

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): May 31, 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 May 31, 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 May 31, 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/ James G. Coogan
James G. Coogan
Senior Vice President,
Chief Financial Officer and Treasurer

Date: May 31, 2023



KAMAN INVESTOR PRESENTATION



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.

01

SECTION

01

OVERVIEW



\$ 1.2 B

ENTERPRISE VALUE

3,000+

EMPLOYEES

53

CONSECUTIVE YEARS OF
DIVIDEND PAYMENTS

50+

COUNTRIES WITH SALES

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:

- Acquisition of Parker-Hannifin Aircraft Wheel & Brake to grow 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
- Utilize the Vermont facility turnaround as a blueprint to improve other Structure segment sites



KEY MESSAGES

FUTURE PERFORMANCE INDICATORS:

- Backlog of > \$730 M with organic backlog growth in Engineered Products year over year
- Robust sales and order activity in medical, industrial, and commercial, business and general aviation markets
- U.S. Marine Corps Medium Unmanned Logistics Systems – Air (MULS-A) program award for KARGO UAS
- Agreement with PHI Aviation LLC for promotion, sales and support of KARGO UAV and a non-binding MOU for 50 units

02

SECTION

BUSINESS SEGMENTS & PERFORMANCE



OUTLOOK & STRATEGY

	ENGINEERED PRODUCTS	PRECISION PRODUCTS	STRUCTURES
OUTLOOK	GROW	TRANSFORM	IMPROVE
MISSION	Grow organically	Pivot to new technologies and markets	Strengthen margin
STRATEGY	Win new business Introduce new products Focus on execution	Develop new products Advance autonomous technologies Launch next generation fuzing systems	Adopt VT operating model across segment Improve quality and on-time delivery Improve mix with higher aftermarket exposure

FULL-YEAR 2022 RESULTS

	ENGINEERED PRODUCTS	PRECISION PRODUCTS	STRUCTURES
NET SALES	\$377 M	\$185 M	\$126 M
OPERATING INCOME (LOSS)	\$58 M	\$18 M	\$(3) M
ADJUSTED EBITDA	\$91 M	\$21 M	\$0.5 M
ADJUSTED EBITDA MARGIN	24.2%	11.5%	0.4%

ENGINEERED PRODUCTS

Providing a broad range of premier products for diverse end markets

AIRCRAFT WHEEL & BRAKE	SELF LUBRICATING BEARINGS	TRADITIONAL AIRFRAME BEARINGS	FLEXIBLE DRIVE SYSTEMS	HIGH PRECISION MINIATURE BEARINGS	ENGINE AFTERMARKET COMPONENTS	HIGH PRECISION SEALS, SPRINGS & CONTACTS
						
PROPRIETARY TECHNOLOGIES	KARON® SELF LUBRICATING MACHINABLE LINER	CUSTOM DESIGN CAPABILITY	PATENTED AND PROPRIETARY TECHNOLOGY	PROPRIETARY DESIGN, MACHINING & ASSEMBLY	FAA PARTS MANUFACTURING AUTHORIZATION	PROPRIETARY DESIGN, MACHINING & ASSEMBLY

ENGINEERED PRODUCTS

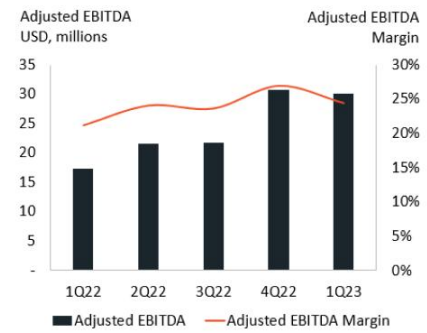
Q1 2023 FINANCIAL RESULTS

NET SALES	OPERATING INCOME	ADJ. EBITDA	ADJ. EBITDA MARGIN
\$123M	\$19.4M	\$30.1M	24.4%

Q1 KEY DRIVERS

- Contribution of sales and margin from Aircraft Wheel & Brake acquisition
- Steady strength in commercial aerospace
- Sequential sales volume increase on springs, seals and contacts

QUARTERLY RESULTS



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

ENGINEERED PRODUCTS

Aircraft Wheel & Brake

LEADING PORTFOLIO

- Trusted provider of mission critical wheel & brake technology products

ESTABLISHED & PREDICTABLE BUSINESS

- Best-in-class margins and strong cash flow
- Long-standing customer relationships with global reach
- Solutions integrated into 100+ platforms worldwide
- Installed base of ~450,000 aircraft globally serviced
- Scalability for short-term and long-term growth
- Customized proprietary designs protected by intellectual property
- Experienced leadership team

Note: All data including but not limited to Revenue and EBITDA Margin is LTM December 31, 2021 as provided by Parker and has not been audited. See full presentation for acquisition published on May 23, 2022 at www.kaman.com/investors/investor-presentations.

