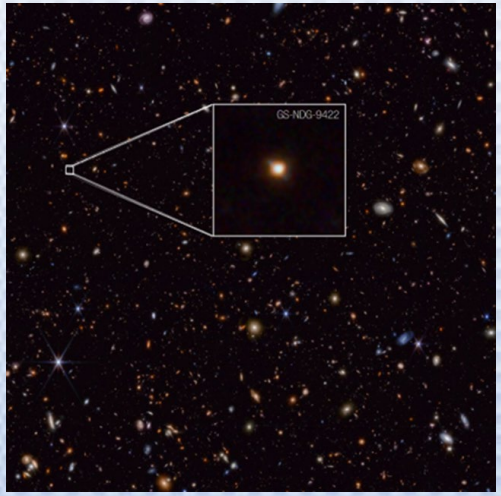
PARK
AEROSPACE
CORP.

Company Presentation
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.



The Missing Link?
Thank you, James Webb Space Telescope

Our Business

- **Park Aerospace Corp.** develops and manufactures Solution and Hot-Melt Advanced Composite Materials used to produce composite structures for global aerospace markets:
  - ✓ Wide array of prepreg materials specifically designed for hand lay-up or automated fiber placement (AFP) manufacturing applications
  - ✓ Film Adhesive materials (**Aeroadhere®**)
  - ✓ Lightning Strike Protection materials (**Electroglide®**)

- Park Aerospace's Advanced Composite Materials are used to produce primary and secondary structures for:
  - ✓ Jet Engines
  - ✓ Transport Aircraft
  - ✓ Military Aircraft
  - ✓ Missile and Hypersonic Systems
  - ✓ Unmanned Military Aircraft ("Drones")
  - ✓ Business Jets & General Aviation Aircraft
  - ✓ Rotary Wing Aircraft
  - ✓ Other Specialized Aerospace Applications

Our Business (Continued)

- Park Aerospace also offers:
  - ✓ Specialty Ablative materials for Rocket Motors and Nozzles
  - ✓ Specially designed materials for Radome Applications (including **RadarWave®** materials)

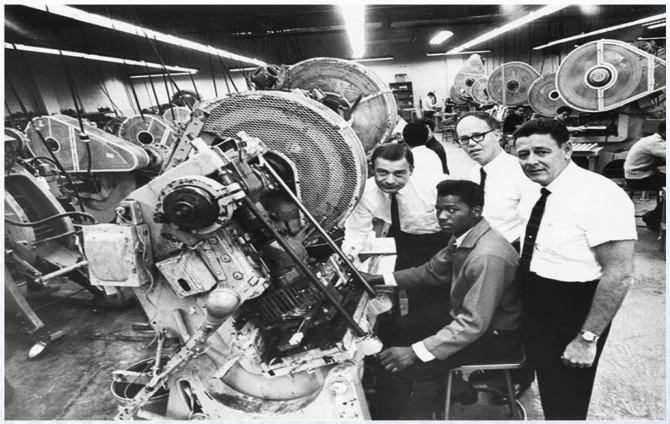
- As a complement to our Advanced Composite Materials offering, Park Aerospace designs and fabricates Composite Parts, Structures and Assemblies and Low-Volume Tooling for the Aerospace Industry

  - ✓ Parts include Park Aerospace's proprietary **SigmaStrut™** and **AlphaStrut™** product lines

Park Facilities after First Expansion

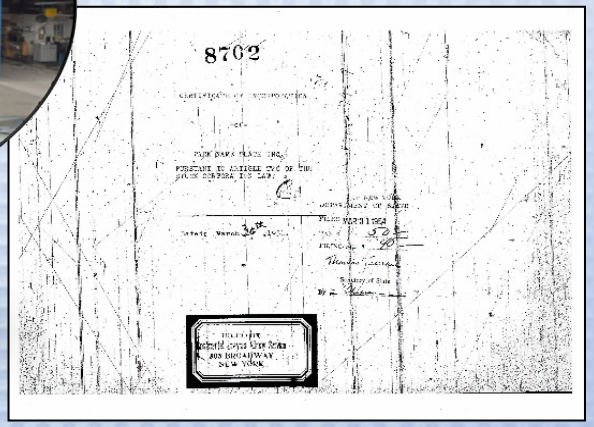
Our History

- Park founded on March 31, 1954 by Jerry Shore and Tony Chiesa under the name Park Nameplate, Inc. with $40 Thousand Investment
- Original business was nameplate and decorative trim
- Company started in a 2,500 square feet “factory” (garage?) in Woodside, Queens with 5 employees
- 1954 Results:
  - ✓ Sales: $124,206.59
  - ✓ Pretax Profit: $887.38
  - ✓ Taxes Paid: $226.21
- First Invoice: $300 to GE Schenectady (hand written)



