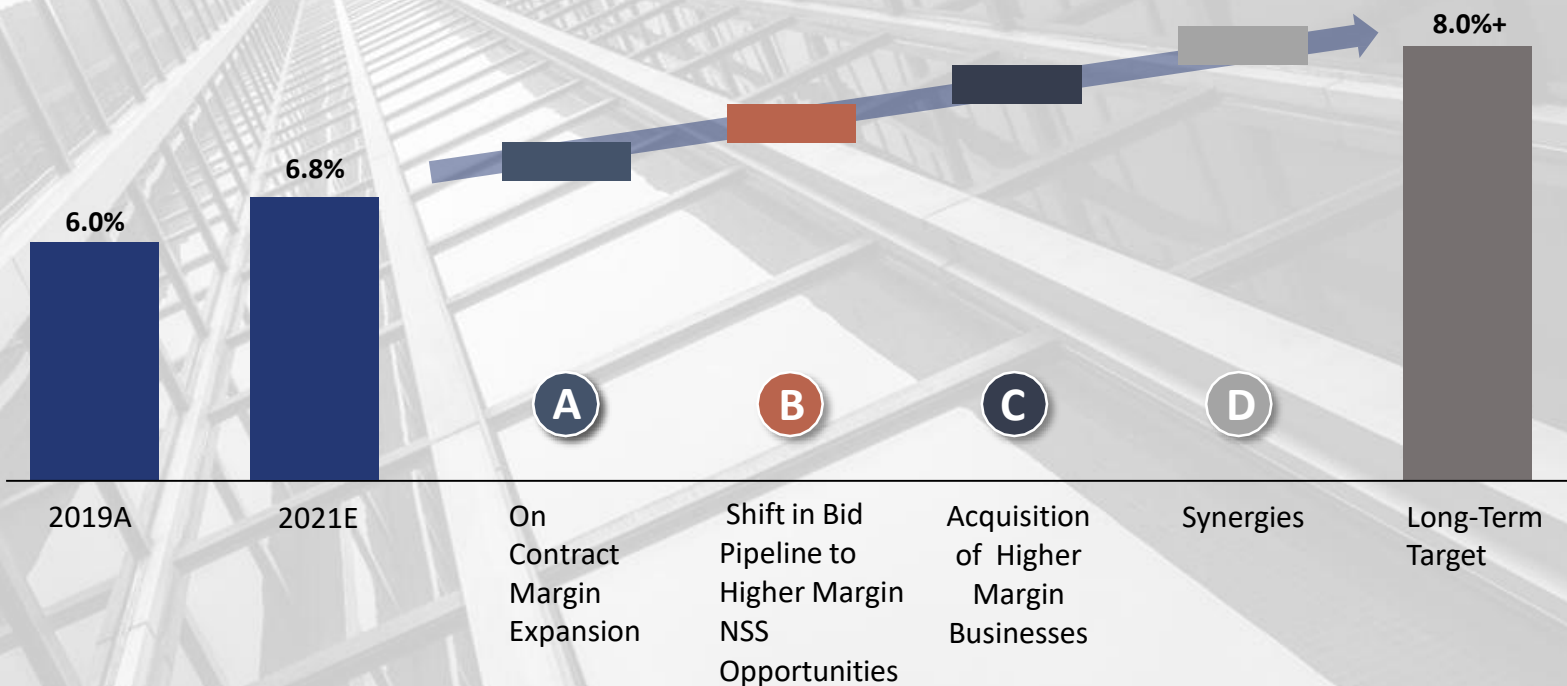
## FOCUSED GROWTH INITIATIVES UNDERPIN MARGIN EXPANSION PLAN

**A** Track record of year-over-year EBITDA growth on current contracts driven by strong program management with margin and operating efficiency improvements

**B** Pipeline for faster-growing, higher-margin NSS business increased from \$5B to \$19B from 2016 to end of 2020

**C** Numerous acquisition targets across NSS and GMS that we expect will be accretive to margin profile

**D** Strong track record of successfully integrating acquisitions and achieving meaningful synergies





# PAE PIPELINE

POSITIONED TO CONTINUE CAPITALIZING ON ATTRACTIVE GROWTH PROSPECTS

## KEY METRICS

Qualified Pipeline - \$39B <sup>1</sup>

Pending Awards @ 12/31/2020 - \$7B <sup>2</sup>

In Proposal - \$1B

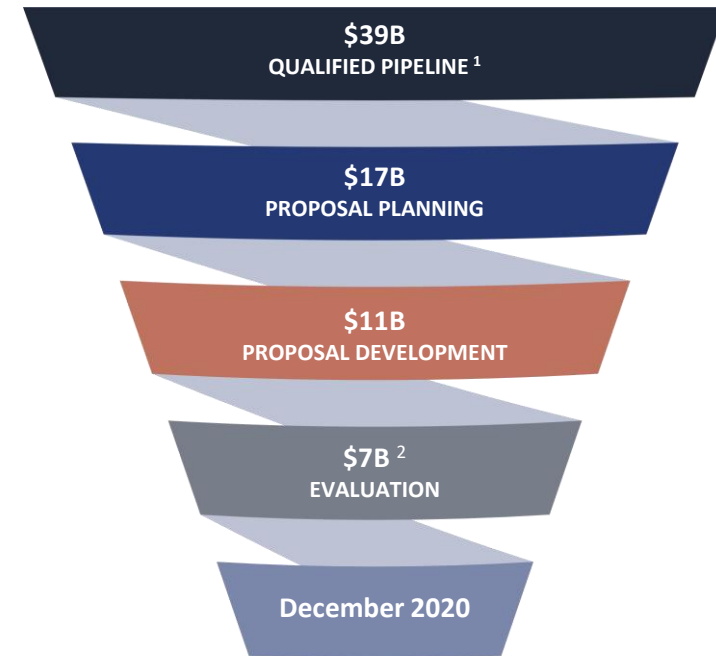
Backlog @ 12/31/2020 - \$7.9B

2020 Win Rates:

New Business: 35%

Recompete: 93%

## Robust Pipeline of Opportunities



<sup>1</sup> Includes CENTRA and Metis

<sup>2</sup> Includes \$1.3 billion CBP award that was awarded to a PAE competitor on January 28, 2021

# GROWTH AND CAPITAL DEPLOYMENT FRAMEWORK

FOCUSED ON VALUE CREATION AND BALANCE SHEET FLEXIBILITY

## ORGANIC GROWTH FOCUS AREAS

Shift in bid pipeline to higher-margin opportunities

Large, complex contracts provide opportunities for scope expansion and on-contract growth

Leverage attractive IDIQ portfolio to drive growth

## DISCIPLINED M&A STRATEGY

Improved capital structure and free cash flow generation enabled acquisition capacity

Focus on expanding capabilities & addressable market and scaling the business

## MAINTAIN FLEXIBLE BALANCE SHEET <sup>1</sup>

Compelling free cash flow generation supports De-leveraging and incremental acquisition capacity

While leverage levels will fluctuate due to M&A, target net leverage of ~ 3x over the long term

Source: PAE management

<sup>1</sup> Projections use PAE estimates. With respect to projections, see slide 2 "Forward-Looking Statements"