





Impossible Ends **Here** 

Fourth Quarter and Full Fiscal Year 2025 Earnings Presentation

 March 25, 2026

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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.

Karman is a “Pure-Play” Merchant Supplier Aligned with the U.S. Government’s Key Priorities in Space and National Security



Hypersonics & Strategic Missile Defense



Market Drivers:

- ✓ Golden Dome
- ✓ Rapidly Evolving Adversaries
- ✓ Investments into Next-Gen Missile Technologies

Tactical Missiles & Integrated Defense



Market Drivers:

- ✓ Golden Dome
- ✓ Rapidly Evolving Adversaries
- ✓ Proliferation of Unmanned Technologies / Drones

Maritime Defense



Market Drivers:

- ✓ Golden Fleet
- ✓ Rapidly Evolving Adversaries
- ✓ Aging Fleet and Decades Long Build Rate Increases

Space & Launch



Market Drivers:

- ✓ Golden Dome
- ✓ Rapidly Evolving Adversaries
- ✓ Ramp of Commercial Launch Providers and Satellite Tech

1M+ Square Ft.
Across 17 Locations

40+ Years
Heritage of Mission-Success

~1,500
Employees @12/31/25

~300
Engineers @ 12/31/25

ADVANCED SOLUTIONS FROM DESIGN TO PRODUCTION FOR OVER 80 CUSTOMERS & 130 PROGRAMS

Fourth Quarter and Full Fiscal Year 2025 | Key Financial Highlights



Record Revenue

Q4 2025	\$134.5M	+47%
FY 2025	\$471.5M	+37%



Record Gross Profit

Q4 2025	\$53.6M	+54%
FY 2025	\$190M	+44%



Record Adjusted EBITDA

Q4 2025	\$42M	+59%
FY 2025	\$145.3M	+37%



Record Adjusted EPS

Q4 2025	\$0.11	+266%
FY 2025	\$0.37	+185%

Record Backlog
\$801M, up 38% from 12/31/24

Strategic Acquisitions Have Enhanced Our Unique Position



M&A Philosophy

Well Defined Acquisition Priorities & Strategic M&A Roadmap:

- ✓ Proprietary Products
- ✓ Advanced Design Engineering
- ✓ Niche Manufacturing Capabilities
- ✓ Vertical Integration Opportunities
- ✓ High-Growth Programmatic Positions
- ✓ Accretive to Major Financial Metrics
- ✓ Aligned Culture

Common Situational Characteristics:

- ✓ Proprietary Transactions
- ✓ Founder or Family Owned
- ✓ Existing Karman Relationships

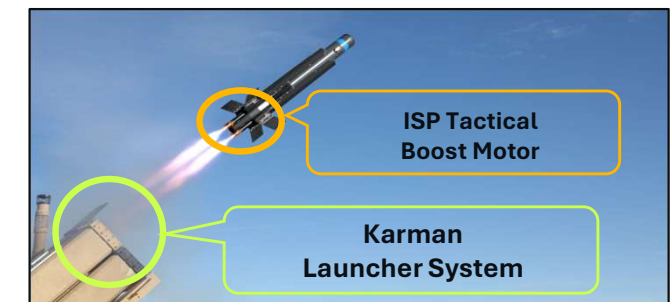
Acquisitions Since IPO



Acquisition Results

Acquisitions Consistently Create Incremental Opportunities to Accelerate Growth:

- ✓ Complementary IP-Rich Products
- ✓ New Products & Tech for Cross-Sell
- ✓ Vertical Integration & In-Sourcing
- ✓ Expanded Breadth of Capability
- ✓ Complementary Program Positions



Strategic acquisitions have expanded Karman's unique competitive moat and accelerated growth across our high priority markets

