



# HERITAGE + INNOVATION

Q1 2022 Investor Update | May 12<sup>th</sup>, 2022

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# Forward-Looking Statements

Readers are cautioned that the statements contained in this presentation regarding expectations of our performance or other matters that may affect our business, results of operations, or financial condition are "forward looking statements" as defined by the "safe harbor" provisions in the Private Securities Litigation Reform Act of 1995. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, included or incorporated in this press release, including statements regarding our strategy, financial position, guidance, funding for continued operations, cash reserves, liquidity, projected costs, plans, projects, awards and contracts, and objectives of management, are forward looking statements. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "continued," "project," "plan," "goals," "opportunity," "appeal," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall," "possible," "would," "approximately," "likely," "schedule," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements, but the absence of these words does not mean that a statement is not forward looking. These forward-looking statements are not guarantees of future performance, conditions or results. Forward looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control.

These factors and circumstances include, but are not limited to: (1) the company's limited operating history; (2) the development and continued refinement of many of the company's proprietary technologies, products and service offerings; (3) the possibility that the company's assumptions relating to future results may prove incorrect; (4) the inability to successfully integrate recently completed and future acquisitions; (5) unsatisfactory performance of our products; (6) the emerging nature of the market for in-space infrastructure services; (7) inability to realize benefits from new offerings or the application of our technologies; (8) the inability to convert orders in backlog into revenue; (9) early termination, audits, investigations, sanctions and penalties with respect to government contracts; (10) data breaches or incidents involving the company's technology; (11) the company's dependence on senior management and other highly skilled personnel; (12) significant fluctuation of our operating results; (13) incurrence of significant expenses and capital expenditures to execute our business plan; (14) the need for substantial additional funding to finance our operations, which may not be available when we need it, on acceptable terms or at all; (15) the impacts of COVID-19 on the company's business, including as a result of current supply chain constraints, labor shortage and inflationary pressures; (16) adverse publicity stemming from any incident involving the Company or its competitors; (17) inability to report our financial condition or results of operations accurately or timely as a result of identified material weaknesses; (18) inability to meet stock exchange listing standards; (19) the ability to recognize the anticipated benefits of the business combination Genesis Park Acquisition Corp., which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; (20) costs related to the business combination with Genesis Park Acquisition Corp.; (21) changes in applicable laws or regulations; (22) the possibility that the company may be adversely affected by other economic, business, and/or competitive factors; and (23) other risks and uncertainties described in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q and those indicated from time to time in other documents filed or to be filed with the SEC by the Company.

The forward-looking statements contained in this presentation are based on our current expectations and beliefs concerning future developments and their potential effects on us. If underlying assumptions to forward looking statements prove inaccurate, or if known or unknown risks or uncertainties materialize, actual results could vary materially from those anticipated, estimated, or projected. The forward-looking statements contained in this press release are made as of the date of this press release, and the Company disclaims any intention or obligation, other than imposed by law, to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Persons reading this press release are cautioned not to place undue reliance on forward looking statements.

# Non-GAAP Financial Information

This Presentation contains financial measures that have not been prepared in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”). These financial measures include Total backlog, Adjusted EBITDA, and Pro Forma Adjusted EBITDA.

We use certain financial measures to evaluate our operating performance, generate future operating plans, and make strategic decisions, including those relating to operating expenses and the allocation of internal resources which are not calculated in accordance with U.S. GAAP and are considered to be Non-GAAP financial performance measures. These Non-GAAP financial performance measures are used to supplement the financial information presented on a U.S. GAAP basis and should not be considered in isolation or as a substitute for the relevant U.S. GAAP measures and should be read in conjunction with information presented on a U.S. GAAP basis. Because not all companies use identical calculations, our presentation of Non-GAAP measures may not be comparable to other similarly titled measures of other companies.

Adjusted EBITDA is defined as net loss adjusted for interest expense, income tax expense (benefit), depreciation and amortization, acquisition deal costs, acquisition integration costs, acquisition earnout costs, purchase accounting fair value adjustment related to deferred revenue, capital market and advisory fees, write-off of long-lived assets, equity-based compensation and warrant liability change in fair value adjustment. Pro Forma Adjusted EBITDA is computed in accordance with Article 8 of Regulation S-X and is computed to give effect to the business combinations presented as if they occurred on January 1 of the year in which they occurred.

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# Presenters



**Peter Cannito**

*Chairman & Chief Executive Officer*



**Andrew Rush**

*President & Chief Operating Officer*



**Bill Read**

*Chief Financial Officer*



# Agenda

1. CEO Quarterly Update
2. Q1 2022 Operational Updates
3. Q1 2022 Financial Updates
4. Q&A



A photograph of an astronaut in a white spacesuit with an American flag on the chest, working on a large, cylindrical satellite component in space. The component is wrapped in yellow and red thermal insulation. The background shows the complex structure of a space station or satellite with various panels and equipment.

