



P A R K
A E R O S P A C E
C O R P .

FY2024 Q4 Investor Conference Call
May 30, 2024

******Celebrating Park's 70th Anniversary******

Forward Looking Disclaimer

This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events or our future financial or operating performance, and include Park's expectations regarding revenues, Adjusted EBITDA, EBIT, and growth opportunities and projected pro forma financial information for Park's business. The forward-looking statements contained in this presentation are based on management's good-faith belief and reasonable judgment based on current information, and these statements are qualified by important risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from those forecasted or indicated by such forward-looking statements.

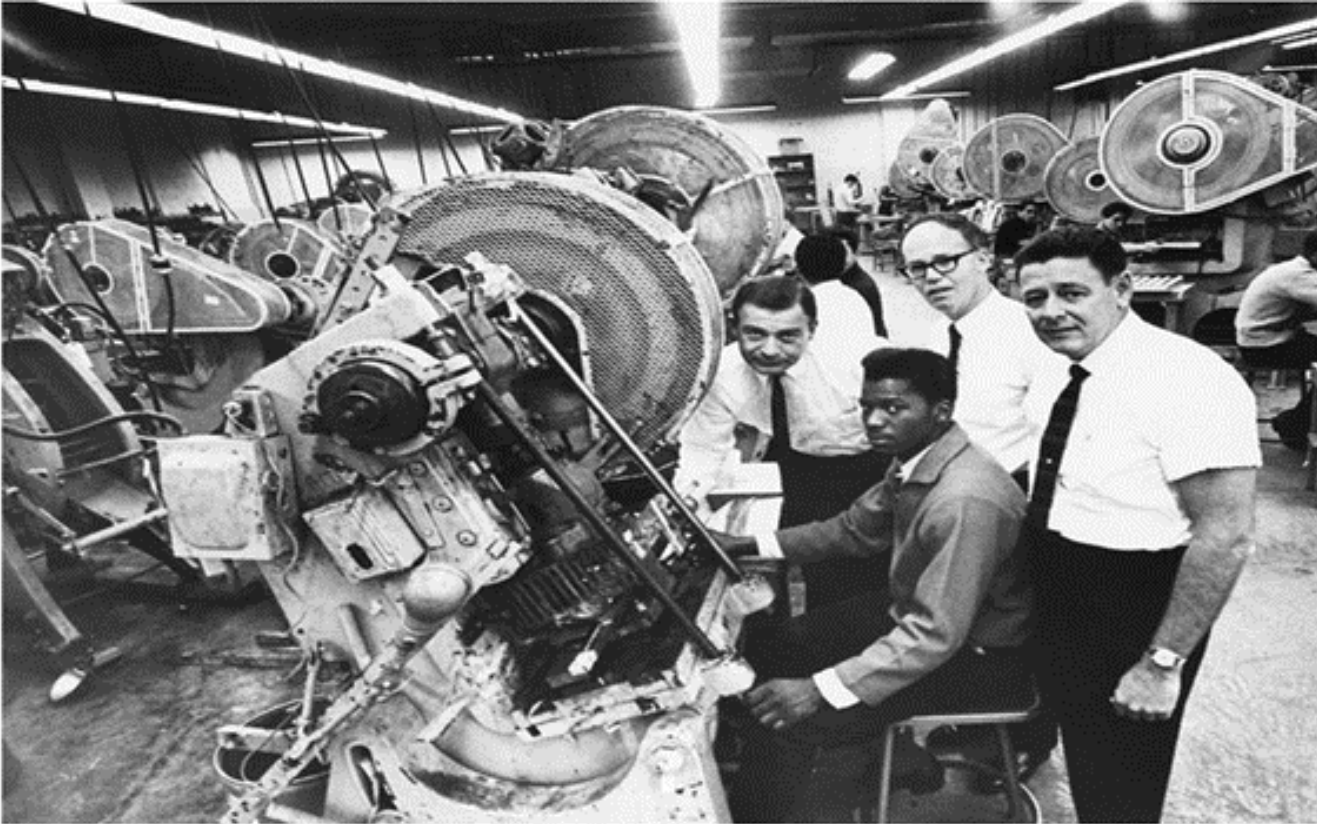
Factors that could cause actual events or results to differ materially from Park's expectations or forecasts are set forth under the caption "Factors That May Affect Future Results" in Item 1 and in Item 1A "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended February 26, 2023, and in subsequent reports filed with or furnished to the Securities and Exchange Commission. Except as may be required by any applicable laws, the Company assumes no obligation to update such forward-looking statements, which are made as of the date hereof or an earlier date specified herein, whether as a result of new information, future developments, or otherwise.