Fourth Quarter and Full Fiscal 2025 Financial Results



(In \$ millions, except percentages)	For the Three Months Ended Dec. 31, ⁽¹⁾			For the Twelve Months Ended Dec. 31, ⁽¹⁾		
	2025	2024	YoY Growth	2025	2024	YoY Growth
Revenue	\$134.5	\$91.2	47%	\$471.5	\$345.2	37%
Gross Profit	\$53.6	\$34.7	54%	\$190.0	\$132.1	44%
Income before Provision for Income Tax	\$13.6	\$2.0	585%	\$32.5	\$14.3	127%
Net Income	\$7.7	\$1.7	358%	\$17.4	\$12.7	37%
Adjusted EBITDA ⁽¹⁾	\$42.0	\$26.4	59%	\$145.3	\$106.1	37%
Adjusted EBITDA Margin ⁽¹⁾	31.2%	28.9%	230 bps	30.8%	30.7%	10 bps
Adjusted Earnings Per Share (diluted) ⁽¹⁾	\$0.11	\$0.03	266%	\$0.37	\$0.13	185%
Backlog ⁽²⁾	\$801.1	\$579.8	38%	-	-	-

(1) Adjusted EBITDA, Adjusted EPS and Adjusted EBITDA margin are non-GAAP measures – see appendix for reconciliation. Non-GAAP financial measures should be viewed in conjunction with the GAAP metrics included in the appendix. Refer to the appendix for explanation and reconciliation of non-GAAP financial measures.

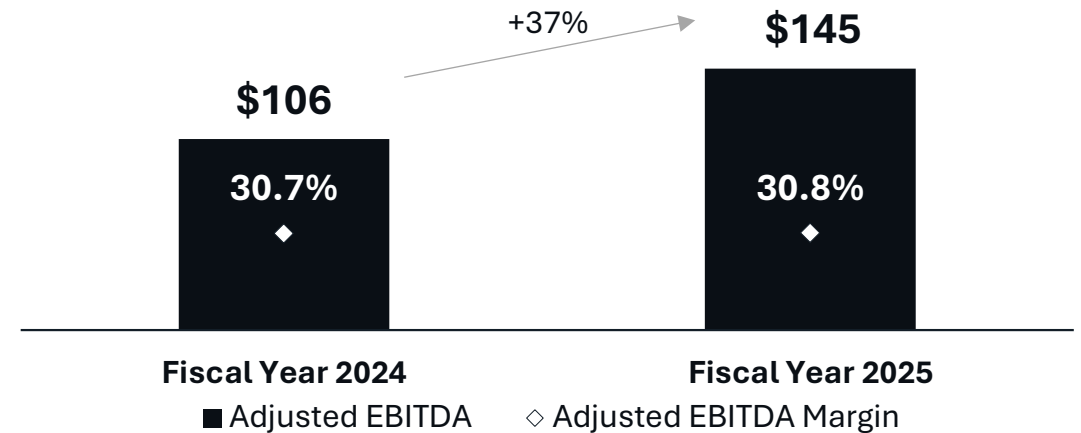
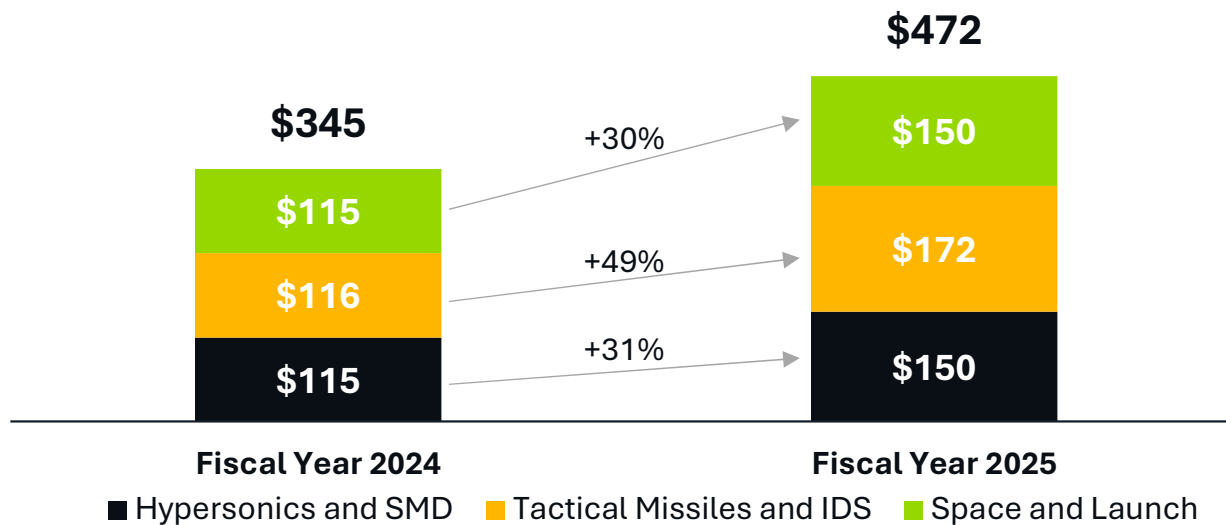
(2) Represents the total value or current estimated value of existing contracts, less amounts previously invoiced. Contract types include but are not limited to purchase orders, long term agreements and contractual authorization to proceed.