***CEO Quarterly Update***

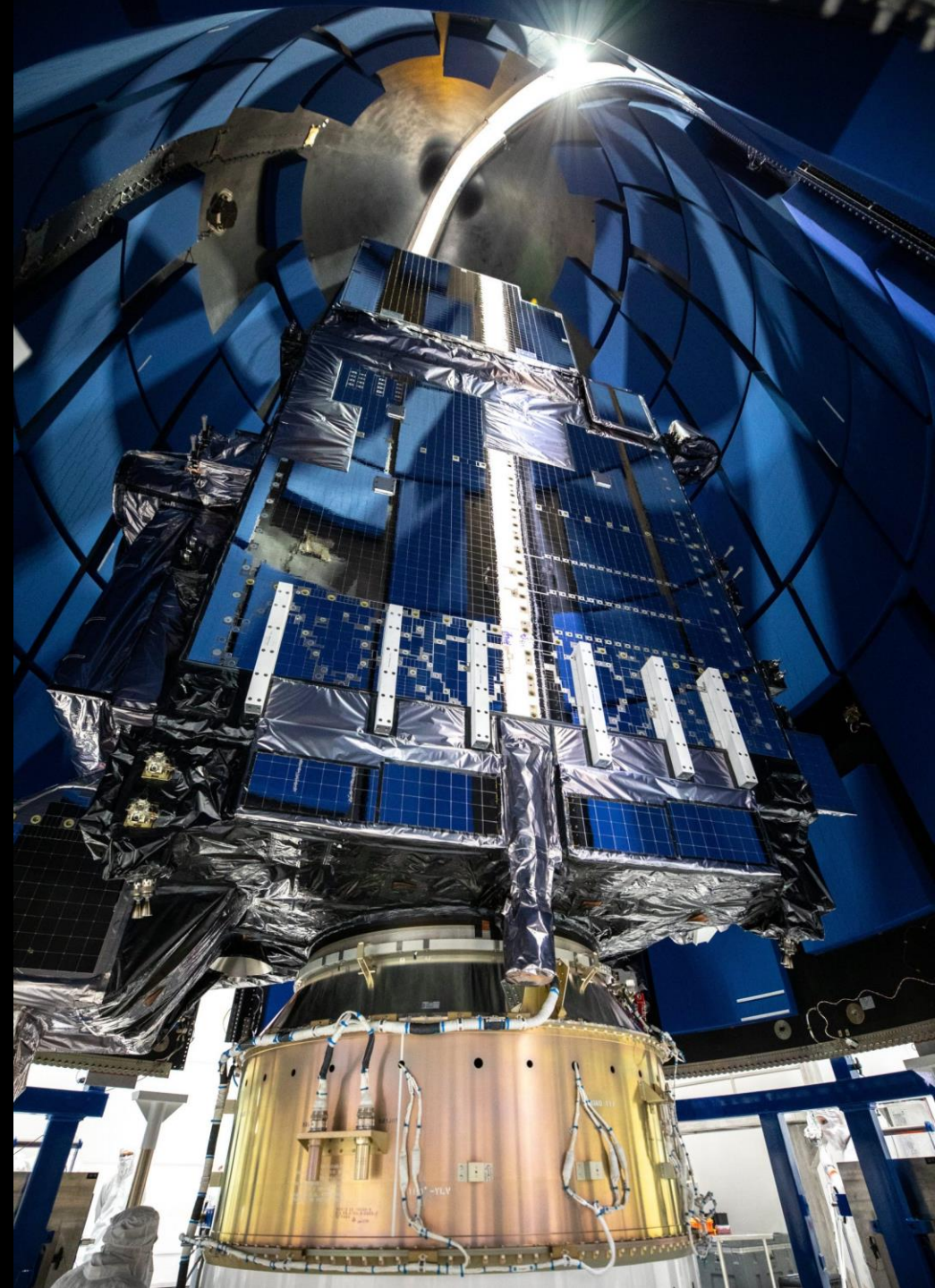
***Peter Cannito,  
Chairman and CEO***



# CEO Quarterly Update

- Strong demand signals for Redwire products and services, notably in National Security solutions, Solar Arrays and In-Space Servicing, Assembly and Manufacturing (ISAM)
- Continuing to deliver impactful solutions for our critical customers, especially gaining traction on large programs with recurring annual revenue
- Increased investments in Business Development<sup>(1)</sup>, R&D and Corporate Infrastructure to build strong foundation for significant growth
- Experiencing some quarterly volatility:
  - First quarter revenue is anticipated to be lower than what is anticipated for the remainder of the year
  - Redwire has confidence in our forecast range and expect sales to be more heavily weighted toward the back half of the year

<sup>(1)</sup> Business Development includes sales, marketing and bid & proposal



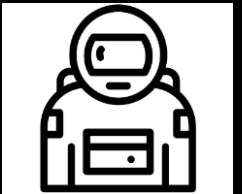
# Strong demand signals for Redwire products and services, especially National Security. . .



## National Security DoD / IC

### Strong Growth

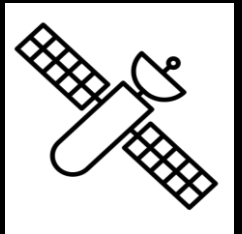
- 40% growth in Space Force budget for 2023
- Ukraine and Geopolitical rivalry driving investment
- Large, Multi-year contracts



## Civil

### Steady State Growth

- 8% Growth in NASA budget for 2023
- Some contract awards delayed due to Continuing Resolution
- NASA increasing investment in Artemis program, including second lander



## Emerging Commercial Space

### High Volatility with Accelerated Growth Potential

- Emerging space companies have significant growth potential
- Emerging space companies that fail to raise sufficient funds or execute on their business plans can disrupt Redwire's forecast
- Multiple constellation providers being launched executed and announced



## ... and Demand for In-Space Manufacturing

Interagency Working Group under the auspices of the White House, Office of Science & Technology Policy released an In-Space Servicing, Assembly and Manufacturing (ISAM) National Strategy

Redwire is well positioned to capitalize on this interagency focus area

"ISAM capabilities can expand the performance, availability, resilience, and lifetime of space systems"

