

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549
FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of report (Date of earliest event reported): September 5, 2023



KAMAN CORPORATION

(Exact name of registrant as specified in its charter)

Connecticut
(State or Other Jurisdiction of Incorporation)

001-35419
(Commission File Number)

06-0613548
(IRS Employer Identification No.)

1332 Blue Hills Avenue, Bloomfield, Connecticut
(Address of principal executive offices)

06002
(Zip Code)

(860) 243-7100

(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (\$1 par value per share)	KAMN	New York Stock Exchange LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

☐

Item 7.01 Regulation FD Disclosure.

From time to time, members of the Company's senior management present information about the Company to investors. A copy of an investor presentation dated September 5, 2023 is attached as Exhibit 99.1.

The information in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed with this report:

<u>Exhibit</u>	<u>Description</u>
99.1	Investor Presentation dated September 5, 2023
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KAMAN CORPORATION

By: /s/ Carroll Lane
Carroll Lane
Senior Vice President and
Interim Chief Financial Officer

Date: September 5, 2023



KAMAN INVESTOR PRESENTATION

September 2023





CAUTIONARY STATEMENT

FORWARD LOOKING STATEMENTS

This presentation includes "forward looking statements" relating to the announced transactions and future operations of the Company, which can be identified by the use of words such as "will," "expect," "poise," "believe," "plans," "strategy," "prospects," "estimate," "project," "seek," "target," "anticipate," "intend," "future," "likely," "may," "should," "would," "could," and other words of similar meaning in connection with a discussion of future operating or financial performance or events. Forward-looking statements also may be included in other publicly available documents issued by the Company and in oral statements made by our officers and representatives from time to time. These statements are based on assumptions currently believed to be valid but involve significant risks and uncertainties, many of which are beyond our control, which could cause our actual results to differ from those expressed in the forward looking statements. Such risks and uncertainties include, among others, the ability to implement the anticipated business plans following closing and achieve anticipated benefits and savings; and future and estimated revenues, earnings, cash flow, charges, cost savings and expenditures. Additional risks and uncertainties that could cause our actual results to differ from those expressed in the forward looking statements are identified in our reports filed with the SEC, including our Quarterly Reports on Form 10-Q, our Annual Reports on Form 10-K, and our Current Reports on Form 8-K. The forward looking statements included in this presentation are made only as of the date of this presentation, and the Company does not undertake any obligation to update the forward looking statements to reflect subsequent events or circumstances.

NON-GAAP FINANCIAL MEASURES

Management believes that the Non-GAAP financial measures (i.e. financial measures that are not computed in accordance with Generally Accepted Accounting Principles) used in this presentation or in other disclosures provide important perspectives into the Company's ongoing business performance. The Company does not intend for the information to be considered in isolation or as a substitute for the related GAAP measures. Other companies may define the measures differently. Reconciliations from GAAP measures to the Non-GAAP measures are presented at the end of the presentation.



Note: Data as of June 30, 2023

OUR VISION

To propel our customers forward by imagining and delivering highly-engineered solutions





KEY MESSAGES

A FOCUS ON STRATEGIC INITIATIVES TO REDUCE VARIATION IN PERFORMANCE:

- Continued strong growth across our Engineered Products portfolio
- Consolidation of Precision Products facilities
- Discontinuation of K-MAX® and K-MAX® TITAN programs
- Right size the total cost structure of the organization

FUTURE PERFORMANCE INDICATORS:

- Backlog of approximately \$700 M with organic backlog increasing ~35% in Engineered Products year-over-year
- Robust sales and order activity in medical, industrial, and commercial, business and general aviation markets
- Gross margin improvement on higher sales volumes
- Refinanced credit agreement; Sufficient capacity to meet future debt obligations and working capital needs



SEGMENT OUTLOOK & STRATEGY

OUTLOOK



ENGINEERED PRODUCTS

GROW

MISSION



Grow organically and through M&A

Win new business

STRATEGY



Improve new product introduction

Benefit from rebounding commercial aviation market

PRECISION PRODUCTS

TRANSFORM

Pivot to new technologies and markets

Develop new products

Advance autonomous technologies

Launch next generation fuzing systems

STRUCTURES

IMPROVE

Strengthen margin

Win higher margin programs





Improve quality and on-time delivery

Drive operations excellence



ENGINEERED PRODUCTS

PROVIDING A BROAD RANGE OF PREMIER PRODUCTS FOR DIVERSE END MARKETS

Aircraft Wheel & Brake  Proprietary technologies	Self Lubricating Bearings  Karon® Self Lubricating Machinable Liner	Traditional Airframe Bearings  Custom design capability	Flexible Drive Systems  Patented and proprietary technology	High Precision Miniature Bearings  Proprietary design, machining & assembly	Engine Aftermarket Components  FAA parts manufacturing authorization	High Precision Seals, Springs & Contacts  Proprietary design, machining & assembly
--	---	---	---	--	--	--



