



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

FY2025 Q3 Investor Conference Call
January 14, 2025

******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.

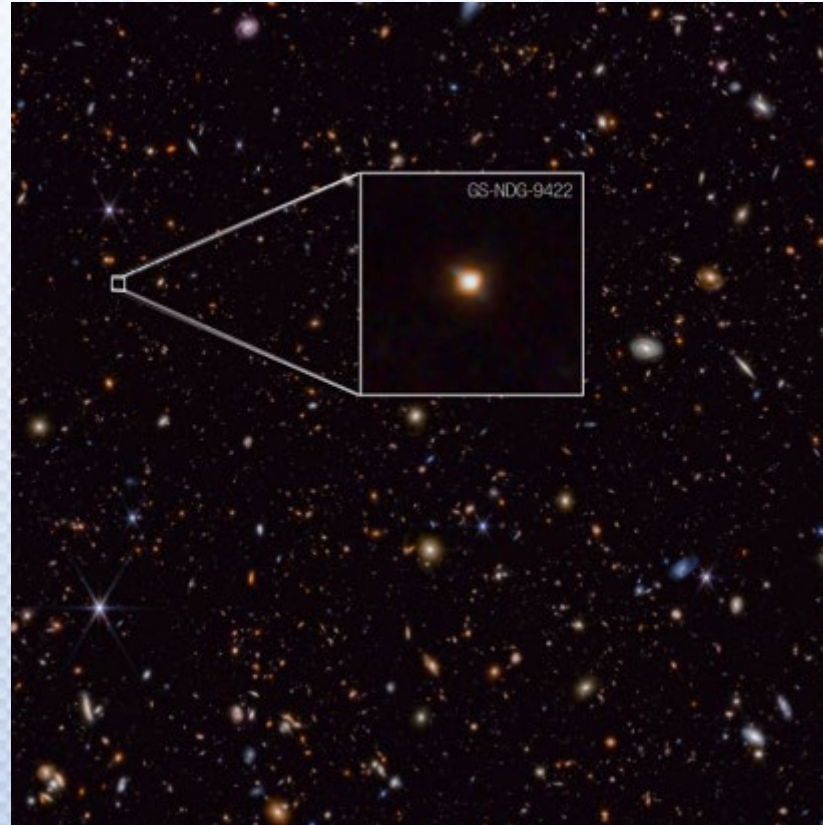
Factors that could cause actual events or results to differ materially from Park's expectations or forecasts are set forth under the caption "Factors That May Affect Future Results" in Item 1 and in Item 1A "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended March 3, 2024, 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.



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Supplementary Financial Information.....Appendix 1



*The Missing Link?
Thank you, James Webb Space Telescope*



Quarterly Results for FY2023, FY2024 and FY2025 (In Thousands)*

	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4***	FY25 Q1	FY25 Q2	FY25 Q3
Sales	\$12,783	\$13,875	\$13,867	\$13,530	\$15,551	\$12,481	\$11,639	\$16,333	\$13,970	\$16,709	\$14,408
Gross Profit	\$4,092	\$4,086	\$4,444	\$3,851	\$4,833	\$4,079	\$3,169	\$4,454	\$4,099**	\$4,757**	\$3,828
Gross Margin	32.0%	29.4%	32.0%	28.5%	31.1%	32.7%	27.2%	27.3%	29.3%**	28.5%**	26.6%
Adjusted EBITDA	\$2,804	\$2,709	\$3,321	\$2,625	\$3,311**	\$2,669	\$1,808	\$3,202**	\$2,610**	\$3,204**	\$2,414
Adjusted EBITDA Margin	21.9%	19.5%	23.9%	19.4%	21.3%**	21.4%	15.5%	19.6%**	18.7%**	19.2%**	16.8%

- What we said about FY2025 Q3 during our October 15, 2024 FY2025 Q2 Investor Call
 - ✓ Sales estimate: \$13.5 Million to \$14.25 Million
 - ✓ Adjusted EBITDA estimate: \$3.0 Million to \$3.3 Million