~\$70M
2021 Revenue

~40%
2021 EBITDA Margin

80%
Single Sourced Contracts

1
Centralized Location—Avon, OH

75+
Customers

PRECISION PRODUCTS

Providing unmatched precision, versatility and efficiency

SAFE & ARM DEVICES		MEMORY & MEASUREMENT	DIVERSE AERIAL SYSTEMS
Supporting U.S. & Allied Militaries		Supporting Mission & Flight Critical Applications	Supporting Heavy & Medium Lift Applications
Joint Programmable Fuze	JASSM®	Ruggedized avionics modules	SH-2G
ATacMS®	MK54	Advanced sensor technology	K-MAX® (aftermarket & training)
AMRAAM®	SLAM-ER	Signal Conditioning electronics	KARGO UAV unmanned aerial system
Harpoon	Tomahawk		



PRECISION PRODUCTS

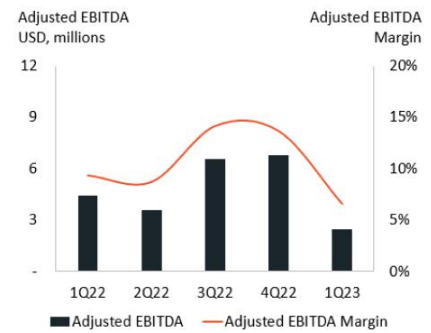
Q1 2023 FINANCIAL RESULTS

NET SALES	OPERATING INCOME	ADJ. EBITDA	ADJ. EBITDA MARGIN
\$38M	\$1.7M	\$2.5M	6.5%

Q1 KEY DRIVERS

- Lower sales and gross profit for JPF program
- R&D spend focused on future growth markets

QUARTERLY RESULTS



Pivot to new technologies and markets

PRECISION PRODUCTS

KARGO UAV – Unmanned Aerial System: Pursuing multiple opportunities with recent success in both Commercial and Defense



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

CAPABILITIES

- Designed for easy transport and deployment
- Self-deploys with no payload up to 523 nautical miles
- Lifting capacity of 800 lbs
- Flight testing of full-scale vehicle – 2023

STRUCTURES

Providing key structural components across critical end markets

<p>BLACK HAWK COCKPIT</p>  <p>SIKORSKY MULTI-YEAR CONTRACT AWARDED IN DEC 2021</p>	<p>AH-1Z</p>  <p>BELL BLADE SKIN TO CORE STRUCTURAL COMPONENTS</p>	<p>MEDICAL IMAGING TABLES</p>  <p>PARTNERSHIP WITH MIRION TECHNOLOGIES IN JAN 2022</p>	<p>A-10 THUNDERBOLT</p>  <p>BOEING WING ASSEMBLIES CONTRACT THROUGH 2030</p>	<p>COMMERCIAL</p>  <p>ENGINE OEM</p>
---	---	---	---	---

STRUCTURES

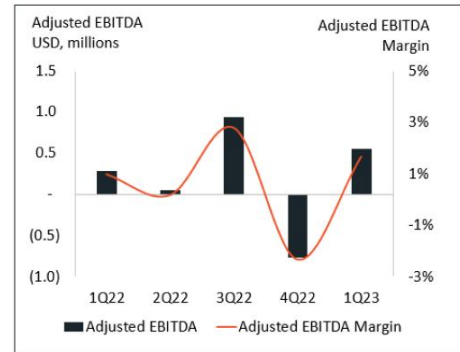
Q1 2023 FINANCIAL RESULTS

NET SALES	OPERATING INCOME	ADJ. EBITDA	ADJ. EBITDA MARGIN
\$33M	\$(0.2)M	\$0.6M	1.7%

Q1 KEY DRIVERS

- Strong Vermont composite's business performance
- Higher sales and margins for composites programs, such as Rolls Royce
- Offset by lower sales and associated gross profit on UH-60 program