Table of Contents

FY2024 Q4 Investor Presentation.....Slide 1

Supplementary Financial Information.....Appendix 1



Happy 70th Birthday, Park



Quarterly Results for FY2022, FY2023 and FY2024 (In Thousands)*

	FY22 Q1	FY22 Q2	FY22 Q3	FY22 Q4	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4***
Sales	\$13,594	\$13,618	\$13,864	\$12,502	\$12,783	\$13,875	\$13,867	\$13,530	\$15,551	\$12,481	\$11,639	\$16,333
Gross Profit	\$5,472	\$4,411	\$3,836	\$4,198	\$4,092	\$4,086	\$4,444	\$3,851	\$4,833	\$4,079	\$3,169	\$4,454
Gross Margin	40.3%	32.4%	27.7%	33.6%	32.0%	29.4%	32.0%	28.5%	31.1%	32.7%	27.2%	27.3%
Adjusted EBITDA	\$4,104**	\$3,232**	\$2,670**	\$3,083**	\$2,804	\$2,709	\$3,321	\$2,625	\$3,311**	\$2,669	\$1,808	\$3,202**
Adjusted EBITDA Margin	30.2%**	23.7%**	19.3%**	24.7%**	21.9%	19.5%	23.9%	19.4%	21.3%**	21.4%	15.5%	19.6%**

- What we said about FY2024 Q4 during our January 9, 2024 FY2024 Q3 Investor Call:
 - ✓ Sales estimate: \$15.0 Million to \$16.0 Million
 - ✓ Adjusted EBITDA estimate: \$3.2 Million to \$4.0 Million

- Total Missed Shipments in FY2024 Q4...**Approximately \$565 Thousand**
 - ✓ What was main cause of the missed shipments?

*From Continuing Operations

**Before Special Items

***14 Week Quarter



Quarterly Results for FY2022, FY2023 and FY2024 (In Thousands) (Continued)

- **International freight disruptions** caused by the Wars in the Middle East and Europe

➤ Items and considerations related to our FY2024 Q4 Margins:

- ✓ Although FY2024 Q4 sales were \$16.3 Million, Q4 production (we call it Sales Value of Production or SVP) was only \$15.2 Million
 - FY2024 Q4 Inventories were down by approximately \$1 Million from FY2024 Q3 Inventories...approximately \$275 Thousand negative impact to FY2024 Q4 Gross Profit
- ✓ There were \$474 Thousand of C2B* fabric sales in FY2024 Q4
- ✓ Unplanned property tax accrual of \$212 Thousand (property tax is a cost-of-goods-sold item) in FY2024 Q4
- ✓ FY2024 Q4 was a 14-week quarter which included an extra week of fixed costs
- ✓ FY2024 Q4 sales mix was less favorable than expected



Historical Fiscal Year Results (In Thousands)*

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024***
Sales	\$31,837	\$40,230	\$51,116	\$60,014	\$46,276	\$53,578	\$54,055	\$56,004
Gross Profit	\$8,299	\$11,288	\$16,184	\$18,673	\$13,191	\$17,917	\$16,473	\$16,534
Gross Margin	26.7%	28.1%	31.7%	31.1%	28.5%	33.4%	30.5%	29.5%
Adjusted EBITDA	\$1,055	\$4,704**	\$10,248**	\$13,012**	\$8,419**	\$13,089**	\$11,459	\$10,989**
Adjusted EBITDA Margin	3.3%	11.7%**	20.0%**	21.7%**	18.2%**	24.4%**	21.2%	19.6%**

*From Continuing Operations

**Before Special Items

***53-Week Fiscal Year



Historical Fiscal Year Results (In Thousands) (Continued)

- What is story behind our year over year margins?
 - ✓ Probably a more meaningful question than the same question related to our quarter over quarter margins

- **Ramping up for the Juggernaut** (See slide 32)
 - ✓ Going for the long term...
 - ✓ At Park, we don't run our business for the quarter, although you may be shocked by how dedicated Park's People are to delivering outstanding results for you every quarter
 - But let's face it...if we ran our business for the quarter, we never would have gone into Aerospace to begin with
 - And, if we ran our business for the quarter, we never would have gone ahead with our \$20 Million new factory expansion



Historical Fiscal Year Results (In Thousands) (Continued)

- If you consider the annual sales history, it is obvious we don't need the expansion to support our current business levels
- But we clearly need it for the coming Juggernaut...
- ✓ We are staffing up our new factory expansion to prepare for what is coming...
 - And we are running less efficiently while we staff and ramp up our new factory
 - Good news is the lines in our new factory are ultimately expected to run more productively (faster) and efficiently than the lines in our existing factory
- ✓ We are carrying an additional \$1.3 Million per year of depreciation costs related to the expansion...obviously, those costs do not impact our EBITDA margins, but they certainly do impact our Gross Margins (by approximately 2.3% based upon FY2024 sales)
- ✓ And we are already carrying other additional overhead costs related to the expansion



Historical Fiscal Year Results (In Thousands) (Continued)

- ✓ And we are ramping up our People Costs for the Juggernaut as well
 - Our current People Count is 126
 - Our hourly People Costs are already up by approximately \$800 Thousand per year compared to this time last year
 - And we just approved another crew of 5 additional People to staff the expansion manufacturing lines
 - We increased our authorized People count from 133 to 138
 - As we ramp up our People Count and staff to prepare for the Juggernaut, our productivity (measured by Sales Value of Production divided by hourly hours worked) will temporarily slip...that's just the way it is...but it will ultimately reverse very much to the positive as we ramp up our production

