

Q4 2025 INTERIM REPORT PRESENTATION

TPAerospace



AGENDA

- **PRESENTATION - 30 MIN**
- **Q&A – 15 MIN**

MARKET UPDATE

Passenger demand:

- Global passenger traffic, measured in Revenue Passenger Kilometers (RPK), increased by 5.3% for full year 2025, up from 4.8% YTD September 2025.
- Again, international market traffic was the growth engine increasing by 7.1% full year 2025 vs. domestic market traffic which only grew by 2.4%. North America and Europe showed the lowest growth rates on international market traffic equal to 2.1% and 6.0%, respectively.
- On the global passenger traffic, Asia-Pacific showed a growth of 7.8% for full year 2025, which was slightly above YTD September of 7.7%. North America only showed a growth rate of 0.4%, followed by Europe that had the second lowest RPK growth of 5.3%.
- The industry-wide Passenger Load Factor (PLF) reached 83.6%, slightly above 83.5% in YTD September 2025.

Cargo demand:

- Global air cargo demand grew 3.4% full year 2025, driven primarily by Asia-Pacific (8.4%) and Africa (6.0%), while Europe and Latin Americas was modest at 2.9% and 2.3%, respectively. North America declined by -1.3%.
- International cargo demand rose 4.2% full year 2025, again led by Asia-Pacific (8.6%) and Africa (6.0%). Europe and North America grew by 3.2% and 0.8%, respectively.
- Both passenger and cargo markets continued to show solid underlying momentum. However, overall growth was moderated by continued high global uncertainty, including trade tensions and geopolitical instability, which affected demand patterns and market confidence. These factors continue to influence market dynamics and are expected to remain a source of volatility in the near term.

Airline aftermarket wheels and brakes demand – Key observations:

- In Q4 2025, market conditions continued to reflect a cautious environment, with many carriers, particularly in Europe and North America, delaying new aircraft orders due to ongoing uncertainty, sustained price pressures, and a conservative investment stance. These regions also recorded the weakest traffic performance.
- Price competition remained elevated as softer demand compelled suppliers to further compress margins.
- Market activity was subdued overall, with no major one-off or retrofit transactions during the quarter. Limited aircraft transitions—partly driven by continued delivery delays at Airbus and Boeing—led many airlines to extend existing lease agreements rather than pursue broader fleet renewal or expansion initiatives.

Full year 2025 RPK: 5.3%

Full year 2025 ASK: 5.2%

Full year 2025 CTK: 3.4%

Full year 2025 ACTK: 3.7%

Definitions:

RPK: Revenue Passenger Kilometers

ASK: Available Seat Kilometers

CTK: Cargo Tonne Kilometers

ACTK: Available Cargo Tonne Kilometers

HIGHLIGHTS

- While the Programs and Distribution divisions demonstrated growth in a challenging market, overall revenue was still adversely affected by the underperformance in the Components division.
- Revenue** reached USD 41.9m in Q4 2025 and USD 173.8m full year 2025, a decline of USD -2.6m and USD -7.2m respectively, compared to same periods in 2024.

- Gross profit** for Q4 amounted to USD 26.4m compared to USD 26.2m in Q4 2024. The gross profit margin reached 63.0% in Q4 2025 and 61.8% in full year 2025, well above Q4 2024 at 59.0%, however below full year 2024 at 63.3%. This was to some extent expected as Components realized some high margin sales in first half of 2024 which were not matched in 2025.

- EBITDA before special items** for Q4 2025 amounted to USD 15.8m compared to USD 16.0m in Q4 2024 while full year 2025 ended at USD 65.3m compared to USD 74.1m for full year 2024.

- Adj. EBITDA (incl. CFR maintenance) before special items** for Q4 2025 amounted to USD 3.6m compared to USD 6.7m in Q4 2024 while full year 2025 ended at USD 14.7m compared to USD 30.4m for full year 2024.

- Free cash flow before net financials** reached USD -1.4m in Q4 and USD 8.4m for full year 2025, a decline from 2024 (USD -3.4m in Q4 and USD -5.6m for full year). The lower free cash flow was mainly impacted by the lower operating profit (EBITDA).
- 2026 outlook:** Revenue in 2026 is expected to reach between USD 175-200m. With increasing demand and the anticipated recovery in revenue – combined with planned global efficiency and scalability improvements – we expect to achieve an EBITDA margin before special items of 32-36% and an adjusted EBITDA margin before special items (incl. CFR maintenance) of 9-12%.