Park’s Founders

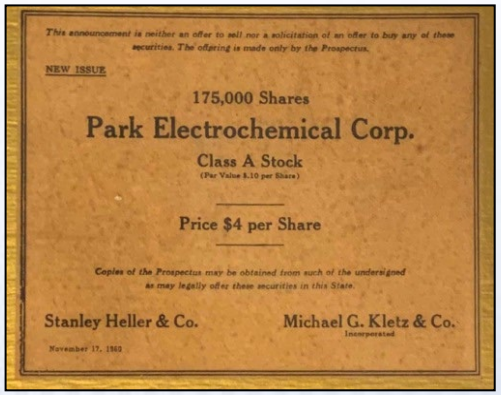
Park’s First Location



Park’s Original Certificate of Incorporation

Our History (Continued)

November 17, 1960 — Park changes name to Park Electrochemical Corp. and goes Public


This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

175,000 Shares

Park Electrochemical Corp.

Class A Stock

(Par Value $.10 per Share)

Price $4 per Share

Copies of the Prospectus may be obtained from such of the undersigned as may legally offer these securities in this State.

Stanley Heller & Co. — Michael G. Kletz & Co. Incorporated

November 17, 1960

1961 — Park acquires New England Laminates Company ("Nelco") in Stamford, CT for ~$200 Thousand

1962 — Park develops Multilayer Printed Circuit Boards for Lockheed Sunnyvale for ICMBs

1969 — Park goes to the moon with Apollo 11

1984 — Park lists on NYSE


New York Stock Exchange, Inc.

Certification of Listing

Be it known that

Park Electrochemical Corp.

Lake Success, New York

having satisfied in full the listing requirements of the New York Stock Exchange, Inc., is this 25th day of April, 1984, authorized for listing and the common stock thereof is hereby admitted to trading on the Exchange.

In Witness Whereof I have hereunto set my hand and caused the Seal of the New York Stock Exchange, Inc. to be affixed.

Chairman of the Board

Attest:

Secretary

1984 — Park sells nameplate and decorative trim business

1985 — Park is a leading global Electronics Printed Circuit Material business

Our History (Continued)

1985	Park commences regular Quarterly Cash Dividend
Jan 2007	Park commits to Aerospace as second major area of business focus
Jan 17, 2008	Ground-breaking of Park's New 54,000 square feet Aerospace Composite Materials Facility in an empty field in Newton, KS

August 2009	Park announces 42,000 square feet expansion of Newton, KS facility
February 29, 2014	Park makes first production shipment to MRAS* for engine nacelles, thrust reversers and engine internal fixed structures for Legendary Boeing 747 Aircraft

*Middle River Aerostructure Systems, a subsidiary of ST Engineering Aerospace

Our History (Continued)

December 2018	Park announces Major 90,000 square feet Expansion of Newton, KS Facility
December 2018	Park sells its Electronics Business to AGC Inc. of Tokyo, Japan
December 2018	Park's transformation from an Electronics Company into an Aerospace Company is complete
July 17, 2019	Park changes name from Park Electrochemical Corp. to Park Aerospace Corp.
August 26, 2019	Park rings closing bell at New York Stock Exchange
March 31, 2024	Park Celebrates 70 Years in Business

Major Expansion of Newton, KS Facilities

- December 2018…Park announces Major 90,000 square feet Expansion of Newton, KS Manufacturing and Development Facilities
  - ✓ Redundant Plant for GE Aerospace, MRAS and their Aircraft OEM Customers
  - ✓ Plant is also needed for Manufacturing Capacity
  - ✓ Expansion doubled size of Newton, KS facilities
  - ✓ **Expansion is complete and in production**
  - ✓ Total cost: approximately $20 Million

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

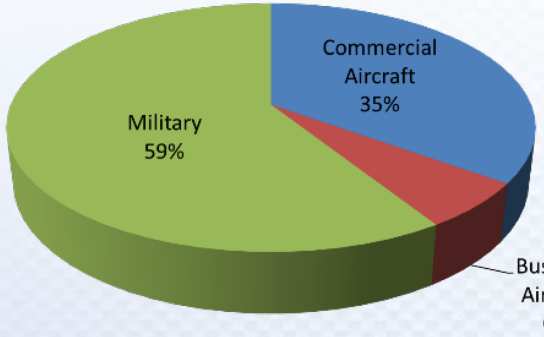
Lockheed Martin PAC-3 Patriot Missile Defense System