➤ **Bottom line is, if we want to be ready for the coming Juggernaut, all these things are necessary**



Park's Balance Sheet, Cash and Cash Dividend History

- Park has zero long-term debt!
- Park reported \$77.2 Million in Cash and Marketable Securities as of the end of FY2024 Q4
 - ✓ There are \$9.3 Million of remaining Transition Tax Installment payments payable through June 2025
- Park's Cash Dividend
 - ✓ Park has paid 39 consecutive years of uninterrupted regular quarterly cash dividends without ever skipping a dividend or reducing the dividend amount
 - ✓ **Park has paid \$594 Million, or \$28.975 per share, in cash dividends since the beginning of FY2005!!!**



FY2024 Top Five Customers (in Alphabetical Order)

AAE Aerospace

Aerospheres, Inc.

Kratos Defense and Security Solutions

Middle River Aerostructure Systems (MRAS)
and its subcontractors

The Nordam Group



COMAC C919 with LEAP-1C Engine



Boeing 737-700



*Lockheed Martin Patriot
PAC-3 Missile
Defense System*



Gulfstream G280



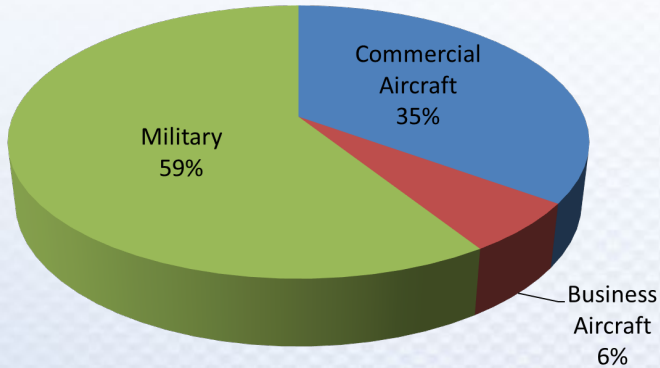


Thank you, Kratos!!!



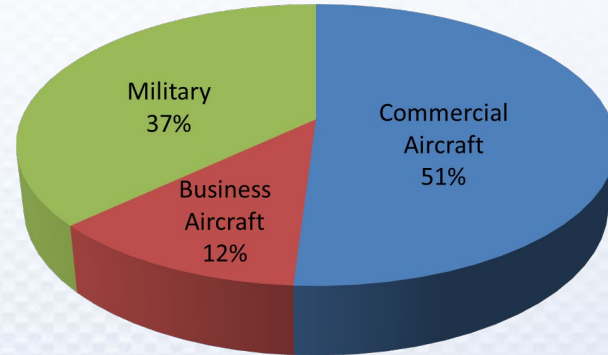
Park's Estimated Revenues by Aerospace Market Segment

