KARMAN SPACE & DEFENSE

Impossible Ends Here

William Blair 45th Annual Growth Stock Conference

June 5,2025

Tony Koblinski
Chief Executive Officer

Mike Willis
Chief Financial Officer

Steven Gitlin
Vice President Investor Relations

Forward-Looking Statements

This presentation may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the fact that they do not relate strictly to historical or current facts and by the use of forward-looking words such as “expect,” “expectation,” “believe,” “anticipate,” “may,” “could,” “intend,” “belief,” “plan,” “estimate,” “target,” “predict,” “likely,” “seek,” “project,” “model,” “ongoing,” “will,” “should,” “forecast,” “outlook” or similar terminology. These statements are based on and reflect our current expectations, estimates, assumptions and/ or projections, our perception of historical trends and current conditions, as well as other factors that we believe are appropriate and reasonable under the circumstances. Forward-looking statements are neither predictions nor guarantees of future events, circumstances or performance and are inherently subject to known and unknown risks, uncertainties and assumptions that could cause our actual results to differ materially from those indicated by those statements. There can be no assurance that our expectations, estimates, assumptions and/or projections, including with respect to the future earnings and performance or capital structure of Karman, will prove to be correct or that any of our expectations, estimates or projections will be achieved.

Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements, including, without limitation, that a significant portion of our revenue is generated from contracts with the United States military and U.S. military spending is dependent upon the U.S. defense budget; U.S. government contracts are subject to a competitive bidding process that can consume significant resources without generating any revenue; our business and operations expose us to numerous legal and regulatory requirements, and any violation of these requirements could materially adversely affect our business, results of operations, prospects and financial condition; our inability to adequately enforce and protect our intellectual property or defend against assertions of infringement could prevent or restrict our ability to compete; and we have in the past consummated acquisitions and intend to continue to pursue acquisitions, and our business may be adversely affected if we cannot consummate acquisitions on satisfactory terms, or if we cannot effectively integrate acquired operations. Readers and/or attendees are directed to the risk factors identified in the filings we make with the SEC from time to time, copies of which are available free of charge at the SEC’s website at www.sec.gov under Karman Holdings Inc.

The forward-looking statements included in this announcement are only made as of the date of this announcement. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable law.

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Karman is a New Kind of Space & Defense Company

We Rapidly Develop and Produce Affordable, Next-Gen Systems for Space and Near-Peer Threats

- Merchant supplier to more than 70 prime contractors & more than 100 programs
- Highly engineered, IP-enabled, integrated space & defense system solutions
- Vertically integrated capabilities from design to full rate production enabling rapid system development
- Wide breadth of fundamental and complementary capabilities applicable across many programs and domains
- Designed to drive supply chain efficiencies, optimal technical solutions, and cost effectiveness of system
- History of mission success and demonstrated ability to manufacture at scale



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Track Record of Strong Financial Performance & Customer Value

Revenue
~$345M *2024 Revenue*
~23% *growth*

Broadly Diversified Revenue Base
Positions on over 100 missile & space programs, no program >11% of 2024 revenue

Ability to Increase Speed to Market and Reduce Costs
For both current and emerging primes

Margin
~$106M(1) *2024 Adj. EBITDA*
~31%(1) *2024 Adj. EBITDA Margin*

"Pure Play" Exposure to High Growth Markets
Tied to key national defense and commercial priorities in space launch, hypersonics, UAVs, next-gen missiles, etc.

Expanding Value Proposition with Strategic Acquisitions in Fragmented Market
9 acquisitions since 2020

Expertise in Technologies That Represent the Key Priorities of Modern Governments, and the Critical Systems Needed to Support Future Conflicts

(1) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures – see appendix for reconciliation

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Focused on Serving Prime Contractors in Three High-Priority End Markets

END MARKETS

Hypersonics & Strategic Missile Defense



Hypersonics, missile deterrent technologies and strategic missile defense systems

Tactical Missile & Integrated Defense Systems



Precision guided, small-diameter rocket and missile technologies and integrated defense systems