Kratos XQ-58 Valkyrie Tactical Unmanned Aircraft

Boeing 737-800 Commercial Aircraft

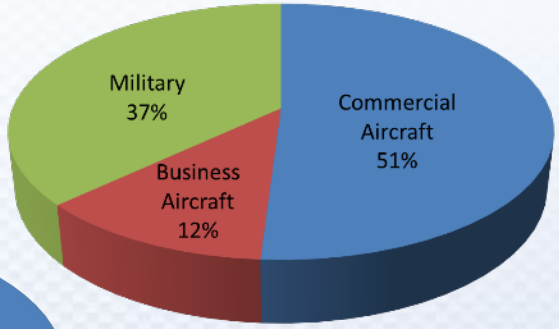
Park's Estimated Revenues by Aerospace Market Segment

FY2021

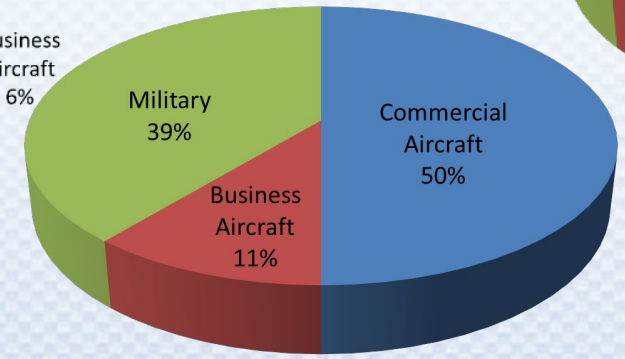


FY2021 Revenues: $46.3 Million

FY2022

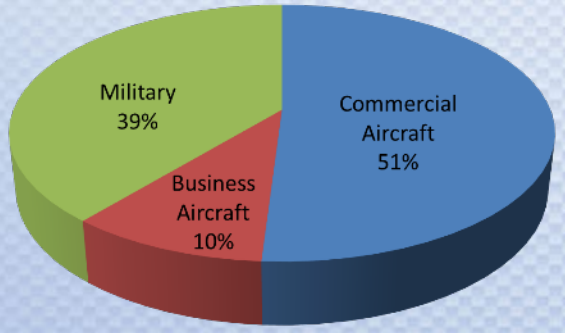


FY2022 Revenues: $53.6 Million



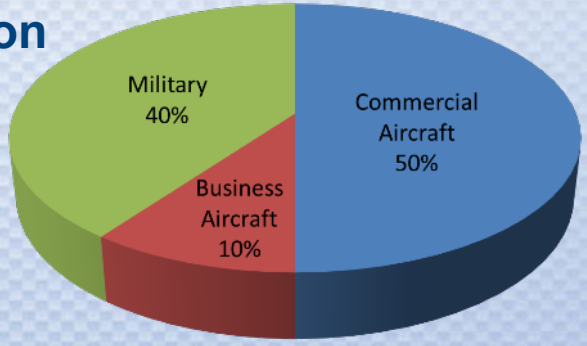
FY2025 First 9 Months Revenues: $45.1 Million

FY2023



FY2023 Revenues: $54.1 Million

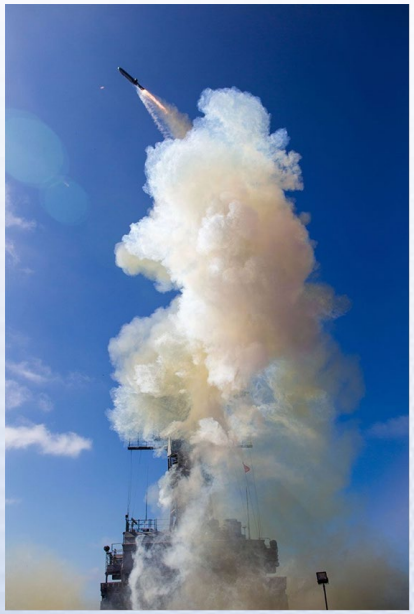
FY2024



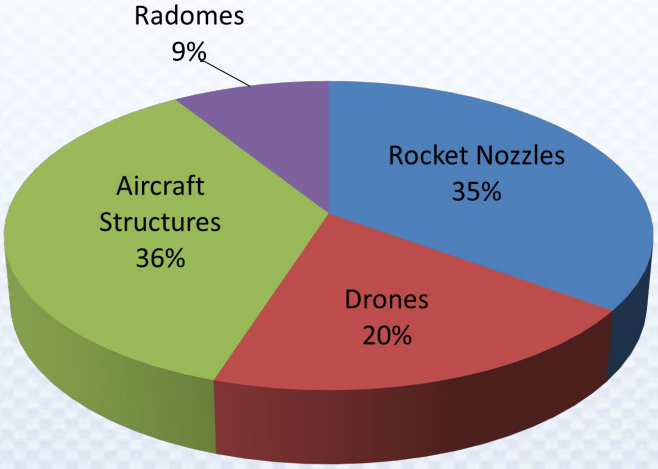
FY2024 Revenues: $56.0 Million

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 Engines[1]
  - ✓ Comac C909 (formerly ARJ21) with CF34-10A Engines