FY2021



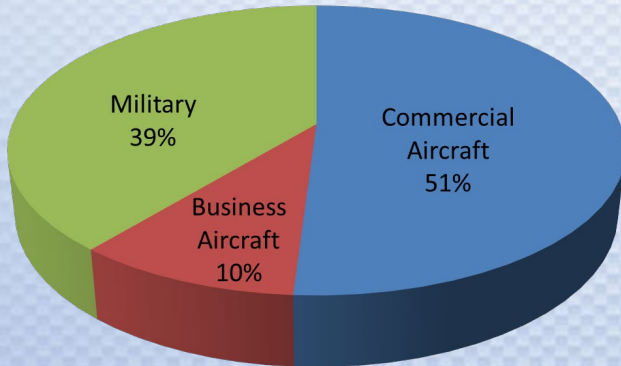
FY2021 Revenues:
\$46.3 Million

FY2022



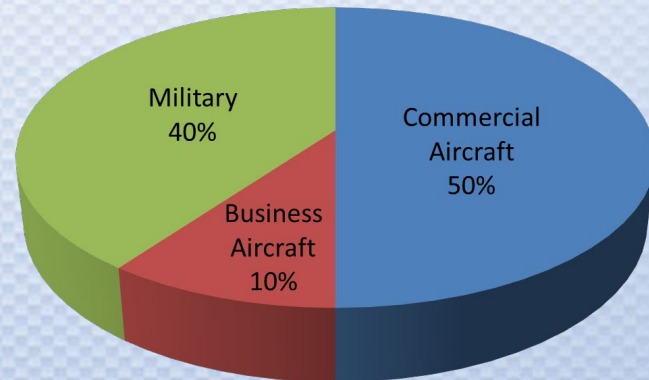
FY2022 Revenues:
\$53.6 Million

FY2023



FY2023 Revenues:
\$54.1 Million

FY2024



FY2024 Revenues:
\$56.0 Million

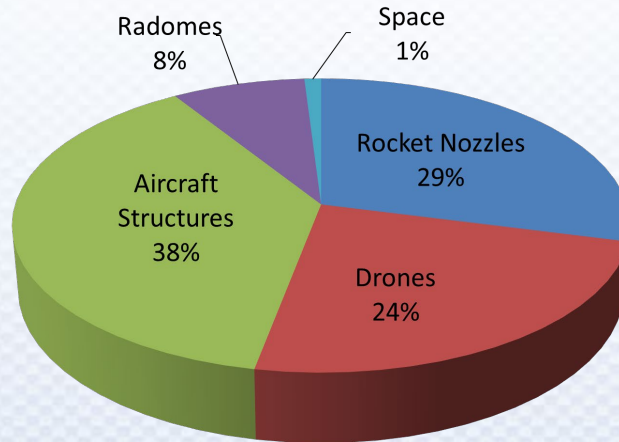


Park Loves “Niche” Military Aerospace Programs

Park’s Estimated FY2024 Military Revenues by Market Segment



Adranos, Inc. Next Generation Short Range Interceptor (“NGSRI”)



Estimated FY2024
Military Revenues: \$22.3 Million



McDonnell Douglas F-15 Eagle



Boeing EA-18 Growler



*Northrop Grumman LGM-35 Sentinel
Ground Based Strategic Deterrent
("GBSD")*



Boeing P-8 Poseidon Aircraft



Supply Chain Challenges...All in the Past?

➤ Supply Chain Challenges

- ✓ Whenever we hear that they are behind us, we find out that they are not...
- ✓ What are supply chain issues really all about anyway...what is causing them...why won't they go away?
- ✓ Are supply chain issues fundamentally workforce issues...have workforce issues been resolved?
- ✓ We hear unemployment is not that bad...but is that the full story?
 - It is widely reported that 7.2 million able-bodied men between the ages of 25 and 54 have permanently left the workforce and are not even looking for work...even though there are “help wanted” signs everywhere...
 - Why is this happening?
 - Good lives being destroyed...



Supply Chain Challenges...All in the Past? (Continued)

- ✓ What does this mean to Park? We have found ways to “manage” supply chain challenges with better planning, strategically carrying more inventory and providing suppliers with longer lead times, but supply chain issues continue to be a major challenge for us and are very consuming of our time and energy
- ✓ But what do the ongoing supply chain challenges mean for the Aerospace Industry?
 - The aerospace industry continues to struggle with supply chain issues...these challenges are impacting program ramp-ups and new program introductions
 - The demand is there, but the industry is falling short in meeting the demand
 - Where is this going? Is there any solution in sight? If so, what is it?



GE Aviation Jet Engine Programs

- Firm Pricing LTA (Requirements Contract) from 2019 through 2029 with Middle River Aerostructure Systems (MRAS), a subsidiary of ST Engineering Aerospace (STE)
- Redundant Factory...Factory is in production!
- Sole Source for Composite Materials for Engine Nacelles and Thrust Reversers for Multiple MRAS Programs, including:
 - ✓ A319neo with LEAP-1A Engines^{1, 2}
 - ✓ A320neo with LEAP-1A Engines^{1, 2}
 - ✓ A321neo with LEAP-1A Engines^{1, 2}
 - ✓ A321LR with LEAP-1A Engines^{1, 2}
 - ✓ A321XLR with LEAP-1A Engines^{1, 2, 3}
 - ✓ B747-8 with GENx 2B Engines (including Inner Fixed Structures)
 - ✓ Comac C919 with LEAP-1C Engines¹
 - ✓ Comac ARJ21 with CF34-10A Engines



Legendary Boeing 747-8 Engine Nacelles

- ✓ Bombardier Global 7500 with Passport 20 Engines
- ✓ Bombardier Global 8000 with Passport 20 Engines³

¹Also Sole Source for Lightning Strike Protection Materials

²Certain components produced with Park "AFP" Composite Materials

³Undergoing Development



GE Aviation Jet Engine Programs (Continued)

- Park Composite Materials are also Sole Source on primary structure component for Passport 20 Engines for Bombardier Global 7500/8000 (not included in MRAS LTA)

- Fan Case Containment Wrap for GE9X Engines for Boeing 777X Aircraft*
 - ✓ Produced with Park's "AFP" Composite Materials
 - ✓ Not included in MRAS LTA
 - Not yet anyway!
 - ✓ This program is subject to fan case redesign risk

- MRAS Qualification of Three Park Proprietary Film Adhesive Formulation Product Forms in progress

- **MRAS/Park LTA through 2029 recently amended to include three Park Film Adhesive Product Forms for composite bond and metal bond applications**

- **Life of Program Agreement requested by MRAS and STE**
 - ✓ Agreement is being actively worked on
 - ✓ What is the "LOP" Agreement worth to Park?



