



Investor Presentation



Legal Disclaimer

Forward-Looking Statements

This presentation includes express or implied forward-looking statements. Forward-looking statements include all statements that are not historical facts including those that reflect our current views with respect to, among other things, our operations and financial performance. The words “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek,” “foreseeable,” the negative version of these words or similar terms and phrases may identify forward-looking statements in this presentation, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements contained in this presentation are based on management’s current expectations and are not guarantees of future performance. Our expectations and beliefs are expressed in management’s good faith, and we believe there is a reasonable basis for them, however, the forward-looking statements are subject to various known and unknown risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Actual results may differ materially from these expectations due to changes in global, regional, or local economic, business, competitive, market, regulatory, and other factors, many of which are beyond our control. We believe that these factors include but are not limited to the following: the almost exclusive focus of our business on the aerospace and defense industry; our heavy reliance on certain customers for a significant portion of our sales; the fact that we have in the past consummated acquisitions and our intention to continue to pursue acquisitions, and that our business may be adversely affected if we cannot consummate acquisitions on satisfactory terms, or if we cannot effectively integrate acquired operations; and the other risks and uncertainties described under “Risk Factors” of the Company’s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024, filed with the Securities and Exchange Commission (“SEC”) on May 14, 2024, and other periodic reports filed by the Company from time to time with the SEC.

These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, our actual results may vary in material respects from those projected in the forward-looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date of this presentation and is expressly qualified in its entirety by the cautionary statements included in this presentation. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, investments, or other strategic transactions we may make. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable law.

Special Notice Regarding Pro Forma Information

This presentation sets forth certain pro forma financial information. This pro forma financial information gives effect to certain recently completed acquisitions. Such pro forma information is based on certain assumptions and adjustments and does not purport to present our actual results of operations or financial condition had the transactions reflected in such pro forma financial information occurred at the beginning of the relevant period, in the case of income statement information, or at the end of such period, in the case of balance sheet information, nor is it necessarily indicative of the results of operations that may be achieved in the future.

Special Notice Regarding Non-GAAP Information

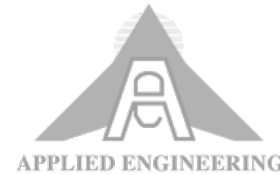
We present in this presentation certain financial information based on our EBITDA and Adjusted EBITDA. References to “EBITDA” mean earnings before interest, taxes, depreciation and amortization and references to “Adjusted

EBITDA” mean EBITDA plus, as applicable for each relevant period, certain adjustments as set forth in the reconciliations of net loss to EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA are not measurements of financial performance under U.S. GAAP. We present EBITDA and Adjusted EBITDA because we believe they are useful indicators for evaluating operating performance. In addition, our management uses Adjusted EBITDA to review and assess the performance of the management team in connection with employee incentive programs and to prepare its annual budget and financial projections. Moreover, our management uses Adjusted EBITDA of target companies to evaluate acquisitions.

Although we use EBITDA and Adjusted EBITDA as measures to assess the performance of our business and for the other purposes set forth above, the use of non-GAAP financial measures as analytical tools has limitations, and you should not consider any of them in isolation, or as a substitute for analysis of our results of operations or cash flow from operations as reported in accordance with U.S. GAAP. Our calculations of EBITDA and Adjusted EBITDA may not be comparable to the calculations of similarly titled measures reported by other companies.

A presentation of the most directly comparable GAAP measures and a reconciliation to such measures are set forth in the appendix.

We are a Family of Companies...



Loar Holdings Inc. is a diversified manufacturer and supplier of niche aerospace and defense components that are essential for today's aircraft and aerospace and defense systems. With established relationships across leading aerospace and defense original equipment manufacturers and Tier Ones worldwide



General Ecology, Inc.