Q4 2025: USD 41.9m
Q4 2024: USD 44.5m

Full year 2025: USD 173.8
Full year 2024: USD 181.0m

Q4 2025: USD 26.4m ; 63.0%
Q4 2024: USD 26.2m ; 59.0%

Full year 2025: USD 107.4m ; 61.8%
Full year 2024: USD 114.5m ; 63.3%



Q4 2025: USD 15.8m ; 37.6%
Q4 2024: USD 16.0m ; 35.9%

Full year 2025: USD 65.3m ; 37.6%
Full year 2024: USD 74.1m ; 40.9%

Q4 2025: USD 3.6m ; 8.5%
Q4 2024: USD 6.7m ; 15.1%

Full year 2025: USD 14.7m ; 8.5%
Full year 2024: USD 30.4m ; 16.8%



Full year 2025: USD 8.4m
Full year 2024: USD 14.0m

REVENUE

While the Programs division demonstrated strong growth, revenue was adversely impacted by the underperformance in the Components division

Revenue performance overview:

- Revenue reached USD 41.9m in Q4 2025 and USD 173.8m full year 2025, a decline of USD 2.6m and USD 7.2m respectively, compared to same periods in 2024.

Divisional highlights:

- Programs division:** Compared to 2024, revenue in the Programs division improved by 2.4% in Q4 and grew 5.7% for full year 2025. The Programs division represented 58% of total revenue based on full year 2025 performance.
- By end December 2025, the Programs division had 759 aircraft on contract, a net decrease of 64 aircraft compared to end December 2024. Existing customers added 27 new aircraft to the portfolio, while a further 54 aircraft were added by new customers. These additions were offset by the unfavorable impact of 145 aircraft coming off contract due to various airline restructurings and ordinary contract adjustments. Of the 145 aircraft, 110 aircraft were related to airlines which ceased operations and closed their activities with TP Aerospace, including two bankruptcies in the third quarter of 2025, while 35 aircraft were related to customers adjusting the number of aircraft while customer remained on contract with TP Aerospace. In comparison, 2024 included 53 aircraft additions by existing customers and 38 aircraft additions from new customers, offset by 121 aircraft coming off contract.
- Components division:** The Components division saw a drop in revenue of USD -3.4m in Q4 2025 and USD -13.4m for full year 2025 compared to same periods in 2024. This continued to be driven by a slowdown in customer demand and consequently sales of Used Service Material (USM) which also was unfavorably impacted by a reduced amount of aftermarket wheels and brakes available for sourcing.
- Distribution division:** The Distribution division ended 2.0% above the same period in 2024 and generated 2.8% revenue growth in full year 2025..

PROGRAMS DIVISION

Q4 2025: USD 23.3m

Q4 2024: USD 22.8m

Full year 2025: USD 101.1m

Full year 2024: USD 95.6m

COMPONENTS DIVISION

Q4 2025: USD 10.6m

Q4 2024: USD 14.0m

Full year 2025: USD 45.5m

Full year 2024: USD 59.0m

DISTRIBUTION DIVISION

Q4 2025: USD 6.3m

Q4 2024: USD 6.2m

Full year 2025: USD 21.1m

Full year 2024: USD 20.5m

EARNINGS

Earnings were affected by lower Components revenue and supply chain disruption including increased competition in particular in Europe and the Americas.

Gross profit:

- Amounted in Q4 2025 to USD 26.4m compared to USD 26.2m in Q4 2024. The gross profit margin reached 63.0% in Q4 2025 and 61.8% in full year 2025, well above Q4 2024 at 59.0%, however below full year 2024 at 63.3%. This was to some extent expected as Components realized some high margin sales in first half of 2024 which were not matched in 2025.
- The gross profit margin was also adversely affected by intensified competition, particularly in Europe and the Americas. Additionally, the Programs and Distribution divisions were impacted by supply chain disruptions stemming from the introduced tariff regimes across various regions, as well as a factory fire at SPS Technologies in the US in February 2025, which caused substantial delays in piece part deliveries for both our repair facilities and Distribution sales.