Double-Digit Growth in End Market Revenue and Adjusted EBITDA

Revenue (\$M)

Adj. EBITDA (\$M) & Margin⁽¹⁾



- Total revenue for the year ended December 31, 2025 was \$471.5M
- Double-digit revenue growth across each of our end-markets
- year-over-year growth: 37% in revenue and 37% in adjusted EBITDA

(1) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures. Please see the appendix for a reconciliation of each non-GAAP measure to its most closely comparable GAAP measure.



Updated 2026 Guidance



2026 Revenue Range

\$715 million - \$730 million
53% year over year increase to midpoint of range

2026 Adjusted EBITDA Range

\$207 million - \$218 million
46% year over year increase to midpoint of range

- 2026 guidance supported by approximately 80% revenue visibility based on backlog expected to convert to revenue during fiscal year 2026 (to the midpoint of revenue guidance range)
- Solutions highly aligned with U.S. Department of Defense priorities in missiles, missile defense, space and launch
- Highly diversified portfolio of customers and programs

Karman is a New Kind of Space & Defense Company



Profitable Space & Defense “Smidcap” Growth Company

28% revenue CAGR, **34%** adjusted EBITDA CAGR 2022-2025



Highly Diverse Space & Defense Portfolio

80+ prime contractor customers, **130+** programs across full lifecycle



Merchant Supplier of Critical Content

Uniquely aligned with key national security and space priorities



Full Solution Provider

From IP-driven design through vertically integrated, full rate production



Proven Inorganic Growth Process

Identification
Acquisition
Integration
Synergy Generation

Financial Tables

Consolidated Balance Sheets



(\$ in thousands)

	December 31, 2025 <i>(unaudited)</i>	December 31, 2024
ASSETS		
Cash and cash equivalents	\$ 33,959	\$ 11,530
Accounts receivable, net	78,716	55,220
Contract assets	156,298	107,222
Inventory	10,662	9,883
Prepaid and other	11,768	17,856
Total current assets	<u>291,403</u>	<u>201,711</u>
Property, plant and equipment, net	95,409	60,880
Goodwill	352,513	225,146
Intangible assets, net	285,888	208,952
Right-of-use lease assets	72,214	76,084
Other	6,669	1,187
Total assets	<u>\$ 1,104,096</u>	<u>\$ 773,960</u>
LIABILITY AND EQUITY		
Accounts payable	\$ 31,632	\$ 28,296
Accrued payroll and related expenses	13,776	11,249
Contract liabilities	22,814	29,868
Short term notes payable, net of debt issuance costs	3,836	7,140
Short term lease liabilities	6,216	5,513
Income taxes payable	5,299	20,054
Other current liabilities	5,094	12,487
Total current liabilities	<u>88,667</u>	<u>114,607</u>
Noncurrent lease liabilities, net of current	81,944	83,295
Noncurrent notes payable, net of current, net of debt issuance costs	495,312	326,920
Revolving line of credit	---	25,000
Deferred tax liabilities	47,832	25,370
Other non-current	7,650	2,772
Total liabilities	<u>721,405</u>	<u>577,964</u>
Total Equity	<u>382,691</u>	<u>195,996</u>
Total liabilities and equity	<u>\$ 1,104,096</u>	<u>\$ 773,960</u>