Update on GE Aviation Jet Engine Programs

- **A320neo Aircraft Family with CFM LEAP-1A Engines (includes A319neo, A320neo, A321neo, A321LR and A321XLR Aircraft Variants)**
 - ✓ **Airbus has a huge backlog of A320neo Aircraft Family firm orders of 7,171 Airplanes as of March 31, 2024 (Source: May 2024 edition of Aero Engine News)**
 - ✓ **During its April 10, 2024 Annual Shareholders Meeting and its April 25, 2024 First Quarter Investor Call, Airbus again reaffirmed its plan to achieve a rate of 75 A320neo Family Aircraft deliveries per month in 2026**
 - ✓ **How is Airbus doing so far with their planned A320neo Family Aircraft production ramp up?**



Airbus A320neo with LEAP-1A Engines



Update on GE Aviation Jet Engine Programs (Continued)

- **Pretty well actually...Airbus delivered the following number of A320neo Family Aircraft for each of the following calendar years:**
 - **2018: 386 or an average of 32 per month**
 - **2019: 561 or an average of 47 per month**
 - **2020: 431 or an average of 36 per month**
 - **2021: 459 or an average of 38 per month**
 - **2022: 516 or an average of 43 per month**
 - **2023: 571 or an average of 48 per month**
- **So, in CY2023, for the first time since the beginning of the pandemic, Airbus was able to return A320neo Family Aircraft production and delivery rates to pre-pandemic rates**
 - ***A very key milestone and accomplishment for Airbus***
- **April 2024 YTD, Airbus delivered 167 A320neo Family Aircraft...and delivered 51 A320neo Family Aircraft in both March 2024 and April 2024**



Update on GE Aviation Jet Engine Programs (Continued)

- ✓ **Clearly, based upon their huge backlog, Airbus would already be producing A320neo Family Aircraft at the rate of 75 per month if not for Supply Chain constraints and limitations**
- ✓ **And what about Boeing...how will Boeing's struggles and challenge with the 737 MAX impact the A320neo Family Aircraft's prospects and single-aisle market share?**
- ✓ **And what about the engines for the A320neo Aircraft Family?**
 - **By way of review, the A320neo Aircraft Family offers two approved engine options, namely the **CFM LEAP-1A engine** and the **Pratt PW1100G (GTF) engine****
 - **Park supplies into the A320neo Family Aircraft using the CFM LEAP-1A engines...Park has no content on the A320neo Family Aircraft using the Pratt PW1100G engines**
 - **According to the May 2024 edition of Aero Engine News, the CFM LEAP-1A's market share of firm engine orders for the A320neo Family of Aircraft is 63.1% as of March 31, 2024**



Update on GE Aviation Jet Engine Programs (Continued)

- At the delivery rate of 75 A320neo Family Aircraft per month, the 63.1% LEAP-1A market share translates into 1,136 LEAP-1A engines per year
 - What is that worth to Park?
- There currently are 8,132 firm LEAP-1A engine orders (Source: May 2024 edition of Aero Engine News)
 - What are those firm orders worth to Park?
- There are widely reported serious durability issues with the Pratt PW1100G engine
 - Will these serious durability issues lead to additional A320neo Aircraft Family market share gains for the LEAP-1A engine?
 - ❖ **Interesting Question!**
- Meanwhile, CFM is already delivering new LEAP-1A engines with its new reverse bleed air system designed to further improve durability



Airbus A321XLR with LEAP-1A Engines



Update on GE Aviation Jet Engine Programs (Continued)

✓ Airbus A321XLR Aircraft Variant

- **Airbus recently confirmed that it expects the A321XLR to enter into service before the end of 2024!**
 - EIS delayed from original 2023 target as, according to Airbus, certification is taking a little longer than expected
- Boeing is not planning a response to the A321XLR aircraft
- Airbus currently has over 550 A321XLR orders
- Potentially very important program for Park

➤ Comac C919 with CFM LEAP-1C Engines

- ✓ Comac plans to achieve a production rate of 150 C919 Aircraft per year within five years
- ✓ Comac is reported to have over 1,500 orders for the C919 Aircraft
- ✓ China Southern Airlines recently placed an order for 100 new C919 Aircraft



Comac C919 with CFM LEAP-1C Engine



Update on GE Aviation Jet Engine Programs (Continued)

- ✓ Comac delivered its sixth C919 Aircraft to China Eastern Airlines on May 28, 2024
- ✓ Comac is reportedly expanding C919 Aircraft production lines
- ✓ **Recently reported that China's CAAC (the "China FAA") is aiming for a 2025 EASA Certification of the C919 Aircraft**
- ✓ Potentially very important program for Park

➤ Comac ARJ21 Regional Jet with GE CF34-10A Engines...

- ✓ 117 ARJ21 Aircraft have reportedly been delivered as of November 2023
- ✓ 35 ARJ21 Aircraft reportedly delivered in both 2022 and 2023
- ✓ The ARJ21 Aircraft has reportedly carried over 10 Million passengers since it entered service in 2016
- ✓ Program is going well...