Space & Launch



Traditional and new space launch and rocket systems, space capsules, vehicles and payloads

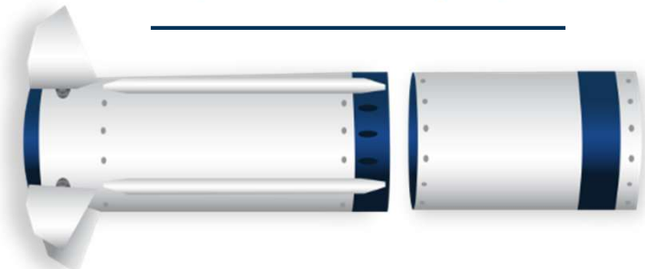
PRODUCT CATEGORIES

Propulsion Systems



Vertically integrated offering of propulsion technologies, launchers and subsystems

Aerodynamic Interstage Systems



Supporting subsystems for aerodynamics and interstage / hardware connection systems

Payload Protection & Deployment Systems



Full design and manufacturing of deployable shrouds, nose cones and supporting systems

ADVANCED SOLUTIONS FROM DESIGN TO PRODUCTION FOR OVER 70 CUSTOMERS & 100 PROGRAMS

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Delivering a Broad Range of Mission-Critical Solutions

Complex, Mission-Critical Systems, Supporting Over 100 Missile, Hypersonic, and Space Programs



Payload Protection & Deployment Systems

Deployable Shrouds

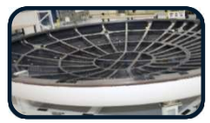
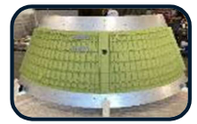
Missile front-end that survives flight conditions and deploys at dynamic trajectories with electrical separation and actuation





Integrated Heat Shields

Designed to withstand extreme temperature environments and support actuation, system recovery and motion control

Separation & Energetics

Designed for retention and reliable timely separation, actuation and/or recovery using energetics, mechanisms, and inflation





Aerodynamic Interstage Systems

Interstage Separation Rings

Separation rings, attachments, and motion control subsystems that enable successful stage connection/release




Missile / Rocket Body Assembly

Formed alloys and advanced materials that comprise primary missile or rocket body systems




Integrated Vehicle / Vessel

Build, assemble and integrate space and defense vehicles (i.e., lunar lander integration, Unmanned Underwater Vehicles (UUV))




Propulsion Systems

Solid Rocket Motors (SRM)

Combustion system for solid grain propellant to create thrust at specified parameters for boost motors, UAS and other payloads




Launcher Systems

Integrated launch systems that protect, initiate, fire, and propel missiles, Unmanned Aircraft Systems (UAS) and loitering munitions




Rocket Motor Nozzles & Cases

Critical, high performance cases and nozzle subsystems using advanced materials, for any size SRM




✓ **Highly Engineered Solutions**

✓ **Proprietary Products**

✓ **Applied Across Many Platforms**

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Solving Difficult Customer Challenges with Integrated System Solutions

- ✓ One-Stop-Shop for Design and Production of Integrated Systems
- ✓ Increased Speed and Agility
- ✓ Proven Delivery of Mission-Successful Solutions
- ✓ Optimized Engineering Resources

Hypersonics & SMD

- U.S. government-backed program to build the next homeland defense missile system
- Prime integrator sought a technical partner to design fully integrated shroud system

Solution

✓ **Designed, rapidly developed, manufactured and demonstrated** integrated shroud system



Strategic Defense Program

Tactical Missiles & IDS

- Customer required an integrated carriage, dispense and launch system for air and ground launch platforms, including unmanned systems
- Work with customer from very early stages of development to determine optimal approach

Solution

✓ Provided and now deliver **integrated system solution**



Loitering Munitions Program

Space & Launch

- Customer sought new system concepts to enable reuse and reduce launch costs
- Develop solutions for engine reusability and provide design, test and manufacturing of systems to enable engine re-usability concept

Solution

✓ **Designed, rapidly developed, manufactured and demonstrated** integrated shroud system



Space Launch Programs

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Design Capabilities Create Significant Competitive Advantage