**-ISAM Interagency Working Group, ISAM National Strategy**

# Traction with Large Programs



## **Selected to provide NSS constellation antennas**

- Building on the success of our Link-16 antennas, Redwire will deliver multiple high gain antenna systems within 18 months

## **Multi-shipset deployable structures being shipped**

- Subcontractor performance has impacted RDW
- Multiple shipsets on order with large recurring annual revenue

## **Performing on multiple large orders of navigation components**

- Program with large recurring annual revenue

**Despite near-term supplier challenges, Redwire is gaining penetration in constellations and multi-shipset programs**



# Investments in Growth



## Business development and R&D activity supports significant number of submitted bids in Redwire's pipeline

- Total backlog of \$274M<sup>(1)</sup> as of March 31, 2022, is consistent with the previous quarter
- >\$546M in submitted bids awaiting decisions as of May 9, 2022

## Select near term opportunities:

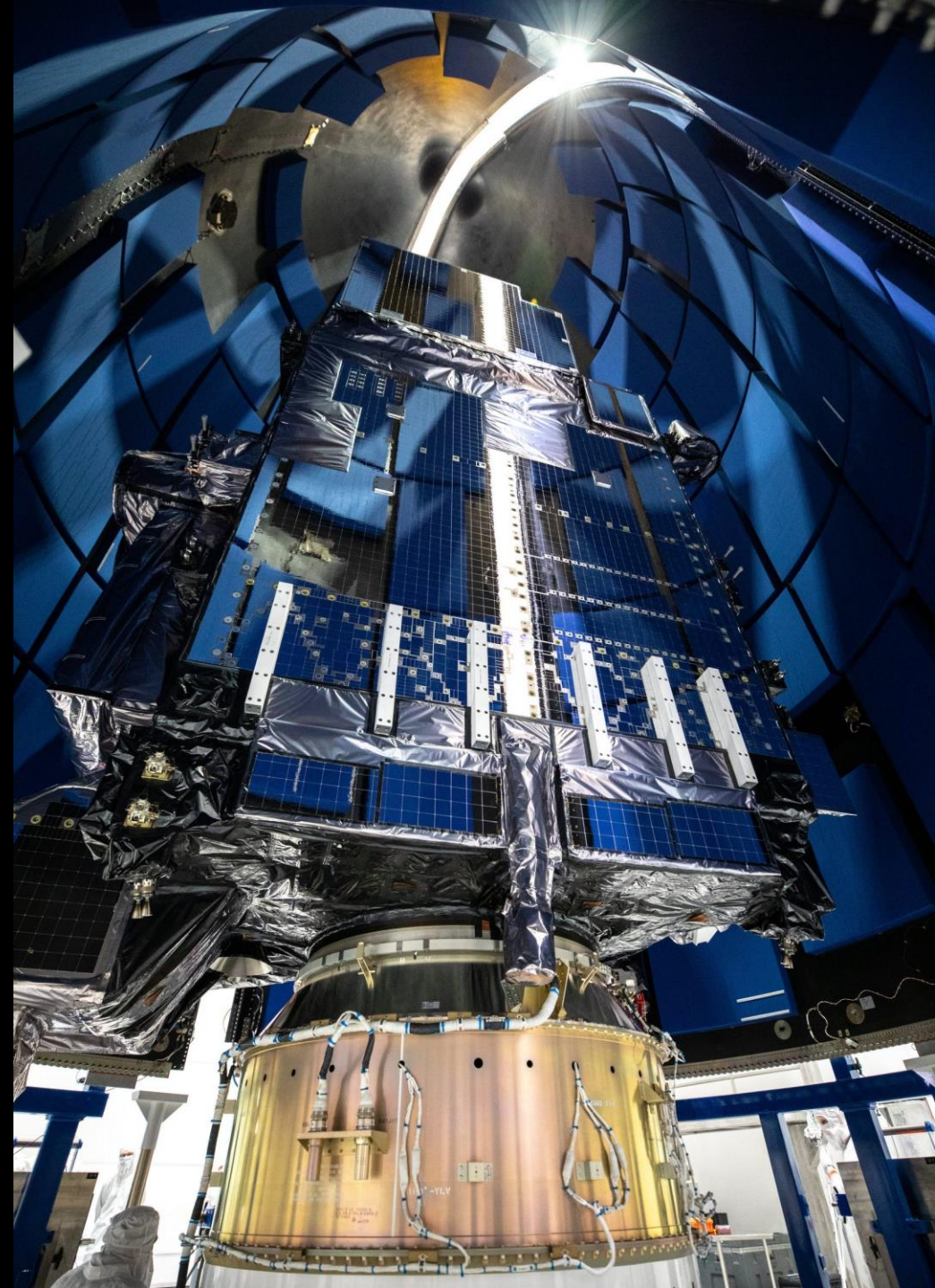
- >\$50M multi-shipset solar array procurement for multi-orbit constellation
- >\$25M OSAM-enabled telescope study
- >\$100M multi-shipset, multi-component procurement for commercial constellation

(1) Total Backlog, a key business measure, is not a measure of results under generally accepted accounting principles in the United States. Please refer to the Appendix of this presentation for additional information.