*From Continuing Operations

**Before Special Items

***14 Week Quarter



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- FY2025 Q3 “Considerations”...why is Q3 EBITDA considerably below the forecast range considering Q3 sales exceeded the top of the forecast range?
 - ✓ FY2025 Q3 sales were \$14.4 Million, which exceeded the forecast range by \$150 Thousand, **BUT** our Q3 “Sales Value of Production” (we call it “SVP”) was **only \$13.2 Million, or \$1.2 Million less than Q3 sales...**
 - At Park, SVP has a significant positive impact on the bottom line (i.e., EBITDA)
 - As a result, this production (or SVP) *shortfall* had a significant negative impact on our Q3 EBITDA
 - Production “absorbs” a significant amount of cost into the produced inventory
 - ✓ Why the production (or SVP) *shortfall* in FY2025 Q3?
 - Bringing up the new manufacturing lines in the new factory!
 - Going through the anticipated challenging process of optimizing the new lines as we operate them and ramp them up in a production environment



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- Ultimately, we expect the new lines to run 25% to 50% faster than the existing lines, depending on the product type, but we must go through the expected “learning curves” in order to achieve those results
- The new lines are designed with better controls than the existing lines and are capable of producing tighter tolerance (i.e., better quality) product
- We actually do not need to run the new lines to support current production levels, but **we are ramping them up to prepare for the coming Juggernaut!**
 - Ramping up a little too early will cost our P&L in the short term...but ramping up too late and not being prepared to support the major programs as they ramp...well, we all know how that would end, and it is not a pretty thing to contemplate
 - **Bottom line is we better be ready for the coming Juggernaut**



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- Ramping up the new lines now is part of our plan to be **ready**...but, for the time being, the new lines will run less efficiently until we get on the other side of the learning curves and until business levels ramp up
- ✓ Although Park is very fortunate to have such a special and dedicated workforce (great People), many of our production people are relatively new to Park and are still at the front and steep ends of their learning curves
 - As our newer people are being trained and going through the learning process, our “productivity” (measured as production units or dollars per work hour) is temporarily reduced
 - This temporary reduction in productivity negatively impacts profitability since it increases our input cost per unit of production
 - And this reduced productivity also negatively impacted our Q3 production levels, which contributed to the Q3 production *shortfall*
- ✓ Our current People Count is 134 compared to 124 at the end of our FY2025 Q2



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- Obviously, the increase in People count at least temporarily places additional pressure on our profitability
- And, actually, since employee turnover is way down, we have been able to ramp up our workforce more quickly than anticipated...a two-edged sword for Park!
- ✓ Complex and sensitive situation related to ArianeGroup's RAYCARB C2[®]B NG fabric...
 - Remember that Park entered into a Business Partner Agreement with ArianeGroup in January 2022 under which ArianeGroup appointed Park as its exclusive North American distributor of its proprietary C2B fabric
 - One of Park's key customers for the ablative materials which we produce with C2B fabric is going through a requalification of the C2B fabric
 - This customer, and other customers, continue to buy (and stockpile) significant amounts of C2B fabric from Park
 - Park sales of C2B fabric are expected to be approximately \$6.9 Million in our FY2025 and another \$2.5 Million or more in our FY2026



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- However, until this requalification is complete, Park is not able to produce ablative materials using C2B fabric for this customer
 - As a result, Park had **no** sales to this customer of ablative materials produced with C2B fabric during our FY2025 Q3!
- Remember that Park sells C2B fabric to our customers for a small “mark-up”, but our margins for producing and selling ablative materials using C2B fabric are ***significant***
- Until the requalification is complete, Park will have to live with this P&L **double whammy** of selling C2B fabric with its small mark-up and not being able to sell the very high margin ablative materials produced with C2B fabric
- At this point, the requalification is “expected” to be complete in March...
 - If that does occur, we expect sales to this customer of ablative materials produced with C2B fabric to be approximately \$2.5 Million or more in FY2026...and the contribution from those sales would be ***significant***



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- ✓ But why didn't we expect the above "Considerations" to occur FY2025 Q3? Why didn't we take these things into consideration in our Q3 EBITDA forecast?
 - Well, we actually did expect to produce and ship approximately \$400 Thousand of ablative materials produced with C2B fabric in FY2025 Q3, which would have dropped significant dollars to our bottom line in the quarter
 - However, we did sell approximately \$400 Thousand of C2B fabric during FY2025 Q3, adding to the P&L **double whammy**
 - And, as stated above, we did ramp up our headcount more quickly than expected, which burdened our Q3 P&L as well
 - But, as far as the production *shortfall* and the reduced productivity related to the less experienced production staff are concerned, we should have expected those things...we missed the mark, and we did not hit our production and productivity targets...
 - And that is on us...and we are accountable for it...
 - As a result, our Park People will not receive bonuses for our FY2025 Q3...