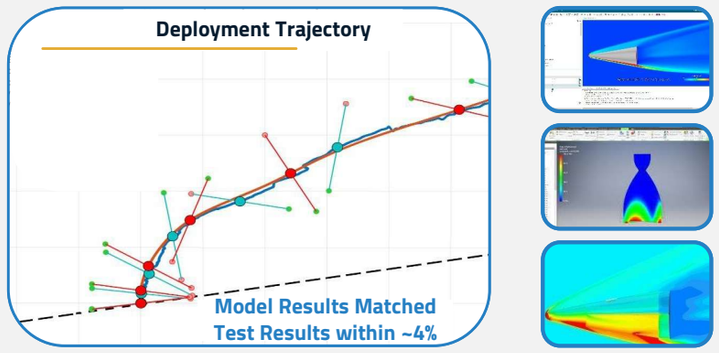
Embedded in the Design Process at the Earliest Stages of a Program, Creating Opportunities to Capture Lasting Positions on Next-Gen Programs

Leading Design Capabilities

Karman Design Expertise...

Key Design Capabilities

- ✓ Energetic and actuation subsystem testing & design
- ✓ Combustion and ballistic analysis
- ✓ Propellant grain geometry and burn profile optimization
- ✓ Trajectory and motion control analysis
- ✓ Computational Fluid Dynamics analysis
- ✓ Proprietary flow dynamics models, ablation analysis and supporting data for thermal protection technologies