**Redwire's submitted bids and sales pipeline provide high growth potential in 2022 and beyond**

# Strategic Positioning

- Increasing near term investments in growth to achieve higher revenue and profitability as we gain operating leverage
- Currently have access to sufficient capital to execute growth plan
- We are focused on financial resilience to endure uncertain economic conditions
- We anticipate an increase in accretive M&A opportunities in the second half of the year
- Increased penetration in large multi-year programs with production potential should lead to more rapid scaling in later phases







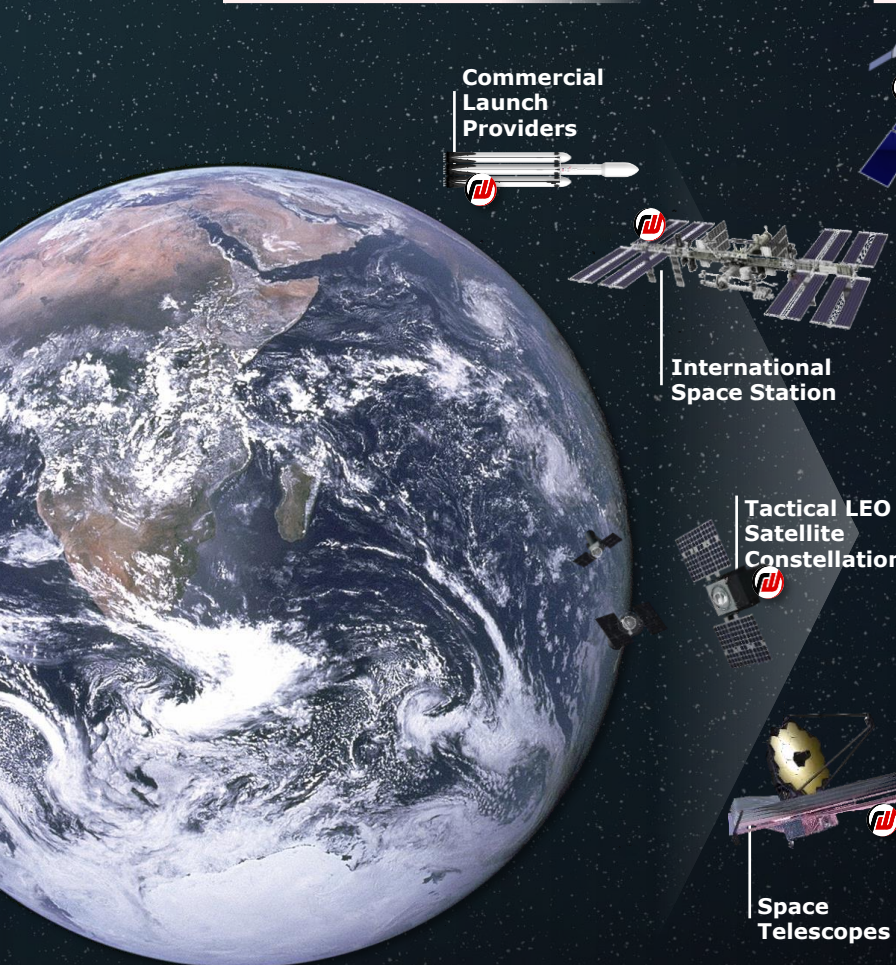
***Operational Updates***

***Andrew Rush,  
President & Chief Operating Officer***

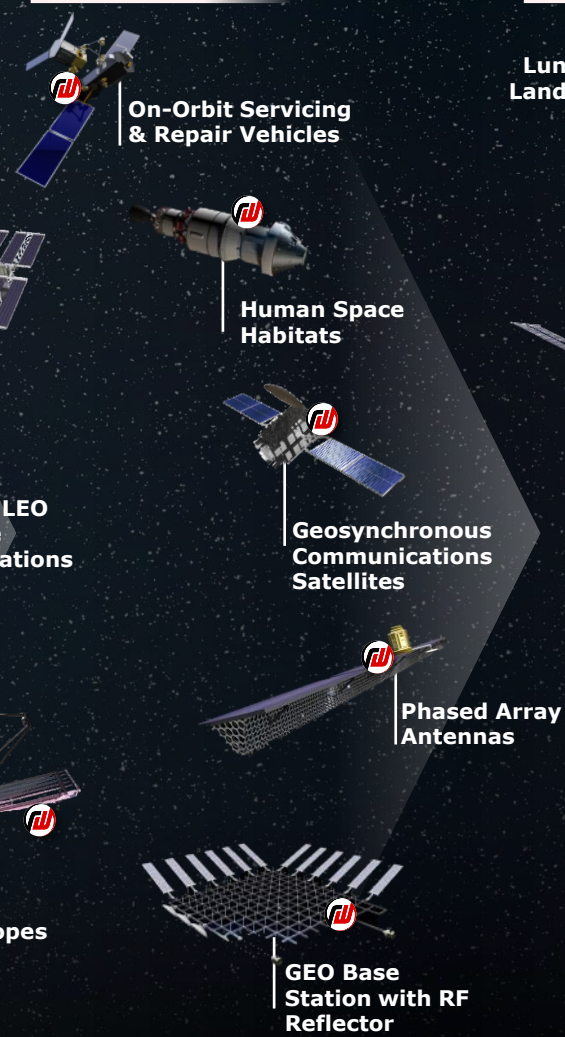


# The Future of Space Commercialization

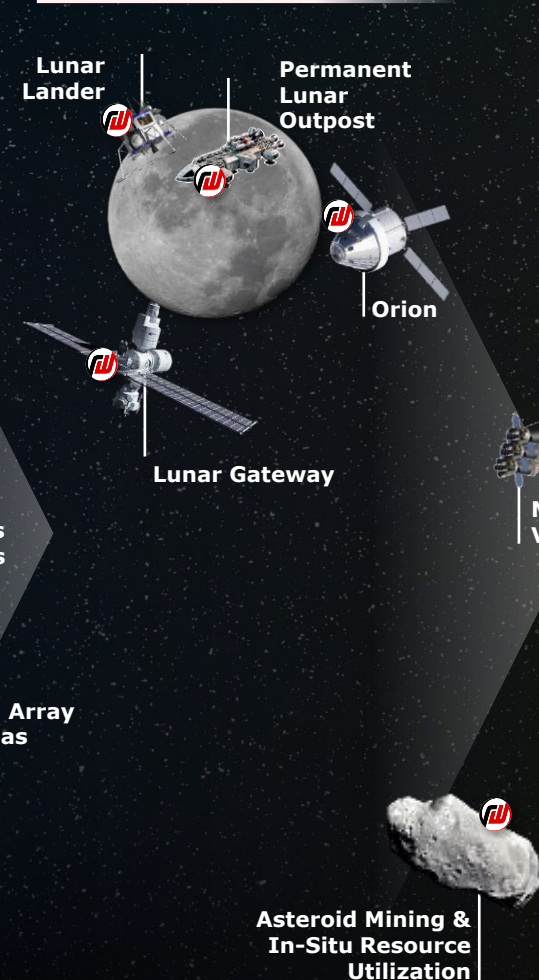
## Low Earth Orbit



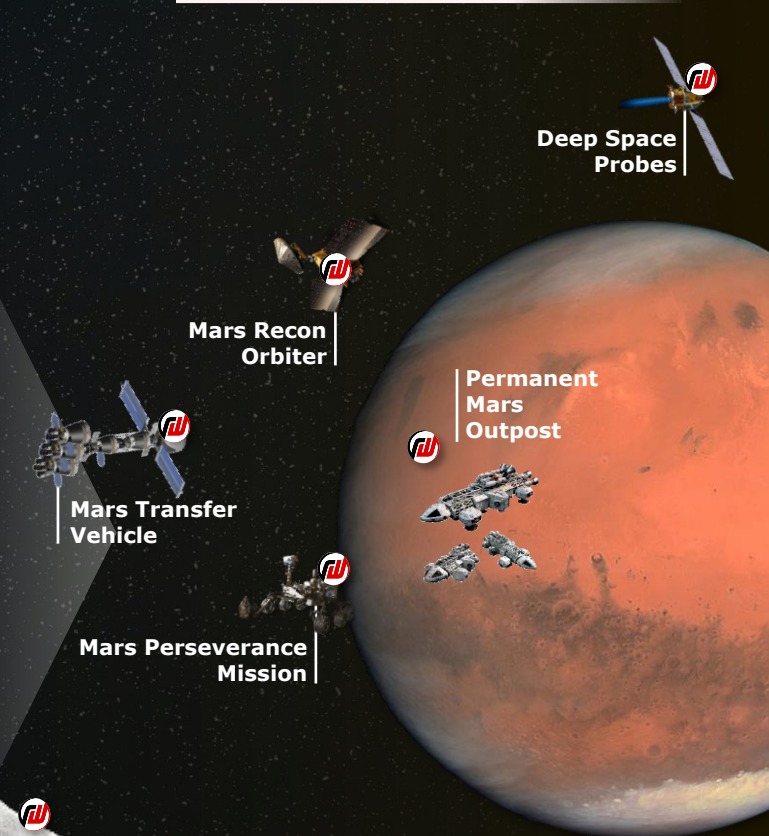
## GEO



## Cislunar / Lunar



## Deep Space Exploration

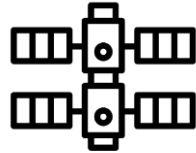




# Q1 Operational Updates



Delivering multiple products and services for NSS and commercial satellite constellations and multi-year, multi-shipset missions



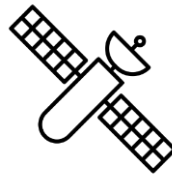
Delivered wings 3 & 4 of innovative and patented roll out solar array (ROSA) for the International Space Station



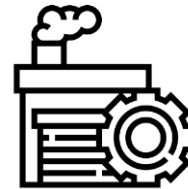
YTD four successful deployments and multiple payloads operating on the ISS