Quarterly Results for FY2023, FY2024 and FY2025 (Continued)

- However, there is a sense of optimism at Park about the coming year and the future, and our Park Family Members **will** receive good-will bonuses for the New Year...(but you will not pay for them)
- ✓ There were significant ongoing expenses in FY2025 Q3 related to operating our new facility, including expenses for depreciation*, facilities and maintenance, utilities, insurance and other overhead expenses and People expenses, but those Q3 expenses were taken into consideration in the Q3 forecast we provided to you in our FY2025 Q2 Investor Presentation
- Total Missed Shipments in FY2025 Q3; Approximately \$350 Thousand
 - ✓ Caused by international shipment issues, supply chain issues, customers on hold issues and other miscellaneous issues

*\$1,260 Thousand per year of depreciation expense related to the new production facility; this expense does not impact EBITDA but **does** impact Gross Profit and Gross Margin...approximately 2% negative impact on Gross Margin



FY2025 Q3 Top Five Customers (in Alphabetical Order)

Aerojet Rocketdyne

Aerospheres, Inc.

Kratos Defense and
Security Solutions

Middle River Aerostructure Systems
(MRAS) and its subcontractors

The Nordam Group



*Comac C909 Regional Jet
(formerly the ARJ21)*



Gulfstream G280 Business Jet



*Kratos XQ-58 Valkyrie
Tactical Unmanned Aircraft*



*Lockheed Martin PAC-3
Patriot Missile Defense System*

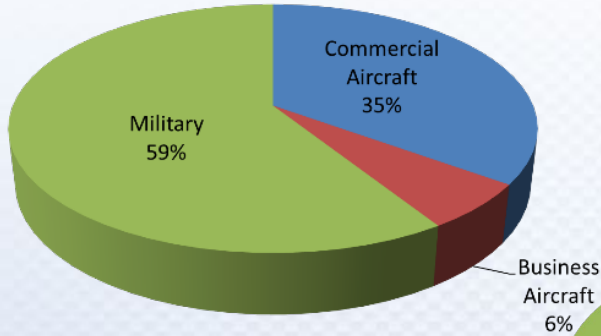


*Boeing 737-800
Commercial Aircraft*



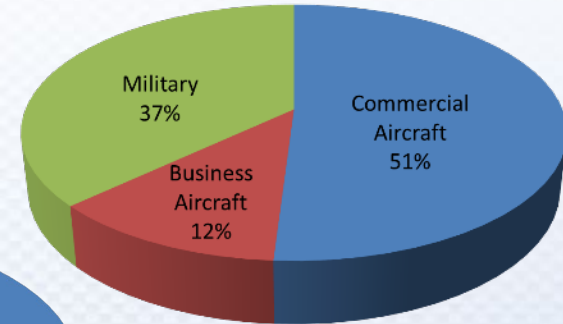
Park's Estimated Revenues by Aerospace Market Segment