QUARTERLY RESULTS



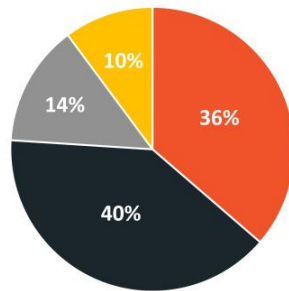
Deploy Vermont facility blueprint to drive improved quality and performance across segment

03

SECTION

STRATEGIC PRIORITIES

1Q 2023 SALES BY END MARKET



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

CONSOLIDATED SALES: \$ 195M

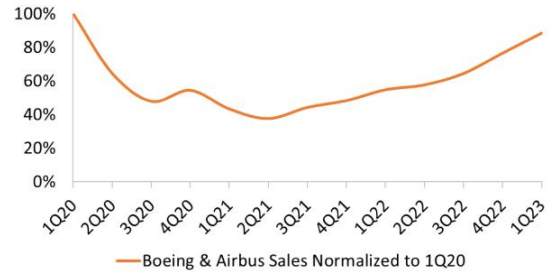
~77%

OEM

~23%

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 shareholder returns

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





"

SECTION 04

APPENDIX



NON-GAAP RECONCILIATIONS

For Kaman:

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.

For Parker:

EBITDA and EBITDA Margin - EBITDA and EBITDA margin for Aircraft Wheel and Brake represent unaudited financial information provided by Parker. EBITDA is defined as earnings before interest, taxes, net depreciation. EBITDA margin is defined as EBITDA as a percent of Net sale. EBITDA and EBITDA Margin are indicative of the operating performance of the Company for the periods presented. Management believes EBITDA and EBITDA margin provide an additional perspective on the operating results of the organization and its earnings capacity and helps improve the comparability of results between because they provide a view of operations that excludes items that management believes are not reflective of operating performance. EBITDA and EBITDA margin are not presented as an alternative measure of operating performance, as determined in accordance with GAAP.

NON-GAAP RECONCILIATIONS

Table 5. 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	(54,943)				
Interest expense, net	8,786				
Income tax expense (benefit)	(18,724)				
Non-service pension and post retirement benefit income	(5,145)				
Other expense (income), net	(2,100)				
Operating income (loss)	<u>\$ (72,126)</u>	<u>\$ 17,168</u>	<u>\$ 6,016</u>	<u>\$ (1,624)</u>	<u>\$ (93,686)</u>
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	<u>\$ 103,113</u>	<u>\$ 13,530</u>	<u>\$ 785</u>	<u>\$ 856</u>	<u>\$ 87,942</u>
Adjusted EBITDA	<u>\$ 30,987</u>	<u>\$ 30,698</u>	<u>\$ 6,801</u>	<u>\$ (768)</u>	<u>\$ (5,744)</u>
Adjusted EBITDA margin	15.7%	26.9%	13.6%	(2.3)%	

**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 Earnings as their own line items.

NON-GAAP RECONCILIATIONS

Table 5. 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	(19)				
Interest expense, net	9,604				
Income tax expense (benefit)	(5)				
Non-service pension and post retirement benefit income	(381)				
Other expense (income), net	(571)				
Operating income (loss)	\$ 8,628	\$ 19,356	\$ 1,674	\$ (237)	\$ (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	\$ 24,769	\$ 30,119	\$ 2,486	\$ 557	\$ (8,393)
Adjusted EBITDA margin	12.7%	24.4%	6.5%	1.7%	

**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 Earnings as their own line items.

NON-GAAP RECONCILIATIONS

Table 8. Adjusted EBITDA and Adjusted EBITDA Margin (unaudited)
Thousands of U.S. dollars

	Twelve Months Ended December 31, 2022				
	Consolidated	Engineered Products	Precision Products	Structures	Corp/Elims**
Net sales	\$ 687,961	\$ 377,241	\$ 185,023	\$ 125,697	\$ -
Net (loss) earnings	(46,226)				
Interest expense, net	16,874				
Income tax expense (benefit)	(16,732)				
Non-service pension and post retirement benefit income	(20,574)				
Other expense (income), net	315				
Operating income (loss)	\$ (66,343)	\$ 57,833	\$ 17,705	\$ (3,000)	\$ (138,881)
Depreciation and amortization	40,712	30,461	3,663	3,519	3,069
Goodwill impairment	25,306				25,306
Program assets impairment	53,677				53,677
Restructuring and severance costs	9,842	-	-	-	9,842
Cost associated with corporate development activities	14,420	-	-	-	14,420
Inventory step-up associated with acquisition	3,059	3,059	-	-	-
Gain on sale of business	(457)				(457)
Other Adjustments	\$ 146,559	\$ 33,520	\$ 3,663	\$ 3,519	\$ 105,857
Adjusted EBITDA	\$ 80,216	\$ 91,353	\$ 21,368	\$ 519	\$ (33,024)
Adjusted EBITDA margin	11.7%	24.2%	11.5%	0.4%	