ENGINEERED PRODUCTS

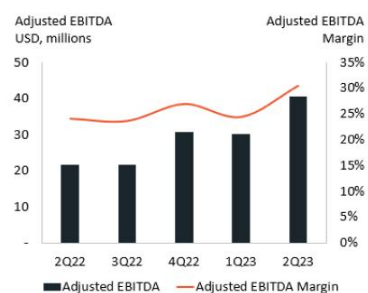
Q2 2023 Financial Results

Net Sales	Operating Income	Adj. EBITDA	Adj. EBITDA Margin
\$134M	\$30.5M	\$40.7M	30.5%

Q2 Key Drivers

- Contribution of sales and margin from Aircraft Wheel & Brake acquisition
- Steady strength in commercial aerospace and PMA Aftermarket programs
- Sequential increase in sales and gross margin

Quarterly Results



Execute on strong backlog, continue to expand margins and deliver solid results



PRECISION PRODUCTS

PROVIDING UNMATCHED PRECISION, VERSATILITY AND EFFICIENCY

SAFE & ARM DEVICES

Supporting U.S. & Allied militaries

Joint Programmable Fuze	JASSM®
ATacMS®	MK54
AMRAAM®	SLAM-ER
Harpoon	Tomahawk

MEMORY & MEASUREMENT

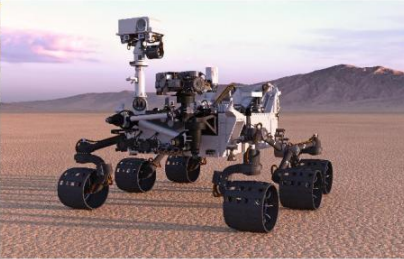
Supporting mission & flight critical applications

Ruggedized avionics modules
Advanced sensor technology
Signal Conditioning electronics

DIVERSE AERIAL SYSTEMS

Supporting heavy & medium lift applications

SH-2G Aftermarket
K-MAX® Aftermarket
KARGO UAV unmanned aerial system





PRECISION PRODUCTS

Q2 2023 Financial Results

Net Sales	Operating Income	Adj. EBITDA	Adj. EBITDA Margin
\$28.1M	\$(1.9)M	\$(1.1)M	(3.8)%

Q2 Key Drivers

- Planned lower sales and gross profit for JPF program
- Cost growth on legacy fuzing and measuring programs
- Lower operating expenses at Orlando facility

Quarterly Results



Pivot to new technologies and markets



PRECISION PRODUCTS

KARGO UAV – UNMANNED AERIAL SYSTEM

PURSUING MULTIPLE OPPORTUNITIES WITH RECENT SUCCESS



• DEFENSE

- Down selected for MULS-A by US Marine Corps
- Funding provided for development of prototype
- Period of Performance 2023 – 2024



• COMMERCIAL

- Partnered with PHI, leading global helicopter solutions provider
- Intent to purchase 50 units
- Co-develop commercial platform, sales and support model

TARGET CAPABILITIES

- Designed for easy transport and deployment
- Self-deploys with no payload up to ~500 nautical miles
- Lifting capacity of 800 lbs
- Flight testing of full-scale vehicle – 2023



STRUCTURES

PROVIDING KEY STRUCTURAL COMPONENTS ACROSS CRITICAL END MARKETS



Black Hawk Cockpit
Sikorsky multi-year
contract awarded in
Dec 2021

CH-47
Boeing Chinook
refueling probes
through 2024



**Medical Imaging
Tables**
Partnership with Mirion
Technologies in Jan 2022

A-10 Thunderbolt
Boeing wing
assemblies contract
through 2030



Commercial
Engine OEM Outlet
Guide Vanes



STRUCTURES

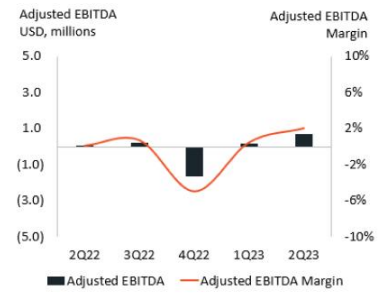
Q2 2023 Financial Results

Net Sales	Operating Income	Adj. EBITDA	Adj. EBITDA Margin
\$34M	\$(0.1)M	\$0.7M	2.0%