FY2021

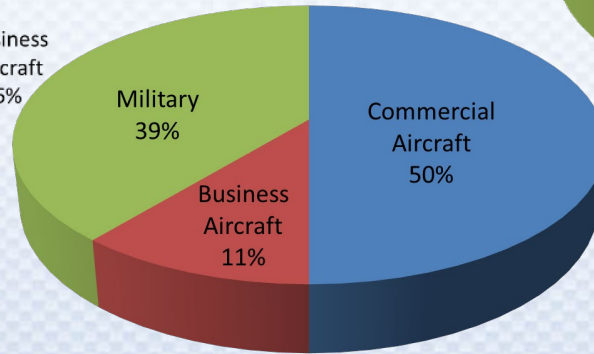


FY2021 Revenues:
\$46.3 Million

FY2022

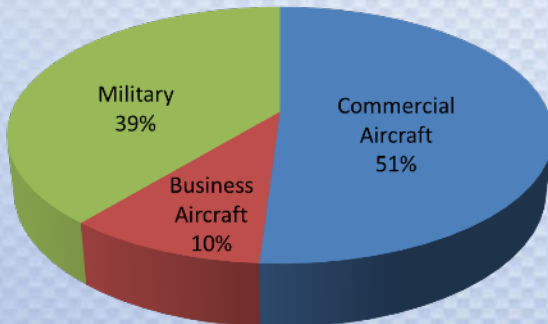


FY2022 Revenues:
\$53.6 Million



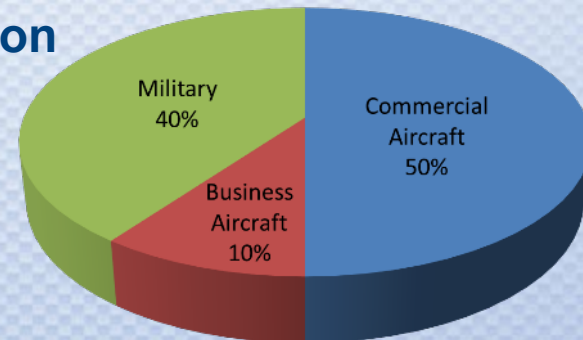
FY2025 First 9 Months
Revenues: \$45.1 Million

FY2023



FY2023 Revenues:
\$54.1 Million

FY2024



FY2024 Revenues:
\$56.0 Million

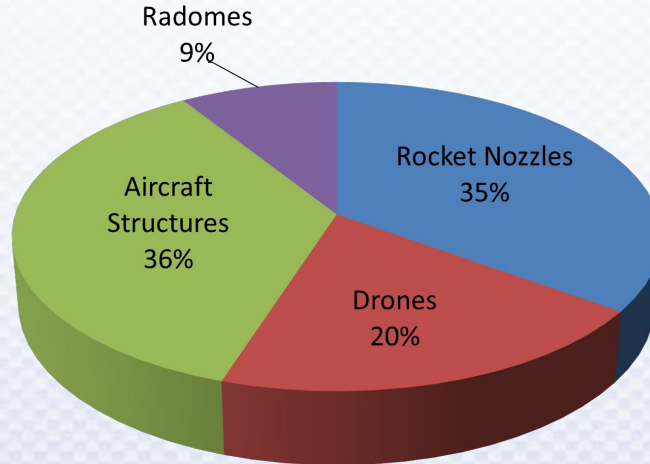


Park Loves “Niche” Military Aerospace Programs

Park’s Estimated FY2025 First 9 Months Military Revenues by Market Segment



Long Range Precision Guided Anti Ship-Missile LRASM



Estimated FY2025 First 9 Months Military Revenues: \$17.4 Million



MK56 Guided Missile Vertical Launch System



Space X Falcon Rocket and Dragon Spacecraft



Aster Vertical Launch Surface to Air Missile System



Lockheed Sunnyvale Trident D5 Submarine Launched Ballistic Missile System



GE Aerospace 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}
- ✓ B747-8 with GENx 2B Engines
(including Inner Fixed Structures)
- ✓ Comac C919 with LEAP-1C Engines¹
- ✓ Comac C909 (formerly 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 Aerospace 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" and other Composite Materials
 - ✓ Park recently received PO for approximately \$6.5 Million of Composite Materials for this Program
- MRAS/Park LTA provides for an approximate 6.5% weighted average price increase effective January 1, 2025 for the products covered by the LTA
- MRAS/Park LTA was amended to include Three Proprietary Park Film Adhesive Formulation Product Forms for composite bond and metal bond applications
 - ✓ MRAS Qualification of these Park Film Adhesive Product Forms in progress
- Life of Program Agreement requested by MRAS and STE
 - ✓ Agreement is under negotiation



Update on GE Aerospace Jet Engine Programs

- **A320neo Aircraft Family (includes A319neo, A320neo, A321neo, A321LR and A321XLR Aircraft Variants)**
 - ✓ **Airbus has a huge backlog of A320neo Aircraft Family firm orders of 7,221 Airplanes** as of November 30, 2024 (Source: January 2025 edition of Aero Engine News)
 - ✓ **Airbus is targeting a delivery rate of 75 A320neo Family Aircraft per month by 2027**



Airbus A320neo with LEAP-1A Engines



Update on GE Aerospace Jet Engine Programs (Continued)