Comac ARJ21 with GE CF34-10A Engine



Update on GE Aviation Jet Engine Programs (Continued)

➤ Boeing 777X Aircraft with GE9X Engines

- ✓ According to Boeing, the B777X Aircraft will be certified by the FAA and EASA in 2025
- ✓ Park expects approximately \$1.75 million of B777X Program revenues in CY2024
- ✓ With the cancellation of the Boeing 747 and Airbus A380 programs, the B777X occupies a unique space in the long-haul high-payload capacity widebody aircraft market...and it will likely continue to do so for a very long time
- ✓ As of March 31, 2024, Boeing had 481 B777X Aircraft open orders (Source: May 2024 Aero Engine News)
- ✓ B777X Aircraft orders continue to come in nicely notwithstanding Boeing's ongoing challenges
- ✓ Potentially significant program for Park



Boeing 777X undergoing Cold Weather Testing in Fairbanks, Alaska



GE Aviation Jet Engine Programs Sales History and Forecast Estimates

GE Aviation Programs sales history:

✓ **FY2020 Total: \$28.9 Million**

✓ FY2021 Q1: \$4.1 Million

✓ FY2021 Q2: \$2.9 Million

✓ FY2021 Q3: \$1.8 Million

✓ FY2021 Q4: \$4.4 Million

✓ **FY2021 Total: \$13.2 Million**

✓ FY2022 Q1: \$7.0 Million

✓ FY2022 Q2: \$6.5 Million

✓ FY2022 Q3: \$6.2 Million

✓ FY2022 Q4: \$6.7 Million

✓ **FY2022 Total: \$26.5 Million**

✓ FY2023 Q1: \$6.4 Million

✓ FY2023 Q2: \$6.1 Million

✓ FY2023 Q3: \$5.0 Million

✓ FY2023 Q4: \$4.7 Million

✓ **FY2023 Total: \$22.3 Million**

✓ FY2024 Q1: \$6.2 Million

✓ FY2024 Q2: \$3.1 Million

✓ FY2024 Q3: \$4.15 Million

✓ **FY2024 Q4: \$7.6 Million**

✓ **FY2024 Total: \$21.1 Million**

GE Aviation Programs Sales Forecast Estimates:

✓ **FY2025 Q1: \$6.3 Million***

*This amount is fully booked for sale in FY2025 Q1, but FY2025 Q1 GE Aviation Program sales will be impacted by an unknown amount by the storm damage to the Company's facilities reported on May 22, 2024 in a Company news release



Burndowns, Aerospace Industry Inventory Management and the Inevitable Day of Reckoning

- We have been through the inventory burndowns...and you are probably tired of hearing about them...we certainly are tired of talking about them
- We have discussed at some length the very strange inventory management practices of the aerospace industry...you are probably tired of hearing about those things too
- These burndowns and strange inventory practices certainly can cause serious and even extreme distortions and disruptions to business planning and expectations...
 - ✓ But, ultimately, the distortions and disruptions are, as a matter of inevitability, temporary and transitory in nature



Burndowns, Aerospace Industry Inventory Management and the Inevitable Day of Reckoning (Continued)

- Sooner or later, the inevitable Day of Reckoning will come...sooner or later, the demands of the aircraft end programs will take over and drive our business levels and activities...
 - ✓ **And, from what we are now hearing, that Day of Reckoning is coming sooner rather than later...**
- **Good thing that, although we did not know when the Day of Reckoning would come, we knew it was coming and could not be stopped...good thing that, at Park, we did not wait...good thing that we are already ramping up for the Day or Reckoning...ramping up for the coming Juggernaut**



Park's Financial Performance History and Forecast Estimates*

➤ Quarterly Sales and Adjusted EBITDA history:

	Sales	Adjusted EBITDA
FY2023 Q1	\$12.8 Million	\$2.8 Million
FY2023 Q2	\$13.9 Million	\$2.7 Million
FY2023 Q3	\$13.9 Million	\$3.3 Million
FY2023 Q4	\$13.5 Million	\$2.6 Million
FY2023 Total	\$54.1 Million	\$11.5 Million
FY2024 Q1	\$15.6 Million	\$3.3 Million**
FY2024 Q2	\$12.5 Million	\$2.7 Million
FY2024 Q3	\$11.6 Million	\$1.8 Million
FY2024 Q4	\$16.3 Million	\$3.2 Million**
FY2024 Total	\$56.0 Million	\$11.0 Million**

➤ FY2025 Q1 Financial Forecast Estimates***:

	Sales	Adjusted EBITDA
FY2025 Q1	\$15.75 Million to \$16.25 Million	\$3.25 Million to \$3.75 Million



Park's Financial Performance History and Forecast Estimates* (Continued)

*From Continuing Operations

**Before Special Items

*****The FY2025 Q1 sales estimate is based upon fully booked sales for FY2025 Q1, and the FY2025 Q1 EBITDA estimate is based upon those fully booked sales; however, FY2025 Q1 sales and FY2025 Q1 EBITDA will be impacted by unknown amounts by the storm damage to the Company's facilities reported on May 22, 2024 in a Company news release; although, as reported, an unknown amount of FY2025 Q1 sales will slip into FY2025 Q2 as a result of the storm damage, the Company does not expect to lose any sales or business as a result of the storm damage.**