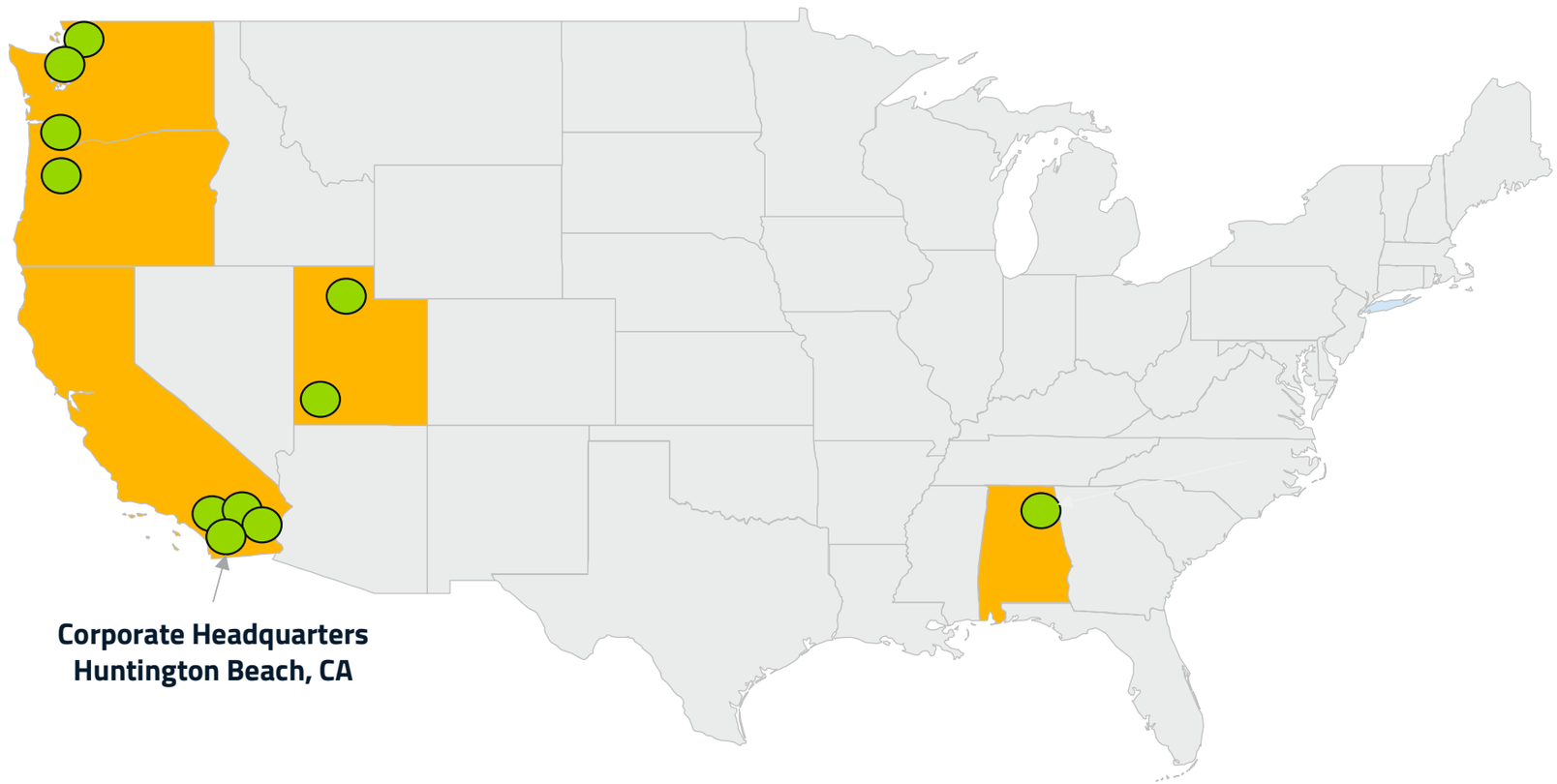


...Results in Strong Competitive Positioning

- Early Access to Next-generation Programs
- Revenue Capture at all Stages of Program Lifecycle
- Injection of Karman IP at Upfront Design Phase
- Enhanced Relationship / Partnership with Primes
- Value for Customers / Access to Design and IP

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Growing Footprint Aligned with Major Industry Centers



~1,200
Talented Employees

~800K Square Ft.
Of dedicated space for design and manufacturing

~180+
Engineers

40+ years
Heritage of Mission-Success

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M&A Strategy - MTI's Alignment with Karman

Adds Complementary, Highly Technical New Capabilities

- MTI's core competencies in hot forging, forming, pressing and machining of refractory metals is additive to the Karman portfolio
- MTI fills adds capabilities to Karman while opening up the refractory metal market and creates compelling opportunities for cross-selling and adding incremental capability to current contracts

Strong Competitive Moat and IP Protection

- 100% of MTI's products contain and require IP
- MTI's ability to leverage proprietary manufacturing techniques to deliver technically optimal, efficient solutions is aligned with the Karman thesis
- MTI's competitive moat – driven by its focus on highly-engineered products, refractory metal specialty and IP protection – is similar and complementary to Karman

Tied to Strategic, High Growth Programs that Complement Karman's Existing Position

- MTI's top programs enhance Karman's capability portfolio and represent new opportunities for Karman
- Key programs are all expected to experience double-digit growth
- MTI's presence across other major defense programs further entrenches Karman into these critical programs

Opportunity to Capitalize on Revenue Synergies

- MTI's unique and complementary capabilities present a compelling opportunity for Karman's proven growth team to execute on actionable cross-selling initiatives
- MTI adds additional classified space, which presents an opportunity to drive operational synergies

Strong Growth and High-Margin, Accretive Content

- MTI 2025 revenue visibility is aligned with Karman's, with significant future revenue visibility via its LTA contracts (through 2028+) and its single source positions on well-funded programs
- The acquisition is accretive on all key metrics, 100% single source and 100% IP protected



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M&A Strategy - ISP's Alignment with Karman

Adds Complementary, High-Value Add Capabilities

- ISP brings propellant technologies, including propellant formulation and energetic cartridge/motor manufacturing that supports expansion of Karman's current offerings, including launchers, boost motors, rocket assisted take off systems
- These are smaller, primarily cartridge loaded energetic systems and motors

Strong Competitive Moat and IP Protection

- 100% of ISP's products are supported by Design IP
- ISP's unique ability to leverage existing commercial off the shelf content, with engineering design modifications, to rapidly deliver low-cost, technically optimal solutions provides it with a unique value proposition to customers
- Like Karman, ISP is focused on the rapid design and manufacturing of critical technologies that enable speed and efficiency in the supply chain