Legendary Boeing 747-8 Engine Nacelles

- ✓ Bombardier Global 7500/8000 with Passport 20 Engines

[1]Also Sole Source for Lightning Strike Protection Materials
[2]Certain components produced with Park "AFP" Composite Materials

GE Aerospace Jet Engine Programs (Continued)

- Fan Case Containment Wrap for GE9X Engines for Boeing 777X Aircraft
  - ✓ Produced with Park's "AFP" and other Composite Materials
- 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

Airbus A321neo with LEAP-1A Engines

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)

- ✓ **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**
  - **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**
  - **As of November 30, 2024, there were 8,148 firm LEAP-1A engine orders (Source: January 2025 edition of Aero Engine News)**

Update on GE Aerospace Jet Engine Programs (Continued)

- ✓ **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 aiming for EASA certification in **2025! Wow!**

Comac C919 with CFM LEAP-1C Engine

Update on GE Aerospace Jet Engine Programs (Continued)

- **Boeing 777X Aircraft with GE9X Engines**
  - ✓ Boeing's 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: $28.9 Million**
  - ✓ **FY2021: $13.2 Million**
  - ✓ **FY2022: $26.5 Million**
  - ✓ **FY2023: $22.3 Million**
  - ✓ **FY2024: $21.1 Million**
- GE Aerospace Programs Sales Forecast Estimates*:
  - ✓ **FY2025:** $23.5 Million to $24.0 Million
  - ✓ **FY2026:** $28.0 Million to $32.0 Million**

Airbus A320neo with LEAP-1A Engines

Boeing 777X Aircraft with GE9X Engines

Comac C909 Regional Jet (formerly the ARJ21) with CF34-10A Engines

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

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	$60,000 to $61,000
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 $12,000
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”

*From Continuing Operations
**Before Special Items
***53-Week Fiscal Year

General Park Updates

- Solution Treater 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…
  - ✓ 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…
  - ✓ 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 two 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

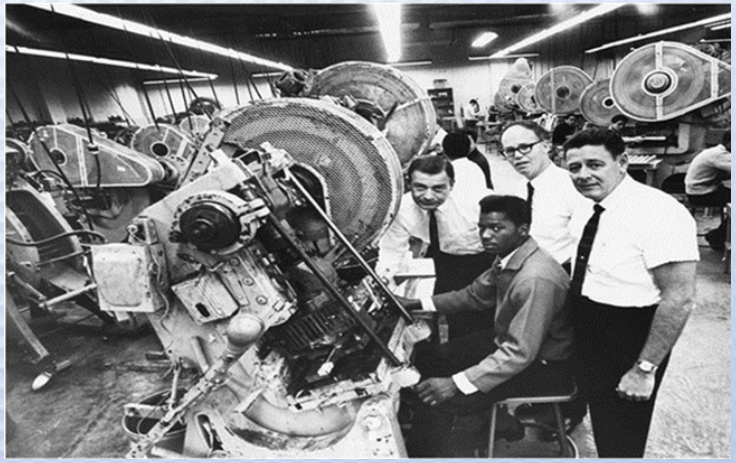
- MRAS CY2024 Supplier Scorecard…
  - ✓ Park's scores:
    - 12 Month Rolling Composite Score: **100.00**
    - 12 Month Rolling Acceptance Rate: **100.00**
    - 12 Month Rolling SU Rate: **100.00**
  - ✓ What does this mean to Park?

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**
    - And remember that Park is a **true blue** American Company...

Park's Balance Sheet, Cash and Incredible Cash Dividend History

- Park has **zero** long term debt!
- Park reported $70.0 Million in Cash and Marketable Securities as of the end of our FY2025 Q3
- 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, or $29.35 per share, in cash dividends since the beginning of FY2005!**



Park's Founders

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]	$15.0M	
Estimated Revenue Outlook	**$108.6M**	
Estimated EBITDA contribution from incremental sales[3]		$19.7M
Adjustment to Base Year EBITDA[4]		$4.0M
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!