Q2 Key Drivers

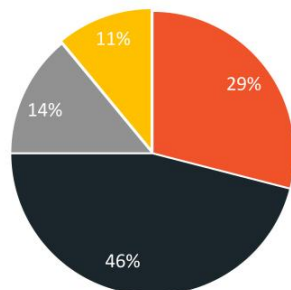
- Higher sales and margins for composites programs, such as Rolls Royce
- Higher sales and associated gross profit on UH-60 program
- Receipt of insurance claim settlement

Quarterly Results



Drive improved quality and performance across segment

2Q 2023 SALES BY END MARKET



- Defense
- Commercial, Business & General Aviation
- Medical
- Industrial & Other

CONSOLIDATED SALES: \$ 195M

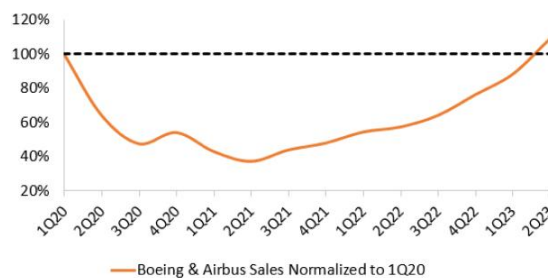
~75%

OEM

~25%

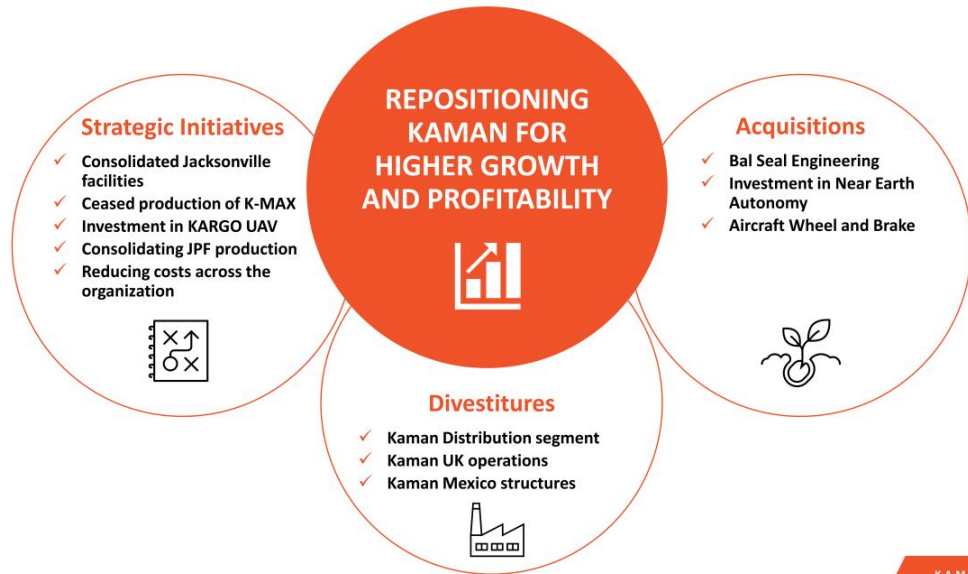
Aftermarket

BOEING & AIRBUS SALES





PORTFOLIO TRANSFORMATION



FOCUSED ON EXECUTION

GROWTH THROUGH INNOVATION

Accelerate internal investments in our products, facilities and people

DE-LEVERAGING & CAPITAL ALLOCATION

Paydown debt
Maintain a disciplined approach to capital allocation

OPERATIONAL EXCELLENCE






Drive significantly improved operating and financial performance
Eliminate sources of variation

EBITDA
MARGIN

FREE CASH FLOW
CONVERSION

RETURN ON
INVESTED CAPITAL

2023 MARKET OUTLOOK

PLATFORM / END MARKETS	2023 vs. 2022	FULL YEAR EXPECTATIONS
 Defense	↑	Improved performance in defense offerings and addition of Aircraft Wheel and Brake
 Safe and Arm Devices	↓	Lower JPF volume
 Commercial, Business & General Aviation	↑	Benefiting from strong order rates, improved performance and addition of Aircraft Wheel and Brake
 Medical	↑	Benefiting from strong order rates, improved performance and adoption of new technologies
 Industrials	↑	Benefiting from strong order rates, improved performance and expansion into new markets





NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin - Adjusted EBITDA for the consolidated company results is defined as earnings from continuing operations before interest, taxes, other expense (income), net, depreciation and amortization and certain items that are not indicative of the operating performance of the Company for the periods presented. Adjusted EBITDA for the segments is defined as operating income before depreciation and amortization. Adjusted EBITDA margin is defined as Adjusted EBITDA as a percent of Net sales. Management believes Adjusted EBITDA and Adjusted EBITDA margin provide an additional perspective on the operating results of the organization and its earnings capacity and helps improve the comparability of our results between periods because they provide a view of our operations that excludes items that management believes are not reflective of operating performance, such as items traditionally removed from net earnings in the calculation of EBITDA as well as Other expense (income), net and certain items that are not indicative of the operating performance of the Company for the period presented. Adjusted EBITDA and Adjusted EBITDA margin are not presented as an alternative measure of operating performance, as determined in accordance with GAAP.

Adjusted Earnings from Continuing Operations and Adjusted Diluted Earnings Per Share - Adjusted earnings from continuing operations and adjusted diluted earnings per share are defined as GAAP "Earnings from continuing operations" and "Diluted earnings per share", less items that are not indicative of the operating performance of the business for the periods presented. These items are included in the reconciliation below. Management uses adjusted earnings from continuing operations and adjusted diluted earnings per share to evaluate performance period over period, to analyze the underlying trends in our business and to assess its performance relative to its competitors. We believe that this information is useful for investors and financial institutions seeking to analyze and compare companies on the basis of operating performance.

Adjusted Free Cash Flow - Adjusted free cash flow is defined as GAAP "Net cash provided by (used in) operating activities from continuing operations" in a period less "Expenditures for property, plant & equipment" in the same period and any adjustments that are representative of the Company's cash generation or usage in the period. For 2021 we adjusted free cash flow to remove the cash payment made to Bal Seal employees under the retention plan established by the former owners of Bal Seal. Management believes free cash flow from continuing operations and adjusted free cash flow provides an important perspective on our ability to generate cash from our business operations and, as such, that it is an important financial measure for use in evaluating the Company's financial performance. Free cash flow and adjusted free cash flow should not be viewed as representing the residual cash flow available for discretionary expenditures such as dividends to shareholders or acquisitions, as it may exclude certain mandatory expenditures such as repayment of maturing debt and other contractual obligations. Management uses free cash flow and Adjusted free cash flow internally to assess overall liquidity.



NON-GAAP RECONCILIATIONS

Enterprise Value (unaudited)

Thousands of U.S. dollars, except share data

June 30, 2023

Common shares outstanding	28,193,810
Closing Price	<u>\$ 24.33</u>
Market Capitalization	685,955
Current portion of long-term debt, net of debt issuance costs	198,593
Long-term debt, excluding current portion, net of debt issuance costs	384,000
Cash and cash equivalents	<u>(34,283)</u>
Net debt	548,310
Enterprise Value	<u>\$ 1,234,265</u>

NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)

Thousands of U.S. dollars

	Three Months Ended June 30, 2023				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 195,158	\$ 133,513	\$ 28,059	\$ 33,586	\$ -
Net earnings	5,255				
Interest expense, net	10,340				
Income tax expense (benefit)	2,115				
Non-service pension and post retirement benefit income	(239)				
Other expense (income), net	99				
Operating income (loss)	\$ 17,570	\$ 30,542	\$ (1,884)	\$ (106)	\$ (10,982)
Depreciation and amortization	13,290	10,874	806	781	829
Restructuring and severance costs	272	-	-	-	272
Integration and implementation costs	1,037	-	-	-	1,037
Program inventory impairment	596	-	-	-	596
Tax contingency reversal	(757)	(757)	-	-	-
Other Adjustments	\$ 14,438	\$ 10,117	\$ 806	\$ 781	\$ 2,734
Adjusted EBITDA	\$ 32,008	\$ 40,659	\$ (1,078)	\$ 675	\$ (8,248)
Adjusted EBITDA margin	16.4%	30.5%	(3.8)%	2.0%	

**Corp/Elims Operating income (loss) represents the Corporate office expenses and \$1.3 million of unallocated expenses that are shown on the Condensed Consolidated Statement of Operations as their own line items.

NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)

Thousands of U.S. dollars

	Three Months Ended March 31, 2023				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 194,542	\$ 123,326	\$ 37,971	\$ 33,245	\$ -
Net earnings	(769)				
Interest expense, net	9,604				
Income tax expense (benefit)	(206)				
Non-service pension and post retirement benefit income	(381)				
Other expense (income), net	(571)				
Operating income (loss)	\$ 7,677	\$ 19,356	\$ 1,129	\$ (643)	\$ (12,165)
Depreciation and amortization	13,154	10,763	812	794	785
Restructuring and severance costs	2,190	-	-	-	2,190
Integration and implementation costs	797	-	-	-	797
Other Adjustments	\$ 16,141	\$ 10,763	\$ 812	\$ 794	\$ 3,772
Adjusted EBITDA	\$ 23,818	\$ 30,119	\$ 1,941	\$ 151	\$ (8,393)
Adjusted EBITDA margin	12.2%	24.4%	5.1%	0.5%	

**Corp/Elims Operating income (loss) represents the Corporate office expenses and \$2.2 million of unallocated expenses that are shown on the Condensed Consolidated Statement of Operations as their own line items.



NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)
Thousands of U.S. dollars

	Three Months Ended December 31, 2022				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 197,143	\$ 113,972	\$ 49,925	\$ 33,246	\$ -
Net (loss) earnings	(55,942)				
Interest expense, net	8,786				
Income tax expense (benefit)	(18,991)				
Non-service pension and post retirement benefit income	(5,145)				
Other expense (income), net	(2,100)				
Operating income (loss)	\$ (73,392)	\$ 17,168	\$ 5,628	\$ (2,502)	\$ (93,686)
Depreciation and amortization	13,675	11,231	785	856	803
Goodwill impairment	25,306	-	-	-	25,306
Program assets impairment	53,677	-	-	-	53,677
Restructuring and severance costs	6,989	-	-	-	6,989
Cost associated with corporate development activities	1,167	-	-	-	1,167
Inventory step-up associated with acquisition	2,299	2,299	-	-	-
Other Adjustments	\$ 103,113	\$ 13,530	\$ 785	\$ 856	\$ 87,942
Adjusted EBITDA	\$ 29,721	\$ 30,698	\$ 6,413	\$ (1,646)	\$ (5,744)
Adjusted EBITDA margin	15.1%	26.9%	12.8%	(5.0)%	

**Corp/Elims Operating income (loss) represents the Corporate office expenses and \$86.0 million of unallocated expenses that are shown on the Condensed Consolidated Statement of Operations as their own line items.



NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)

Thousands of U.S. dollars

	Three Months Ended September 30, 2022				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 172,004	\$ 92,052	\$ 46,282	\$ 33,670	\$ -
Net earnings	(280)				
Interest expense, net	3,614				
Income tax expense (benefit)	(114)				
Non-service pension and post retirement benefit income	(5,142)				
Other expense (income), net	1,221				
Operating income (loss)	\$ (701)	\$ 14,156	\$ 5,296	\$ (642)	\$ (19,511)
Depreciation and amortization	9,383	6,856	804	870	853
Restructuring and severance costs	(243)	-	-	-	(243)
Cost associated with corporate development activities	10,725	-	-	-	10,725
Inventory step-up associated with acquisition	760	760	-	-	-
(Gain) loss on sale of business	(457)	-	-	-	(457)
Other Adjustments	\$ 20,168	\$ 7,616	\$ 804	\$ 870	\$ 10,878
Adjusted EBITDA	\$ 19,467	\$ 21,772	\$ 6,100	\$ 228	\$ (8,633)
Adjusted EBITDA margin	11.3%	23.7%	13.2%	0.7%	

**Corp/Elims Operating income (loss) represents the Corporate office expenses and \$0.7 million of unallocated income that are shown on the Condensed Consolidated Statement of Operations as their own line items.



NON-GAAP RECONCILIATIONS

Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)

Thousands of U.S. dollars

	Three Months Ended July 1, 2022				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 160,766	\$ 89,765	\$ 41,267	\$ 29,734	\$ -
Net earnings	3,774				
Interest expense, net	1,993				
Income tax expense (benefit)	479				
Non-service pension and post retirement benefit income	(5,024)				
Other expense (income), net	690				
Operating income (loss)	\$ 1,912	\$ 15,467	\$ 2,214	\$ (862)	\$ (14,907)
Depreciation and amortization	8,822	6,147	1,043	887	745
Restructuring and severance costs	2,927	-	-	-	2,927
Cost associated with corporate development activities	2,400	-	-	-	2,400
Other Adjustments	\$ 14,149	\$ 6,147	\$ 1,043	\$ 887	\$ 6,072
Adjusted EBITDA	\$ 16,061	\$ 21,614	\$ 3,257	\$ 25	\$ (8,835)
Adjusted EBITDA margin	10.0%	24.1%	7.9%	0.1%	

**Corp/Elims Operating Income (loss) represents the Corporate office expenses and \$2.9 million of unallocated expenses that are shown on the Condensed Consolidated Statement of Operations as their own line items.