Financial Outlook for Park and GE Programs

An Update

- The following is our updated revenue Outlook for GE Aviation Jet Engine Programs and financial Outlook for Park generally
 - ✓ Although we did provide quarterly forecast estimates for GE Aviation Programs and Park above, we believe the GE Aviation Programs and Park Outlooks are more meaningful and significant than the quarterly forecast estimates
 - ✓ **What is the “timing” for the Outlooks?**
 - **We are not sure, but, the Juggernaut is coming, it can’t be stopped and we better be ready!**
 - ✓ In providing these Outlooks, we are assuming the following:
 - There is not a severe or prolonged economic downturn during the Outlook timeframe
 - The global supply chain returns to some level of normalcy
 - Inflation moderates and returns to historically more “normal” levels
 - Staffing dynamics return to historically more “normal” levels



Updated GE Aviation Jet Engine Programs Revenue Outlook...the “Juggernaut”

Program	Engine Units per Year Assumptions ¹	Revenue per Engine Unit Estimates ²	Annual Revenues per Program Estimates
A320neo ³	1080 ⁴	\$30,500	\$32,940K
PP20 ⁵	90	\$49,000	\$4,410K
C919 ⁶	200	\$26,500	\$5,300K
ARJ21 ⁷	72	\$29,500	\$2,125K
GE9X ⁸	_____	_____	\$7,500K

➤ Total GE Aviation Programs Revenues per Outlook Year (the Juggernaut): \$52,275K

¹ Except for the engine units per year assumption for the A320neo Aircraft Family, which is addressed in footnote 4 below, the engine units per year assumption estimates are based upon historical data, customer inputs and references to related program information.

² Estimates based upon information provided by the Customers; based upon selling pricing effective January 1, 2025.

³ A320neo Aircraft Family with LEAP-1A engines. Assumes Park’s film adhesive material is qualified and in use on the program. Park’s lightning strike protection (LSP) material is already in use on the program.

⁴ Assumes delivery rate of 75 A320neo Family Aircraft per month and a 60.0% CFM LEAP-1A engine market share on the program; **we are using a 60.0% LEAP-1A market share assumption even though the LEAP-1A market share of firm engine orders is higher.**

⁵ Passport 20 Engine used on the Bombardier Global 7500/8000 business jet. Assumes Park’s LSP material is qualified and in use on the program and Park’s film adhesive material is not in use on the program.

⁶ Assumes Park’s film adhesive material is not in use on the program. Park’s LSP material is already in use on the program.

⁷ Assumes Park’s LSP material is qualified and in use on the program and Park’s film adhesive material is not in use on the program.

⁸ Engine used on the Boeing 777X aircraft. The engine units per year assumption and the revenue per engine unit estimate are being withheld to protect the confidentiality of the program, but we believe the engine units per year assumption used in computing the annual revenues is conservative. This program is subject to the fan case redesign risk referred to above.



Park Aerospace Corp. Financial Outlook principally based upon growth estimates of Programs on which Park is Sole-source Qualified...An Update⁵

	Sales	EBITDA
FY24 Base Year	\$56.0M*	\$11.0M
Estimated GE Programs Incremental Sales ¹	\$31.2M	
Estimated incremental sales for multiple programs on which Park is sole-source qualified	\$15M	
Non-GE Programs Incremental Sales ²	<u>\$7M</u>	
Estimated Revenue Outlook	\$109.2M	
Estimated EBITDA contribution from incremental sales ³		\$20.0M
Adjustment to Base Year EBITDA ⁴		<u>\$4.0M</u>
Estimated EBITDA Outlook		\$35.0M

*"M" = million



Park Aerospace Corp. Financial Outlook principally based upon growth estimates of Programs on which Park is Sole-source Qualified...An Update⁵ (Continued)

¹ GE Programs Outlook Sales of \$52.3M minus FY24 GE Programs Sales of \$21.1M equals \$31.2M.

² FY24 Non-GE Programs Sales are \$34.9M (FY24 total sales of \$56.0M minus FY24 GE Programs Sales of \$21.1M equals \$34.9M). Analysis assumes 20% growth of Non-GE Programs Sales by outlook year. 20% of \$34.9M equals \$7M of incremental Non-GE Programs Sales.

³ Outlook incremental sales are \$53.2M (Outlook Sales of \$109.2M minus FY24 Sales of \$56.0M equals \$53.2M). Analysis assumes a 37.5% EBITDA contribution on the \$53.2M of incremental sales, or \$20.0M of incremental EBITDA.

⁴ The adjustment is based upon the assumptions that inflation moderates, the inefficiencies in our manufacturing operations caused by supply chain disorder are reduced, the additional cost burdens related to staffing challenges are ameliorated and the inefficiencies related to the ramp up of our new factory expansion are eliminated and ultimately reversed.