Tied to Long-Term, High Priority Markets that Reinforce Karman's Existing Footprint

- ISP's is a proven supplier on programs where Karman already has a footprint, further entrenching Karman
- Market shift towards smaller, more tactical UAS/counter UAS applications creates natural tailwind

Multiple Actionable Near-Term Growth Synergies

- ISP is collaborating with Karman on multiple programs; the addition of ISP to the Karman platform, allows Karman to in-source on certain programs
- ISP unlocks cross-selling opportunities within the Karman portfolio, allowing Karman to offer a more comprehensive solution on some existing programs and a more competitive offering on future programs

Strong Growth and High-Margin, Accretive Content

- The acquisition of ISP is accretive on all key metrics, 100% single source and 100% IP protected

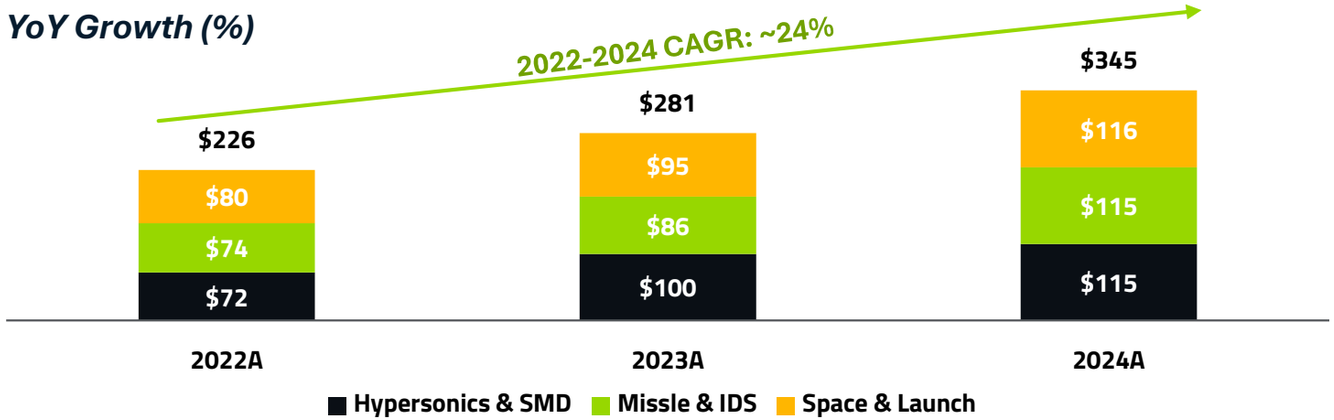


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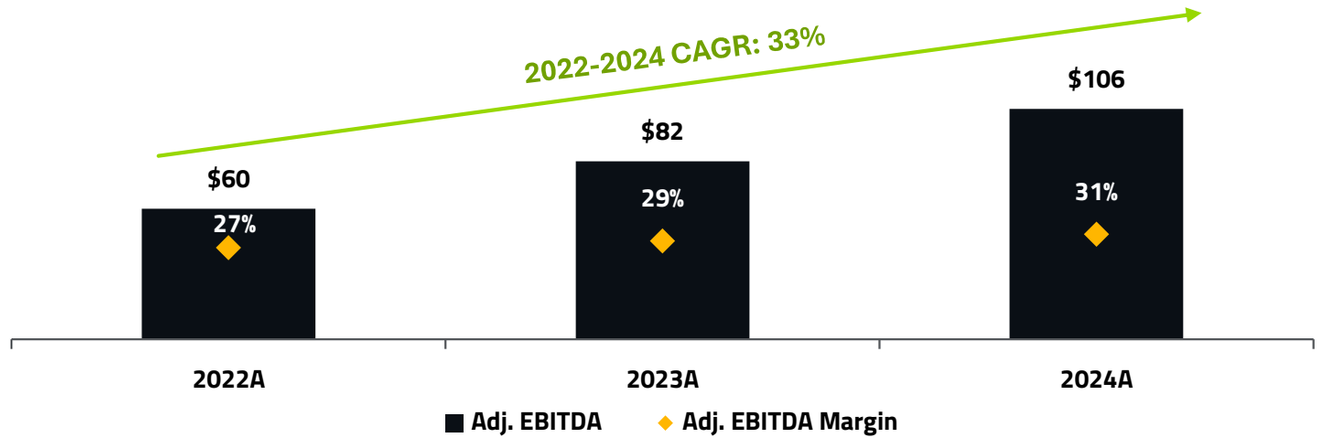
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Producing Strong Financial Results