- ✓ 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
 - **2024: 602 or an average of 50 per month**
- ✓ **Airbus delivered 92 A320neo Family Aircraft in December 2024**
- ✓ 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



Update on GE Aerospace Jet Engine Programs (Continued)

- ✓ Will Airbus achieve its goal of 75 A320neo Aircraft Family deliveries per month?
 - If you ask us...Yup!
 - Will Airbus achieve that goal in 2027?
 - After a very strong finish to 2024, at a January 9, 2025 briefing, Airbus's Commercial Aircraft CEO emphatically reiterated Airbus's plan to achieve its 75 per month production goal in 2027
 - Are we "Waiting for Godot"?
 - We better not be!
 - **We better be ready for the 75 per month Juggernaut...**



Airbus A321neo with LEAP-1A Engines



Update on GE Aerospace Jet Engine Programs (Continued)

✓ Approved Engines for the A320neo Aircraft Family

- The A320neo Aircraft Family offers two approved engine options, namely the **CFM LEAP-1A engine** and the **Pratt PW1100G (GTF) engine**
- On December 6, 2024, GE announced that the FAA and EASA have certified CFM's new HPT durability kit for LEAP-1A engines
- 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 January 2025 edition of Aero Engine News, the CFM LEAP-1A's market share of firm engine orders for the A320neo Family of Aircraft was 63.9% as of November 30, 2024
- At the delivery rate of 75 A320neo Family Aircraft per month, the 63.9% LEAP-1A market share translates into 1,150 LEAP-1A engines per year
 - What is that worth to Park?



Update on GE Aerospace Jet Engine Programs (Continued)

- As of November 30, 2024, there were 8,148 firm LEAP-1A engine orders (Source: January 2025 edition of Aero Engine News)
 - What are those firm orders worth to Park?

✓ Airbus A321XLR Aircraft Variant

- First delivery (with LEAP-1A engines) to Iberia Airlines on October 30, 2024
- First Commercial Flight on November 6, 2024
- First Commercial Transatlantic Flight on November 14, 2024
- According to Airbus, it has over 550 firm orders for the A321XLR Aircraft



Airbus A321XLR with LEAP-1A Engines



Update on GE Aerospace Jet Engine Programs (Continued)

➤ Comac C919 with CFM LEAP-1C Engines

- ✓ Comac plans to deliver 54 C919 Aircraft in 2025, 84 in 2026, 110 in 2027 and 126 in 2028
- ✓ Comac plans to achieve a production rate of 150 C919 Aircraft per year by 2028
- ✓ Comac reported to have over 1,000 orders for the C919 Aircraft
- ✓ The C919 is now flying for Air China, China Eastern Airlines and China Southern Airlines
- ✓ Comac reportedly has delivered 16 C919 Aircraft so far
- ✓ Comac aiming for EASA certification in **2025! Wow!**
- ✓ Comac aiming for SE Asia flights in 2026



Comac C919 with CFM LEAP-1C Engine



Update on GE Aerospace Jet Engine Programs (Continued)

➤ Boeing 777X Aircraft with GE9X Engines

- ✓ On August 19, 2024, the FAA temporarily grounded the Boeing B777X test flight fleet after engine attachment defects were discovered
- ✓ On September 6, 2024, one of the B777X test fleet aircraft reportedly returned to the skies
- ✓ Boeing's current certification and first delivery target for the B777X Aircraft is 2026
- ✓ As of September 2024, Boeing reportedly had 503 B777X Aircraft open orders



*Boeing 777X undergoing
Cold Weather Testing
in Fairbanks, Alaska*

➤ Bombardier Global 7500/8000 with Passport 20 Engines

- ✓ 200th Delivery announced on December 9, 2024



*Bombardier Global 7500
with Passport 20 Engines*



GE Aerospace Jet Engine Programs Sales History and Forecast Estimates

GE Aerospace 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**
- ✓ **FY2025 Q1: \$5.0 Million**
- ✓ **FY2025 Q2: \$7.1 Million**
- ✓ **FY2025 Q3: \$6.9 Million**

GE Aerospace Programs Sales Forecast Estimates*:

- ✓ **FY2025 Q4: \$5.0 Million to \$5.5 Million**
- ✓ **FY2025: \$24.0 Million to \$24.5 Million**
- ✓ **FY2026: \$28.0 Million to \$32.0 Million****