Awarded position on the \$950 million IDIQ contract to support U.S. Air Force Advanced Battle Management System with significant upside potential



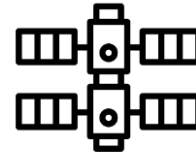
Completed a critical milestone with a large-scale 3D printing test for the Archinaut One mission (\$73.7 million contract)



Infrastructure investment increases capacity to support solar array builds, increased robotic capabilities and increase RF antenna production



# Solar Array Delivery Successes



First of three pairs of ROSA solar wings for the ISS are performing at or above target

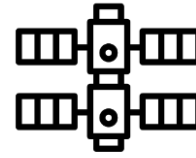
Second pair has been delivered on or ahead of baseline schedule

Third pair in production and on track for 2023 delivery

**Successful operation on ISS and improved schedule performance validates Redwire's commitment to excellence and gives customers confidence**



# Solar Array Outlook Strong



## Redwire anticipates solar array deliveries are projected to triple in 2022

- Backlog and pursuits include multiple constellation orders and range from small satellites to the largest arrays ever deployed

## Subcontractor delays impacted Q1 performance

- Anticipates resolving subcontractor start delays in Q2, maintaining delivery targets in the calendar year
- Seeking to strengthen supply chain by expanding vendor relationships and building strategic partnerships

Redwire solar arrays product line is strong despite near term performance impacts