Revenue ($M)



Adj. EBITDA & Margin ($M)[1]



(1) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures – see appendix for reconciliation

Commentary

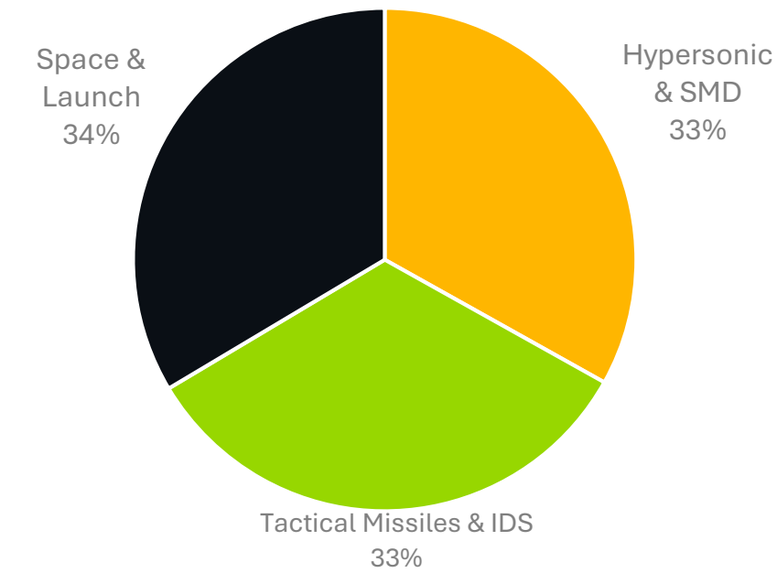
- Total Revenue for the year ended December 31, 2024 was ~$345M, with a near balanced split from each of our core end markets
- 2022 – 2024 revenue CAGR of ~24%, represents strong organic growth, a testament to the execution of our value proposition, rich IP portfolio, and position in the marketplace
- Double-digit growth across each of our core end-markets: Hypersonics & SMD, Missile & IDS, and Space & Launch
- Adj. EBITDA CAGR of ~33% from 2022 -2024 driven by effective execution and increased operating leverage
- Figures not pro forma for impact of public company costs

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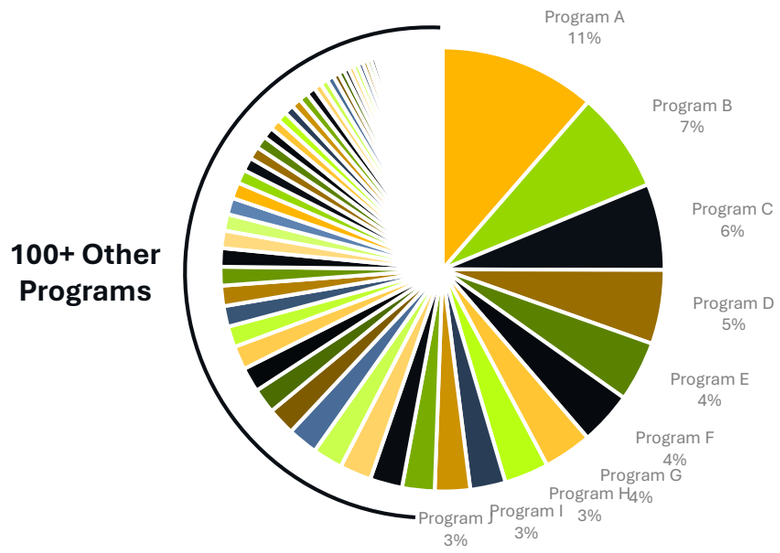
Highly Diversified Revenue Provides Resiliency