*Subject to Supply Chain risks and other risks described in Slide 2

**Preliminary estimate



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	\$14.0 Million	\$2.6 Million**
FY2025 Q2	\$16.7 Million	\$3.2 Million**
FY2025 Q3	\$14.4 Million	\$2.4 Million

➤ FY2025 Q4 and FY2025 Financial Forecast Estimates***:

	Sales	Adjusted EBITDA
FY2025 Q4	\$15.5 Million to \$16.3 Million	\$3.3 Million to \$3.9 Million
FY2025	\$60.5 Million to \$61.5 Million	\$11.5 Million to \$12.2 Million

*From Continuing Operations

**Before Special Items

***Includes approximately \$3.9 Million of C2B fabric sales in FY2025 Q4; subject to Supply Chain risks and limitations and other risks described in Slide 2



Historical Fiscal Year Results and FY2025 Forecast Estimates (In Thousands)*

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024***	FY2025 Forecast Estimates
Sales	\$31,837	\$40,230	\$51,116	\$60,014	\$46,276	\$53,578	\$54,055	\$56,004	\$60,500 to \$61,500
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**	\$11,500 to \$12,200
Adjusted EBITDA Margin	3.3%	11.7%**	20.0%**	21.7%**	18.2%**	24.4%**	21.2%	19.6%**	

➤ Important themes and considerations:

- ✓ Supply Chain limitations affecting Aerospace Industry
- ✓ Ramping up of costs for the “Juggernaut”
- ✓ FY2025 Forecast Estimates include approximately \$6.9 Million of C2B fabric sales

*From Continuing Operations

**Before Special Items

***53-Week Fiscal Year



General Park Updates

- Solution Treater Project...an update
 - ✓ Project still a “go” front burner project
 - ✓ Project budget is approximately \$7.5 Million
 - ✓ Especially important for the new missile program opportunities

- Major OEM supplier has asked Park to “partner” with them on the purchase of an additional manufacturing line to support critical defense programs...an update
 - ✓ Project still a “go” front burner project
 - ✓ Park and the OEM “partner” to contribute approximately **\$5 Million** each
 - ✓ Agreement between OEM and Park undergoing legal review
 - ✓ Park total revenue under Agreement estimated to be approximately \$75 Million through 2034
 - ✓ OEM is ArianeGroup, the manufacturer of C2B fabric used by Park for ablative materials for missile Programs



General Park Updates (Continued)

- Essential **large** high profile Missile Defense Program...an update
 - ✓ Park is **Sole Source Qualified** on this high-profile Missile Defense System Program
 - ✓ Initial revenues expected for Park later this year and program is expected to ramp quickly from there
 - ✓ What is the Program?

- Park recently entered into a license agreement with a major OEM to license technology used for hypersonic missile programs; we understand Park is the only licensee of this technology...an update
 - ✓ Park is in Phase 2 of manufacturing trials and testing of the licensed technology
 - Results are positive so far



General Park Updates (Continued)

- New LTA with GE Aerospace for CYs 2025 through 2030 under which GE awarded two additional products to Park...
 - ✓ Incremental revenue from the additional products is expected to be approximately \$3.0 Million per year
 - ✓ LTA is complete and executed

- Potential JV with major Asian industrial conglomerate related to the manufacture, marketing and sale of certain of Park's commercial composite materials products in Asia...
 - ✓ Discussions and negotiations continue

- MRAS CY2024 Supplier Scorecard...
 - ✓ Park's scores:
 - 12 Month Rolling Composite Score: **100.00**
 - 12 Month Rolling Acceptance Rate: **100.00**
 - 12 Month Rolling SU Rate: **100.00**
 - ✓ What does this mean to Park?



New Park Emphasis on Military/Defense Markets

➤ New Park emphasis on Military/Defense Markets and Programs

✓ Why this new emphasis?