Q4 2025: USD 26.4m ; 63.0%

Q4 2024: USD 26.2m ; 59.0%

Full year 2025: USD 107.4m ; 61.8%

Full year 2024: USD 114.5m ; 63.3%

EBITDA before special items:

- Amounted in Q4 2025 to USD 15.8m compared to USD 16.0m in Q4 2024 while full year 2025 ended at USD 65.3m compared to USD 74.1m full year 2024.
- The EBITDA margin before special items was 37.6% for full year 2025, a drop of 3.3%-points compared to full year 2024.
- The decline in Components revenue and the lower gross profit in the Programs division were not matched by a similar reduction in staff costs and other external expenses, partially due to unfavorable FX impact on the fixed cost base caused by the weakened US dollar versus the Euro and Danske krone.

Q4 2025: USD 15.8m ; 37.6%

Q4 2024: USD 16.0m ; 35.9%

Full year 2025: USD 65.3m ; 37.6%

Full year 2024: USD 74.1m ; 40.9%

EARNINGS CONT'D

Adj. EBITDA (incl. CFR maintenance) before special items:

- Adj. EBITDA (incl. CFR maintenance) before special items for Q4 2025 amounted to USD 3.6m compared to USD 6.7m in Q4 2024 while full year 2025 ended at USD 14.7m compared to USD 30.4m for full year 2024.
- Adj. EBITDA margin before special items was 8.5% for full year 2025 compared to 16.8% in full year 2024.
- In addition to the impacts related to gross profit and EBITDA before special items, the Programs division was affected by additional CFR depreciation driven by premature write-offs of capitalized CFR maintenance for various CFR customers. These premature write-offs resulted from a mix of two bankruptcies in the third quarter of 2025 and aircraft coming off contract.

Q4 2025: USD 3.6m ; 8.5%
Q4 2024: USD 6.7m ; 15.1%

Full year 2025: USD 14.7m ; 8.5%
Full year 2024: USD 30.4m ; 16.8%

FREE CASH FLOW

- Free cash flow before net financials reached USD -1.4m in Q4 and USD 8.4m for full year 2025, a decline from 2024 of USD -3.4m in Q4 and USD -5.6m for the full year.
- The lower free cash flow was mainly impacted by the lower operating profit (EBITDA).
- Cash flow from financing activities reached in full year 2025 USD 13.2m versus USD -8.1m in 2024 and was impacted by the bond issuance of USD 130m offset by the repayment of the bank credit facility of USD -72.8m and dividend payment of USD -39.8m.

Full year 2025: USD 8.4m
Full year 2024: USD 14.0m

2026 OUTLOOK

2026 outlook:

- Activity level in 2025 showed a continued positive development in air traffic demand, aircraft utilization and aircraft fleet in service, and this trend is expected to continue at a slower pace in 2026. On this basis, our expectation is a **regained sales momentum in the Components division** combined with increase in the market and in the activity level among our existing customers as well as with new customers and thereby **higher activity level in the Programs and Distribution divisions**.
- **Revenue in 2026 is expected to reach between USD 175-200m.** With increasing demand and the anticipated recovery in revenue – combined with planned global efficiency and scalability improvements – we expect to achieve an **EBITDA margin before special items in the range of 32-36%**. The **Adjusted EBITDA margin before special items (incl. CFR maintenance) is expected to reach between 9-12%**. This outlook reflects our expected operational enhancements, even though the expanded global production footprint is not assumed to be fully utilized in 2026.
- *The above expectations assume that the global macroeconomic environment - including interest rate developments, currency fluctuations, and the broader geopolitical landscape - remains broadly stable at levels comparable to those at the end of 2025 and does not materially alter the business conditions for TP Aerospace. Furthermore, the outlook assumes that inflation stabilizes at a level below 4% throughout 2026, and that key exchange rates, particularly the US dollar against the Euro and Danish krone, remain close to end 2025 levels for the duration of 2026.*
- *Our outlook is subject to risks and uncertainties as various factors, many of which are beyond TP Aerospace's control, may cause the actual development and financial results to differ materially from expectations.*

CONTINUATION VEHICLE ('CV') STATUS

CV status:

- The CV process, that was subject to the issuance of the bond and the redemption of the preference shares owned by Kirk Kapital (the CV Transaction Distribution) is still progressing. It was contemplated that the CV would close early April 2025.
- On 2 April 2025, the President of the United States announced far reaching tariffs on products sold into the United States resulting in a temporary but significant macro economic shock to the global economy, introducing significant uncertainty to the prospects of TP Aerospace and the air transportation industry as a whole. Executive Order 14257 raised tariffs on nearly all countries to 10% beginning 5 April 2025, with higher rates for major trading partners scheduled to begin 9 April 2025.
- The investors in the proposed CV transaction decided, in the week following the announcement of the tariffs, to cease negotiations regarding their injection of funds in the CV until the uncertainty was settled. At the time, this was the case for most large scale M&As.
- Accordingly, the proposed CV transaction was put on hold as both TP Aerospace and the investors required additional visibility on full year 2025 results before proceeding. This constituted a material deviation from the agreed terms and transaction expectations as they stood at the time of the bond issuance.
- Negotiations with investors have continued since. With the known performance of full year 2025 and the outlook for 2026, there is now a basis for continuing the CV process and it has been agreed with investors to progress this with a reasonable expectation that the proposed CV transaction will go ahead in 2026.
- In the meantime, CataCap I K/S has been extended until 31 December 2027, thereby reducing the urgency of the proposed CV transaction. The extension was done to cater for the seller's warranties in the CV transaction and to enable the establishment of the permitted super senior revolving credit facility with Nordea.

EVENTS AFTER THE BALANCE SHEET DATE

- No events have occurred after the balance sheet date which significantly affects TP Aerospace's financial position.
- On 25th February 2025, TP Aerospace announced changes to the Executive Management team, reflecting a planned transition and continued strengthening of the leadership as the company progresses with its strategic priorities.

COO:

- Felix Ammann will step down from his position as Group Chief Operating Officer (COO) at the end of March 2026 to focus on consulting services and other non-executive engagements. Felix joined TP Aerospace in January 2023 and has played an important role in further developing globally harmonized and scalable operations supporting the company's development and growth.
- Effective from April 2026, Dirk Hanenberg will join TP Aerospace as Group Chief Operating Officer, succeeding Felix Ammann. Dirk brings extensive experience from the aviation services industry. Most recently, he served as Managing Director at Fokker Services Group, where he held senior responsibility for operational performance and development.
- With over 15 years of experience in aviation MRO and component services, Dirk has led complex customer programs and international operations, overseeing MRO operations, supply chain and product management, as well as large-scale performance improvement initiatives, with a strong focus on operational excellence and scalable service delivery.
- The appointment of Dirk Hanenberg reflects TP Aerospace's continued focus on operational excellence and scalability in support of its long-term strategy.

CFO:

- As previously announced, Chief Financial Officer Tinneke Torpe has accepted a new position outside TP Aerospace and will transition at the end of March 2026. Tinneke has played an integral role in strengthening TP Aerospace's financial governance and supporting the company's strategic and organizational development across finance, legal and IT during a period of continued growth.
- TP Aerospace is pleased to announce that Thomas Helbo will succeed Tinneke Torpe as Chief Financial Officer. Thomas joins from the private-equity backed Vetopia, where he held the position of Group CFO. He brings significant experience in financial leadership, value creation, and working with growth-oriented organizations.



Q&A

TPAerospace



WHEELS AND BRAKES IT'S THAT SIMPLE

DISCLAIMER

The material in this presentation has been prepared by TP Aerospace, solely for information purposes.

This information includes certain statements provided by TP Aerospace with respect to the future of the Company. Such statements and estimates reflect assumptions by management regarding possible results, which assumptions may or may not be correct. No representations are made as to the accuracy of such statements, estimates or projections. Prospective investors will be expected to have conducted their own due diligence investigation regarding these and all other matters relevant to investment in the Company.

All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this document and are expressly qualified in their entirety by the cautionary statements included elsewhere in this document.

By reading or accessing the presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business. Recipients should not interpret the contents of this presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters. The presentation speaks as of the date hereof. By accepting these presentation materials, the recipient agrees to keep permanently confidential the information contained herein.