# Successful Deployments



## Redwire hardware successfully launched on multiple satellite missions

- GOES-T
- Transporter-4
- NG-17
- Crew-4

## Redwire payloads operated and returned from ISS

- PONDS

**Redwire hardware and services will continue to be deployed throughout 2022 and beyond**



## Expansion of Mod & Sim



### **Awarded a position on the \$950M IDIQ contract to support U.S. Air Force Advanced Battle Management System**

- Significant upside potential for future work on satellite constellations
- Similar services being provided for commercial and government customers

**Redwire is expanding its ability to support the national security mission via cutting edge modeling and simulation capabilities and systems engineering**

# Significant OSAM Progress



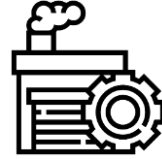
## OSAM-2 mission carried out major Critical Design Review

- Clears way for construction, test, and deployment of first satellite to manufacture and assemble itself on orbit
- Subcontractor delays and rework impacting schedule for program
- White House national ISAM strategy major validation of Redwire's leadership and the long-term potential of the OSAM-2 mission and technology
- Provides significant tailwind for adoption

**OSAM technology seeing increased uptake and interest, validating its long-term potential**



# Investing In Infrastructure



Infrastructure investment increases capacity for design, development and production required for our existing backlog and pipeline

Redwire is focusing on the future by investing heavily in our facilities to support building more solar arrays as well as larger solar array, increased robotic capabilities, and increased RF antenna production

Building out nearly 70k of new production space, including 35ft high bay

- High bay will support construction of the largest solar arrays ever built

A photograph of a large industrial facility under construction. The image shows a high bay structure with a crane and various equipment. The text is overlaid on the right side of the image.

**Deployment of LEO satellites and constellations for communication applications has increased their demand across the globe**



*Financial Highlights*



*Bill Read,  
Chief Financial Officer*



# Q1 2022 Summary Performance

(\$ in millions)

	Q1 '22	Q1 '21	YoY (\$ incr. / % incr.)
Revenue	\$32.9	\$31.7	\$1.2 / 4%
COGS	\$27.7	\$24.2	\$3.5 / 14%
Gross Margin	\$5.2	\$7.5	(\$2.3) / (31%)
SG&A	\$21.0	\$11.3	\$9.7 / 86%
R&D Exp.	\$1.7	\$1.0	\$0.7 / 73%
Interest Expense	\$1.5	\$1.4	<\$0.1 / 2%
Net Loss	(\$17.3)	(\$7.7)	(\$9.6) / 125%
Adjusted EBITDA <sup>(1)</sup>	(\$4.7)	\$1.0	(\$5.7) / (578%)
<b>Additional costs detail</b>			
Business Dev. Expense	\$3.5	\$2.0	\$1.5 / 76%
Stock Comp. Expense	\$4.4	-	\$4.4 / -
Litigation-related Exp.	\$2.3	-	\$2.3 / -
Change in Warrant Liab.	\$1.2	-	\$1.2 / -
Capital Expenditures	\$1.0	\$0.6	\$0.4 / 76%

Selected Financial information only, please refer to the accompanying Press Release, Exhibit 99.1 to the Form 8-K filed with the SEC on May 12, 2022, for the full financial presentation and related disclosures.

(1) Adjusted EBITDA is not a measure of results under generally accepted accounting principles in the United States. Please refer to the Appendix of this presentation for a definition and reconciliation of this non-GAAP measures.

- Total backlog of \$274M, consisting of:
  - Contracted \$137M,
  - Selected and expected expansion on existing programs \$137M
- Revenue up \$1.2M, due to \$3.7M contribution from 2021 acquisitions, partially offset by macroeconomic challenges and supply chain delays.
- Revenues from long-term contracts can be highly variable, from period to period, and are influenced by multiple factors, including but not limited to, sub-contractor performance, supply chain challenges, and contract estimates.
- Net Income and Adjusted EBITDA:
  - Gross Margins were negatively impacted by delayed revenues, leaning forward on staffing and facilities to support upcoming growth, inflationary pressures and higher costs on in space manufacturing new technology development as well as stock-based compensation expense
  - Increasing investments in business development and R&D to fuel longer term growth
  - Higher SG&A due to investigation costs, increased spending on business development, stock-based compensation expense and public company costs
- Higher volumes in future quarters are expected to provide more revenue, operating leverage and improved profitability and outpaced market growth