⁵**The above financial outlook analysis is not a forecast as it only considers the estimated growth of programs on which Park is already sole source qualified, plus 20% growth of Non-GE Programs Sales by the outlook year. The analysis does not consider other revenue opportunities.**



Major New Manufacturing Project Initiative (an Update)

- **Major new Manufacturing Project Initiative for Park**
 - ✓ Requested by highly motivated Long-term Large Customer
 - ✓ Park believes the Project has a high degree of likelihood to proceed
 - ✓ Project is extremely confidential
- Park would need to build (or purchase) a new facility to accommodate the Project
 - ✓ Preliminary estimate of facility size is in the 30,000 to 50,000 square feet range
- Preliminary estimate of Park new capital required for the Project is in the \$6 million to \$10 million range
- Fairly large workforce would be required to staff the new facility
 - ✓ Automation being considered to reduce the size of the required workforce
 - ✓ Automation would increase capital spending on the Project



Major New Manufacturing Project Initiative (an Update) (Continued)

- Preliminary estimate of revenues from the Project are in the \$20 million to \$30 million per year range for more than ten years (likely Life of Program)
- High priority potentially very important project for Park and our Customer
- **Manufacturing Project Initiative is under active review and discussion with our Customer**



Happy 70th Anniversary, Park





Thank You!



May 30, 2024 Investor Conference Call – Supplementary Financial Information

The financial and other data contained herein (the “Supplementary Data”) is being provided pursuant to the requirements of Regulation G promulgated by the U.S. Securities and Exchange Commission (the “SEC”). The Supplementary Data is time-sensitive information and is accurate as of May 30, 2024. Park Aerospace Corp. (“Park” or the “Company”) is under no obligation to (and expressly disclaims any such obligation to) update or alter the Supplementary Data whether as a result of new information, future events or otherwise.

The Supplementary Data should be read in conjunction with our 2024 fiscal year fourth quarter earnings news release dated May 30, 2024 and the reports and documents that we file from time to time with the SEC. In particular, please read our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any Current Reports on Form 8-K that we may file from time to time. Park currently expects to file its Annual Report on Form 10-K for the fiscal year ended March 3, 2024 on or about June 3, 2024. We make available free of charge on or through our website located at www.parkaerospace.com our SEC filings on Forms 10-K, 10-Q and 8-K and any amendments to those filings as soon as reasonably practicable after electronic filing with the SEC.

Park’s sales were \$16.3 million in the 2024 fiscal year fourth quarter compared to \$13.5 million in the 2023 fiscal year fourth quarter and \$11.6 million in the 2024 fiscal year third quarter.

Gross Profit for the 2024 fiscal year fourth quarter was \$4.5 million, or 27.3% of sales, compared to \$3.9 million, or 28.5% of sales, for the 2023 fiscal year fourth quarter and \$3.2 million, or 27.2% of sales, for the 2024 fiscal year third quarter.

Selling, general and administrative expenses before special items for the 2024 fiscal year fourth quarter were \$1.8 million, or 10.9% of sales, compared to \$1.6 million, or 12.0% of sales, for the 2023 fiscal year fourth quarter and \$1.8 million, or 15.5% of sales, for the 2024 fiscal year third quarter. Investment income, net of interest expense, in the 2024 fiscal year fourth quarter was \$329,000 compared to \$425,000 in the 2023 fiscal year fourth quarter and \$261,000 in the 2024 fiscal year third quarter.



Appendix 1 Continued

Earnings before income taxes before special items for the 2024 fiscal year fourth quarter were \$3.0 million, or 18.4% of sales, compared to \$2.6 million, or 19.6% of sales, for the 2023 fiscal year fourth quarter and \$1.6 million, or 14.0% of sales, for the 2024 fiscal year third quarter.

Net earnings before special items for the 2024 fiscal year fourth quarter were \$2.3 million, or 14.1% of sales, compared to \$2.0 million, or 14.6% of sales, for the 2023 fiscal year fourth quarter and \$1.2 million, or 10.3% of sales, for the 2024 fiscal year third quarter.

Depreciation and amortization expense in the 2024 fiscal year fourth quarter was \$418,000 compared to \$310,000 in the 2023 fiscal year fourth quarter and \$340,000 in the 2024 fiscal year third quarter. Capital expenditures in the 2024 fiscal year fourth quarter were \$164,000 compared to \$298,000 in the 2023 fiscal year fourth quarter and \$107,000 in the 2024 fiscal year third quarter.

Adjusted EBITDA for the 2024 fiscal year fourth quarter was \$3.2 million, or 19.6% of sales, compared to \$2.6 million, or 19.4% of sales, for the 2023 fiscal year fourth quarter and \$1.8 million, or 15.5% of sales, for the 2024 fiscal year third quarter.

The effective tax rate before special items was 23.3% in the 2024 fiscal year fourth quarter compared to 25.3% in the 2023 fiscal year fourth quarter and 26.0% in the 2024 fiscal year third quarter.

For the 2024 fiscal year fourth quarter, the top five customers, in alphabetical order, were AAE Aerospace, Ducommun Incorporated, Kratos Defense & Security Solutions, Middle River Aerostructure Systems (including its subcontractors) and The Nordam Group. The top five customers totaled approximately 62% of total sales during the 2024 fiscal year fourth quarter. The top 10 customers totaled approximately 75% of total sales and the top 20 customers totaled approximately 84% of total sales during the 2024 fiscal year fourth quarter.