**Corp/Elims Operating income (loss) represents the Corporate office expenses and \$88.5 million of unallocated expenses that are shown on the Condensed Consolidated Statement of Earnings as their own line items.

NON-GAAP RECONCILIATIONS

Table 10. Adjusted net earnings and Adjusted Diluted Earnings per Share (unaudited)
Thousands of U.S. dollars (except share data)

	Three Months Ended			Year Ended					
	December 31, 2022			December 31, 2022			December 31, 2021		
	Pre-Tax	Tax-Effect	Diluted EPS	Pre-Tax	Tax-Effect	Diluted EPS	Pre-Tax	Tax-Effect	Diluted EPS
Net (loss) earnings	\$ (73,667)	\$ (54,943)	\$ (1.96)	\$ (62,958)	\$ (46,226)	\$ (1.65)	\$ 60,508	\$ 43,676	\$ 1.57
Adjustments:									
Goodwill impairment	25,306	18,874	0.67	25,306	18,580	0.66	-	-	-
Program assets impairment	53,677	40,034	1.43	53,677	39,410	1.41	-	-	-
Restructuring and severance costs	6,989	5,213	0.19	9,842	7,226	0.25	6,154	4,810	0.17
Costs associated with corporate development activities	1,167	870	0.03	14,420	10,587	0.38	1,198	941	0.04
Inventory step-up associated with acquisition	2,299	1,715	0.06	3,059	2,246	0.08	-	-	-
Costs from transition services agreement	-	-	-	-	-	-	1,728	1,370	0.05
Income from transition services agreement	-	-	-	-	-	-	(931)	(739)	(0.03)
Tax benefit on sale of UK operations	-	-	-	-	-	-	287	287	0.01
(Gain) loss on sale of business	-	-	-	(457)	(336)	(0.01)	234	234	0.01
Tax-related items	-	-	-	-	-	-	3,131	3,131	0.11
Adjustments	\$ 89,438	\$ 66,706	\$ 2.38	\$ 105,847	\$ 77,713	\$ 2.77	\$ 11,801	\$ 10,034	\$ 0.36
Adjusted net earnings	\$ 15,771	\$ 11,763	\$ 0.42	\$ 42,889	\$ 31,487	\$ 1.12	\$ 72,309	\$ 53,710	\$ 1.93
Diluted weighted average shares outstanding			28,051			28,011			27,891

NON-GAAP RECONCILIATIONS

Table 9. Free Cash Flow (unaudited)

Thousands of U.S. dollars

	Three Months Ended				Twelve Months Ended
	July 1, 2022	September 30, 2022	December 31, 2022	March 31, 2023	March 31, 2023
Net cash provided by (used in) operating activities	\$ (25,937)	\$ (6,746)	\$ 54,669	\$ (5,453)	\$ 16,533
Expenditures for property, plant & equipment	(3,643)	(7,106)	(6,063)	(5,948)	(22,760)
Free cash flow	\$ (29,580)	\$ (13,852)	\$ 48,606	\$ (11,401)	\$ (6,227)

NON-GAAP RECONCILIATIONS

Table 11. Free Cash Flow (unaudited)

Thousands of U.S. dollars

	Three Months Ended				Twelve Months Ended
	April 1, 2022	July 1, 2022	September 30, 2022	December 31, 2022	December 31, 2022
Net cash provided by (used in) operating activities	\$ (1,017)	\$ (25,937)	\$ (6,746)	\$ 54,669	\$ 20,969
Expenditures for property, plant & equipment	(6,877)	(3,643)	(7,106)	(6,063)	(23,689)
Free cash flow	<u>\$ (7,894)</u>	<u>\$ (29,580)</u>	<u>\$ (13,852)</u>	<u>\$ 48,606</u>	<u>\$ (2,720)</u>