# Full Year Revenue & Pro forma Adjusted EBITDA

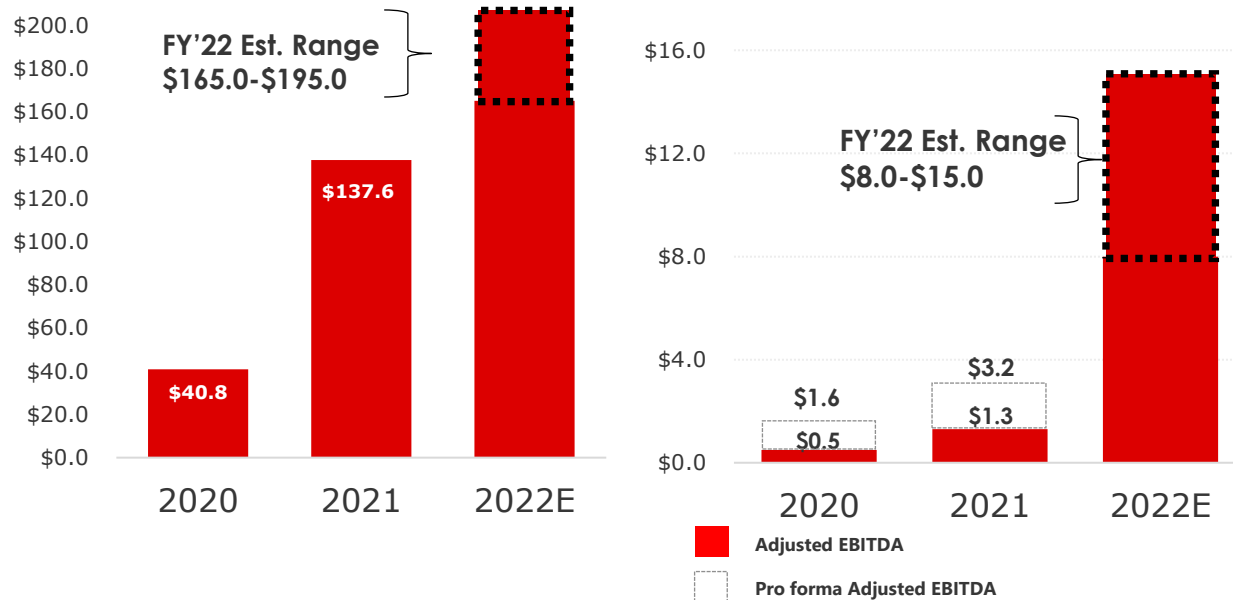
## Reaffirming FY 2022 Guidance

\$165-\$195M

GAAP Revenue  
in FYE 2022

\$8-\$15M

Pro forma Adjusted  
EBITDA in FYE 2022



Note: Adjusted EBITDA and pro forma Adjusted EBITDA are not measures of results under generally accepted accounting principles in the United States. Please refer to the Appendix for a definition and reconciliation of these non-GAAP measures.



Revenues are expected to grow throughout the year without a corresponding increase in operating expenses - creating improved overhead absorption, operating leverage and improved margins



# Building a Foundation for Long-Term Growth

Scaling company operations:

- Strong market demand is continuing to present numerous high potential opportunities
- Investments in Facilities, Business Development and R&D have helped expand the size of program opportunities which are expected to generate growth rates in excess of overall market growth
- Revenue growth, integration cost synergies and operational efficiencies will offset spending over time

RDW has adequate capital to execute on our strategy

- Available liquidity on March 31, 2022, was \$30.9M and Redwire expects to return to positive operating cash flows as revenue and operating leverage improves
- Redwire has access to additional capital, as needed for accretive investment, from the committed equity facility with B. Riley Financial



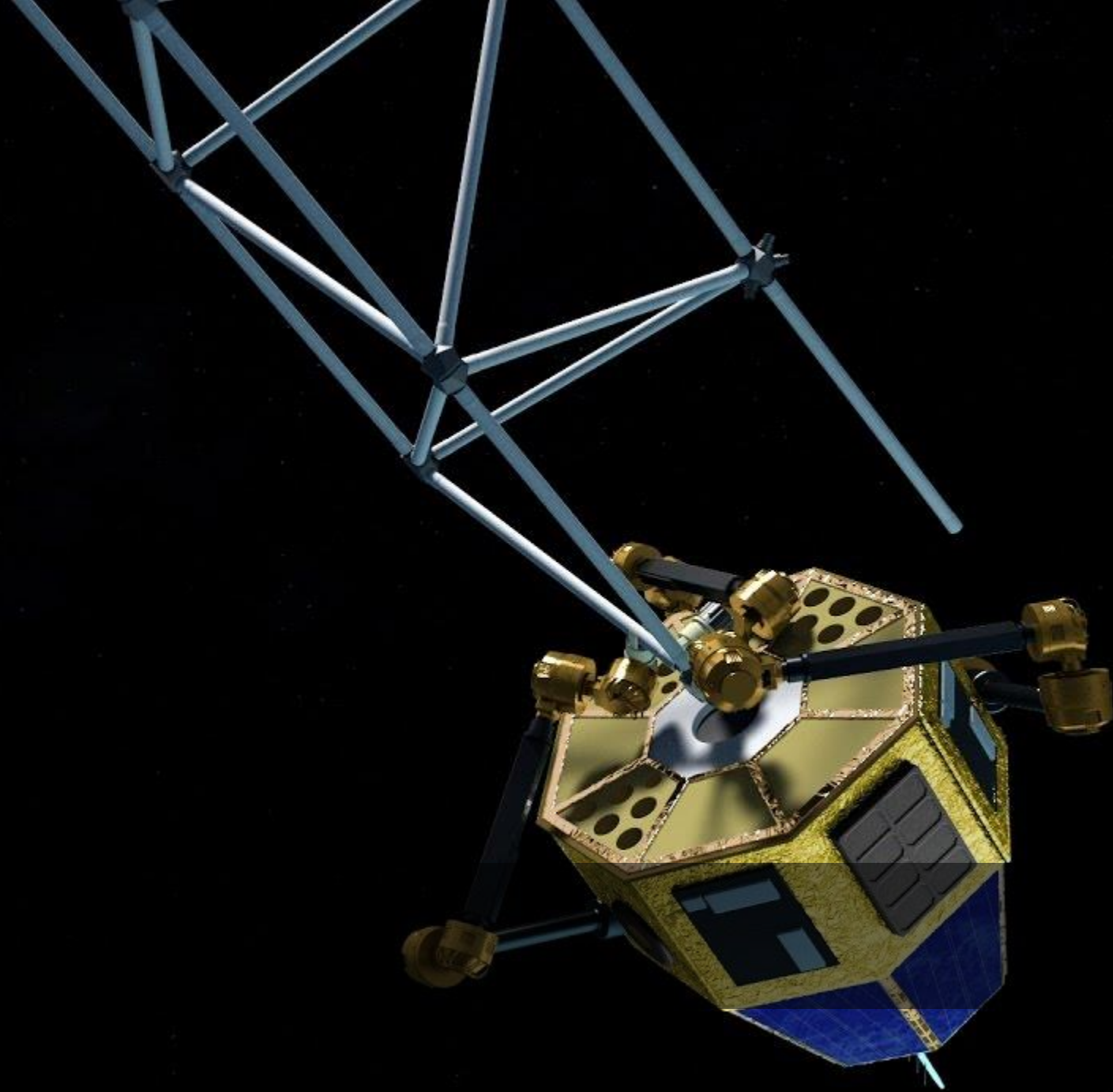
**Redwire has the capital resources to fuel long-term growth and make accretive investments to improve operations, increase revenues and profitability, and drive higher returns on invested capital**