- How many new commercial aircraft programs are in the works?
 - The Boeing 777X
 - The Comac C929
 - And?
- **Significant** opportunities materializing for Park in the Military/Defense Markets, particularly related to new major **Missile Programs**...what is Park's focus with these programs?
 - **Ablative Materials** for Rockets
 - Materials for **Hypersonic Missiles**

✓ Park is currently engaged on several high profile and essential missile programs

- Ablative and Hypersonic applications for Park's products
- Some of the programs are potentially **very** large programs for Park



New Park Emphasis on Military/Defense Markets (Continued)

- Unfortunately, these programs are highly sensitive and confidential programs on which we are not able to provide specific information at this time
 - We will provide more information on these programs when appropriate
 - For now, let's just say there are several large high-profile programs on which Park is engaged, including three missile and hypersonics programs on which Park's materials are undergoing serious evaluation...each of these programs has the potential to generate \$10 Million or more of annual revenues for Park
- ✓ And remember that Park is a **true blue** American Company...to our knowledge, only one of our competitors is as well...



Recent Question from Investor

- Question about the Fan Case Containment Wrap for GE9X Engines for Boeing 777X Aircraft:
 - ✓ In prior presentations, Park mentioned the fan case redesign risk potentially resulting in the elimination of the Fan Case Containment Wrap. Why is Park no longer highlighting that risk?
 - Although we could be wrong, we believe that ship has sailed and the program will proceed with the current fan case design utilizing the Containment Wrap



Park's Share Buy-back Authorization and Activity...an Update

- As announced on May 23, 2022, Park's Board of Directors authorized Park's purchase of up to 1,500,000 shares of the Company's Common Stock on the open market and in privately negotiated transactions
 - ✓ Under this authorization, Park has purchased a total of 551,729 shares of its Common Stock at an average price of \$12.94 per share at a total cost of \$7,130,948

- **Recent Buy-back activity under the authorization:**
 - ✓ **Since July 26, 2024, Park purchased 330,180 shares of its Common Stock at an average price of \$12.88 per share at a total cost of \$4,251,322**
 - FYI, 180,547 of these shares were purchased during Park's FY2025 Q3 at an average price of \$13.09 per share at a total cost of \$2,363,697
 - ✓ No additional shares have been purchased under the authorization since October 10, 2024



Park's Incredible Cash Dividend History

- Park has paid **40 consecutive years** of uninterrupted regular quarterly cash dividends without ever skipping a dividend or reducing the amount of the dividend
- Park has paid **\$599 Million, or \$29.225 per share, in cash dividends since the beginning of FY2005!**
- When the regular cash dividend declared on December 9, 2024 is paid on February 4, 2025, **Park will have paid \$601.1 Million, in cash dividends since the beginning of FY2005!**



Park's Balance Sheet and Cash

- Park has zero long term debt!

- Park reported \$70.0 in Cash and Marketable Securities as of the end of FY2025 Q3
 - ✓ The final Transition Tax installment payment of \$5.1 Million is payable in June 2025

- Thinking about our Cash
 - ✓ Known or likely cash expenditures:
 - June 2025 Transition Tax payment: \$5.1 Million
 - Solution Treater Project: \$7.5 Million*
 - Contribution to OEM Partnership: \$5.0 Million*

 - ✓ \$70.0 Million - \$17.6 Million = **\$52.4 Million**



Financial Outlooks for GE Aerospace Jet Engine Programs and for Park...the “Juggernaut”

- What is the “timing” for the Financial Outlooks?
 - ✓ We are not sure, but the Juggernaut is coming, it can’t be stopped and we better be ready!



Airbus A321neo with LEAP-1A Engine



GE Aerospace 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	300	\$26,500	\$7,950K
C909 ⁷	72	\$29,500	\$2,125K
GE9X ⁸	_____	_____	\$11,250K

➤ Total GE Aviation Programs Revenues per Outlook Year (the Juggernaut): \$58,675K

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 and based upon Park’s 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 Formerly the Comac ARJ21; 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; the engine units per year assumption used in computing the annual revenues is based upon program information recently received from our Customer.



Park Aerospace Corp. High-level Conceptual Financial Outlook

	Sales	EBITDA
FY2024 Baseline Year	\$56.0M*	\$11.0M
Estimated GE Programs Incremental Sales ¹	\$37.6M	
Estimated Non-GE Programs Incremental Sales ²	<u>\$15.0M</u>	
Estimated Revenue Outlook	\$108.6M	
Estimated EBITDA contribution from incremental sales ³		\$19.7M
Adjustment to Base Year EBITDA ⁴		<u>\$4.0M</u>
Estimated EBITDA Outlook		\$34.7M

*"M" = million



Park Aerospace Corp. High-level Conceptual Financial Outlook (Continued)

¹ GE Programs Outlook Sales of \$58.7M minus FY2024 GE Programs Sales of \$21.1M equals \$37.6M.