By End Market



Tied to high growth markets, with balance across space, tactical missiles, hypersonics, missile defense, and UAS

By Program



No program >11% of revenue with content across enduring and emerging programs

Note: All figures based on revenue for the year ended December 31, 2024

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First Quarter Fiscal Year 2025 | Key Financial Highlights



Record Revenue

- $100.1 million
- +21% YoY



Record Gross Profit

- $39.5 million
- +36% YoY



Record Adjusted EBITDA & EPS

- $30.3 million adjusted EBITDA
- $0.05 adjusted Earnings Per Share (Fully Diluted)



Record Funded Backlog

- $636 million

RECORD FIRST QUARTER 2025 RESULTS & POSITIONED FOR CONTINUED GROWTH IN 2025

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Experienced, Entrepreneurial and Proven Management Team



Tony Koblinski
CEO

- Defines the company's vision and leads strategic direction and growth
- **25+ years of experience** in building integrated systems and processes
- MBA from the University of Michigan

Previous Experience



Jonathan Beaudoin
COO

- Oversees top-line business operations, strategic growth initiatives and internal process improvements
- **18+ years of aerospace engineering experience**
- Expertise across all engineered systems
- MS in Aerospace Engineering from University of Washington

Previous Experience



Stephanie Sawhill
CGO

- Responsible for business development and product growth strategies
- **20+ years of aerospace industry experience**
- Author of multiple patents
- Deep expertise in energetic systems & solid propulsion technologies
- MS in Chemistry from Western Washington University

Previous Experience



Mike Willis
CFO

- Oversees financial activities and maintains a strong control environment
- **15+ years of experience** in finance and operations management
- Certified Management Accountant
- MBA from Pennsylvania State University

Previous Experience



Steven Gitlin
VP, Investor Relations

- Established and leads investor relations program
- **20+ years of aerospace and technology industry experience**
- MBA from the Wharton School, University of Pennsylvania
- MA in International Management from the Joseph H. Lauder Institute, University of Pennsylvania

Previous Experience

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Appendix



Adjusted EBITDA Reconciliation

	For the years ended December 31,	
	2024	2023
Net income (loss)	$12,701,039	$4,359,405
Income tax provision (benefit)	1,627,963	(3,168,821)
Depreciation and amortization[1]	32,959,115	27,179,214
Interest expense, net	50,732,903	47,867,005
EBITDA	98,021,020	76,236,803
Acquisition related expenses[2]	4,775,662	356,414
Integration expenses and non-recurring restructuring costs[3]	2,254,758	2,739,438
Lender and administrative agent fees[4]	100,000	500,000
Other non-recurring costs (gains)[5]	—	739,444
Share-based Compensation[6]	993,143	1,291,244
Adjusted EBITDA	$106,144,583	$81,863,342
Revenues	345,251,064	280,705,570
Net income (loss) margin	3.7%	1.6%
Adjusted EBITDA Margin	30.7%	29.2%

1. Depreciation and amortization expense includes allocated depreciation and amortization from cost of goods sold.
2. Represents legal and due diligence fees incurred in connection with planned and completed acquisitions, which are required to be expensed as incurred. During the periods presented, these costs were incurred for due diligence and legal fees related to an acquisition of equipment and intangible assets. Additionally, the Company incurred certain professional service fees related to its IPO that did not meet the requirements to be deferred issuance costs, these costs are considered non-recurring and outside the ordinary course of business and therefore are not indicative of ongoing operating performance.
3. These costs include company-wide system implementation expenses and Company re-branding costs. This category also includes post-acquisition integration costs, and employee expenses related to acquisitions or restructuring activities.
4. Reflects non-recurring lender fees associated with one-off amendments to the Company's credit agreement, separate from ongoing administrative fees.
5. Other non-recurring costs consisted primarily of non-cash impairment losses during 2023.
6. Reflects non-cash share-based compensation expenses associated with the Company's P Units.

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