## *Questions & Answers*



# *Appendix*



# Key Performance Indicators

## Total Backlog

We view growth in backlog as a key measure of our business growth. Contracted backlog represents the estimated dollar value of firm funded executed contracts for which work has not been performed (also known as the remaining performance obligations on a contract).

Organic contracted backlog change excludes backlog activity from acquisitions for the first four full quarters since the entities' acquisition date. Contracted backlog activity for the first four full quarters since the entities' acquisition date is included in acquisition-related contracted backlog change. After the completion of four fiscal quarters, acquired entities are treated as organic for current and comparable historical periods.

Organic contract value includes the remaining contract value as of January 1 not yet recognized as revenue and additional orders awarded during the period for those entities treated as organic. Acquisition-related contract value includes remaining contract value as of the acquisition date not yet recognized as revenue and additional orders awarded during the period for entities not treated as organic. Similarly, organic revenue includes revenue earned during the period presented for those entities treated as organic, while acquisition-related revenue includes the same for all other entities, excluding any pre-acquisition revenue earned during the period.

The acquisition-related contracted backlog activity includes contracted backlog activity of Techshot. The organic contracted backlog activity includes contracted backlog activity of Adcole, DSS, MIS, Rocco, LoadPath, Oakman, and DPSS.

Uncontracted backlog represents the anticipated contract value, or portion thereof, of goods and services to be delivered under existing contracts which have not been appropriated or otherwise authorized.

(\$ in thousands)

	Q1 '22	Q4 '21
Organic backlog as of January 1	\$ 133,115	\$ 122,273
Organic additions during the period	27,674	146,880
Organic revenue recognized during the period	(31,714)	(136,038)
Organic backlog at end of period	129,075	133,115
Acquisition-related contract value beginning of period	6,627	-
Acquisition-related additions during the period	2,752	8,190
Acquisition-related revenue recognized during the period	(1,153)	(1,563)
Acquisition-related backlog at end of period	8,226	6,627
Contracted backlog at end of period	137,301	139,742
Uncontracted backlog at end of period	136,552	131,893
Total backlog	\$ 273,853	\$ 271,635



# Supplemental Non-GAAP Information

(\$ in thousands)

	Q1 '22	Q4 '21
Net income (loss)	\$ (17,293)	\$ (7,674)
Interest expense	1,452	1,422
Income tax (expense)	(2,889)	(1,026)
Depreciation and amortization	3,658	2,271
Acquisition deal cost <sup>(i)</sup>	46	2,417
Acquisition integration cost <sup>(i)</sup>	458	314
Purchase accounting fair value adjustments related to deferred revenue <sup>(ii)</sup>	26	73
Capital market and advisory fees <sup>(iii)</sup>	1,958	3,180
Litigation-related expenses <sup>(iv)</sup>	2,266	-
Equity-based compensation <sup>(v)</sup>	4,411	-
Warrant liability change in fair value adjustment	1,238	-
Adjusted EBITDA	(4,669)	977
Pro forma impact on EBITDA <sup>(vii)</sup>	-	699
Pro forma adjusted EBITDA	<u>\$ (4,669)</u>	<u>\$ 1,676</u>

## Pro Forma Adjusted EBITDA

Adjusted EBITDA is defined as net income (loss) adjusted for interest expense (income), net, income tax (benefit) expense, depreciation and amortization, acquisition costs, acquisition integration costs, purchase accounting fair value adjustment related to deferred revenue, capital market and advisory fees, write-off of long-lived assets, and equity-based compensation. Pro Forma Adjusted EBITDA is computed to give effect to the business combinations as if they occurred on January 1 of the year in which they were acquired.

- i. Redwire incurred acquisition costs including due diligence and integration costs.
- ii. Redwire incurred purchase accounting fair value adjustments to unwind deferred revenue for MIS and DPSS.
- iii. Redwire incurred capital market and advisory fees related to advisors assisting with preparation for the Merger and transitional costs associated with becoming a public company.
- iv. Redwire incurred expenses related to the Audit Committee investigation and securities litigation.
- v. Redwire incurred expenses related to equity-based compensation under Redwire's equity-based compensation plan.
- vi. Redwire adjusted the fair value of the private warrants between the initial valuation as of September 2, 2021, the date the warrants were assumed, and March 31, 2022.
- vii. Pro forma impact represents the incremental results of a full period of operations assuming the entities acquired during the periods presented were acquired from January 1 of the year in which they occurred. For the three months ended March 31, 2021, the pro forma impact included the results of Oakman, DPSS and the incremental results of Techshot, which was acquired in November 2021.