² FY2024 Non-GE Programs Sales are \$34.9M (FY24 total sales of \$56.0M minus FY24 GE Programs Sales of \$21.1M equals \$34.9M). **The Company believes the Non-GE Program Incremental Sales estimate of \$15 Million by the Outlook year to be *conservative* considering the multitude of program opportunities in progress for the Company, including the opportunities related to missile programs discussed above.**

³ Outlook incremental sales are \$52.6M (Outlook Sales of \$108.6M minus FY2024 Sales of \$56.0M equals \$52.6M). Analysis assumes a 37.5% EBITDA contribution on the \$52.6M of incremental sales, or \$19.7M of incremental EBITDA.

⁴ The adjustment is based upon the assumptions that inflation moderates, the inefficiencies in our manufacturing operations caused by supply chain disorders 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.



Thank You!



Appendix 1

Park Aerospace Corp.

January 14, 2025 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 January 14, 2025. 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 2025 fiscal year third quarter earnings news release dated January 14, 2025 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 Quarterly Report on Form 10-Q for the fiscal quarter ended December 1, 2024 on or about January 15, 2025. 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 \$14.4 million in the 2025 fiscal year third quarter compared to \$11.6 million in the 2024 fiscal year third quarter and \$16.7 million in the 2025 fiscal year second quarter.

Gross Profit for the 2025 fiscal year third quarter was \$3.8 million, or 26.6% of sales, compared to \$3.2 million, or 27.2% of sales, for the 2024 fiscal year third quarter and \$4.8 million, or 28.5% of sales, for the 2025 fiscal year second quarter.



Appendix 1 Continued

Before special items, selling, general and administrative expenses for the 2025 fiscal year third quarter were \$2.0 million, or 13.8% of sales, compared to \$1.8 million, or 15.5% of sales, for the 2024 fiscal year third quarter and \$2.1 million, or 12.8% of sales, for the 2025 fiscal year second quarter. Before special items, investment income, net of interest expense, in the 2025 fiscal year third quarter was \$290,000 compared to \$261,000 in the 2024 fiscal year third quarter and \$245,000 in the 2025 fiscal year second quarter.

Before special items, earnings before income taxes for the 2025 fiscal year third quarter were \$2.1 million, or 14.8% of sales, compared to \$1.6 million, or 14.0% of sales, for the 2024 fiscal year third quarter and \$2.9 million, or 17.1% of sales, for the 2025 fiscal year second quarter.

Before special items, net earnings for the 2025 fiscal year third quarter were \$1.6 million, or 10.9% of sales, compared to \$1.2 million, or 10.3% of sales, for the 2024 fiscal year third quarter and \$2.1 million, or 12.5% of sales, for the 2025 fiscal year second quarter.

Depreciation and amortization expense in the 2025 fiscal year third quarter was \$464,000 compared to \$339,000 in the 2024 fiscal year third quarter and \$488,000 in the 2025 fiscal year second quarter. Capital expenditures for the nine months ended December 1, 2024 were \$258,000 compared to \$481,000 in the nine months ended November 26, 2023.

Adjusted EBITDA for the 2025 fiscal year third quarter was \$2.4 million, or 16.8% of sales, compared to \$1.8 million, or 15.5% of sales, for the 2024 fiscal year third quarter and \$3.2 million, or 19.2% of sales, for the 2025 fiscal year second quarter.

The effective tax rate before special items for the nine months ended December 1, 2024 was 26.5% compared to 26.5% for the nine months ended November 26, 2023.

For the 2025 fiscal year third quarter, the top five customers, in alphabetical order, were Aerojet Rocketdyne, Aerospheres, Inc., Kratos Defense & Security Solutions, Middle River Aerostructure Systems (including its subcontractors), and The Nordam Group. The top five customers totaled approximately 56% of total sales during the 2025 fiscal year third quarter. The top 10 customers totaled approximately 67% of total sales and the top 20 customers totaled approximately 78% of total sales during the 2025 fiscal year third quarter.