Reconciliation of Non-GAAP Financial Measures



	For the three months ended December 31,		For the year ended December 31,	
	2025	2024	2025	2024
<i>(unaudited, in thousands, except percent and per share data)</i>				
Net income	\$ 7,713	\$ 1,683	\$ 17,366	\$ 12,701
Income tax provision	5,847	295	15,156	1,628
Depreciation and amortization ¹	12,591	9,186	42,737	32,958
Interest expense, net	11,299	12,739	44,567	50,733
EBITDA	37,450	23,885	119,826	98,020
Transaction-related expenses ²	3,342	1,612	12,741	4,776
Integration expenses and non-recurring restructuring costs ³	1,079	514	2,279	2,255
Lender and administrative agent fees ⁴	106	100	1,572	100
Share-based Compensation ⁵	—	248	8,084	993
Other non-recurring costs ⁶	—	—	800	—
Adjusted EBITDA	\$ 41,977	\$ 26,359	\$ 145,302	\$ 106,144
Revenue	\$ 134,492	\$ 91,238	\$ 471,500	\$ 345,251
Net income margin	5.7%	1.8%	3.7%	3.7%
Adjusted EBITDA Margin	31.2%	28.9%	30.8%	30.7%
GAAP net income per share	\$ 0.06	\$ 0.01	\$ 0.13	\$ 0.08
Transaction-related expenses ²	0.03	0.01	0.10	0.03
Integration expenses and non-recurring restructuring costs ³	0.01	—	0.02	0.01
Lender and administrative agent fees ⁴	—	—	0.01	—
Share-based compensation ⁵	—	0.01	0.06	0.01
Other non-recurring costs ⁷	0.02	—	0.05	—
Adjusted EPS⁸	\$ 0.11	\$ 0.03	\$ 0.37	\$ 0.13

Reconciliation of Non-GAAP Financial Measures



Footnotes

This presentation includes certain non-GAAP financial measures: Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EPS. We believe the non-GAAP financial measures will help investors understand our financial condition and operating results and assess our future prospects. We believe these non-GAAP financial measures, each of which is discussed in greater detail in the earnings release that accompanies this presentation, are important supplemental measures because they exclude unusual or non-recurring items as well as non-cash items that are unrelated to or may not be indicative of our ongoing operating results. Further, when read in conjunction with our U.S. GAAP results, these non-GAAP financial measures provide a baseline for analyzing trends in our underlying businesses and can be used by management as a tool to help make financial, operational and planning decisions. We may use non-GAAP financial metrics in certain management compensation plans, debt covenants, internal budgetary decision making, and other resource allocation decisions. Finally, these measures are often used by analysts and other interested parties to evaluate companies in our industry by providing more comparable measures that are less affected by factors such as capital structure.

We recognize that these non-GAAP financial measures have limitations, including that they may be calculated differently by other companies or may be used under different circumstances or for different purposes, thereby affecting their comparability from company to company. In order to compensate for these and the other limitations discussed below, management does not consider these measures in isolation from or as alternatives to the comparable financial measures determined in accordance with U.S. GAAP. Readers should review the reconciliations on the following page and should not rely on any single financial measure to evaluate our business.

1. **Depreciation and amortization** includes depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets.
2. **Transaction-related expenses** represent legal and due diligence fees incurred in connection with planned and completed acquisitions, which are required to be expensed as incurred. These costs are considered non-recurring and outside the ordinary course of business, and therefore are not indicative of ongoing operating performance.
3. **Integration expenses and non-recurring restructuring costs** include company-wide system implementation expenses, company re-branding costs and compliance efforts. This category also includes post-acquisition integration costs, and employee expenses related to acquisitions or restructuring activities.
4. **Lender and administrative agent fees** reflect non-recurring lender fees associated with discrete amendments to the Company's credit agreement, separate from ongoing administrative fees and are not indicative of ongoing operating business operations.
5. **Share-based compensation** reflects share-based compensation expenses associated with the Company's P Units and Phantom Units. These Units were fully vested in connection with the completion of the Company's IPO in February 2025.
6. **Other non-recurring costs** include estimated legal settlements and related professional fees that are non-recurring and do not reflect ongoing business operations.
7. **Other non-recurring costs** include (i) estimated legal settlements and related professional fees, (ii) write-off of a tax refund that are non-recurring and do not reflect ongoing business operations, (iii) a one-time \$1.5 million tax expenses due to change in entity tax status and (iv) a \$2.5 million write-off of unamortized debt issuance costs associated with our previous TCW term loan, which was refinanced with the new Citi Term Loan. These costs are non-recurring and do not reflect ongoing business operations.
8. Total may not sum due to rounding.



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