Simple Approach to Driving Value

Value Drivers

L

Launching New Products

O

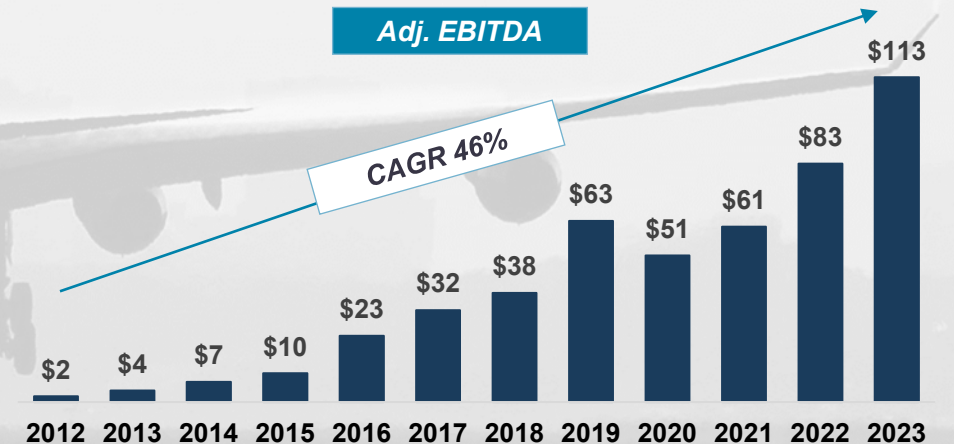
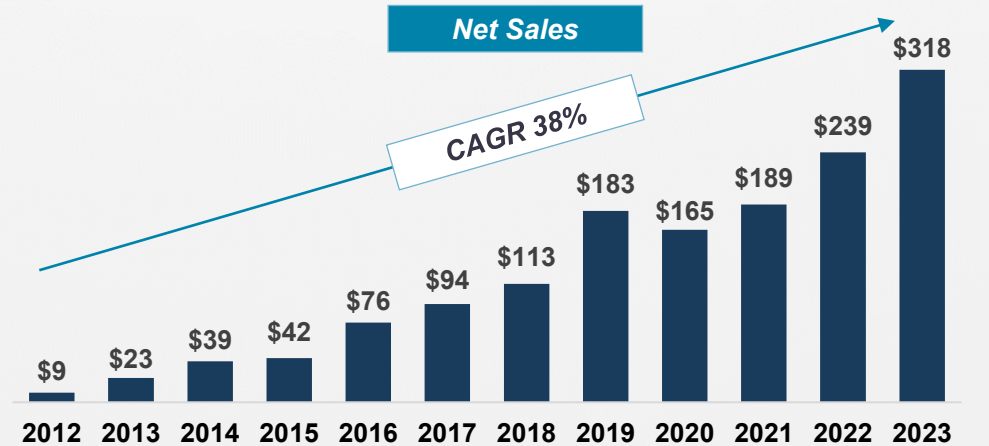
Optimizing Productivity

A

Achieving Price Above Inflation

R

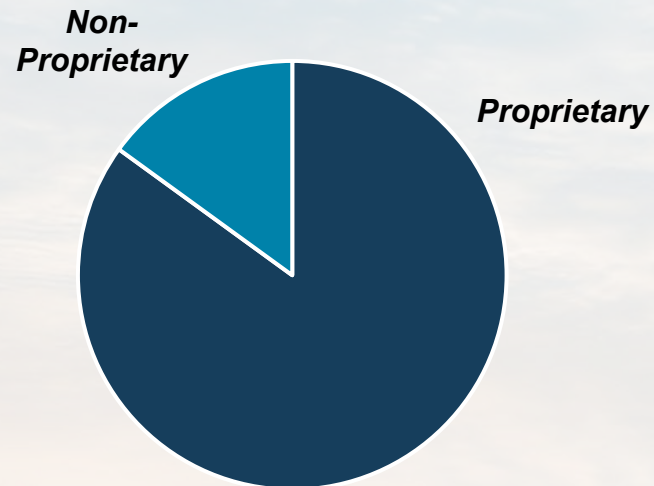
Readying Talent



Diverse and Proprietary Portfolio

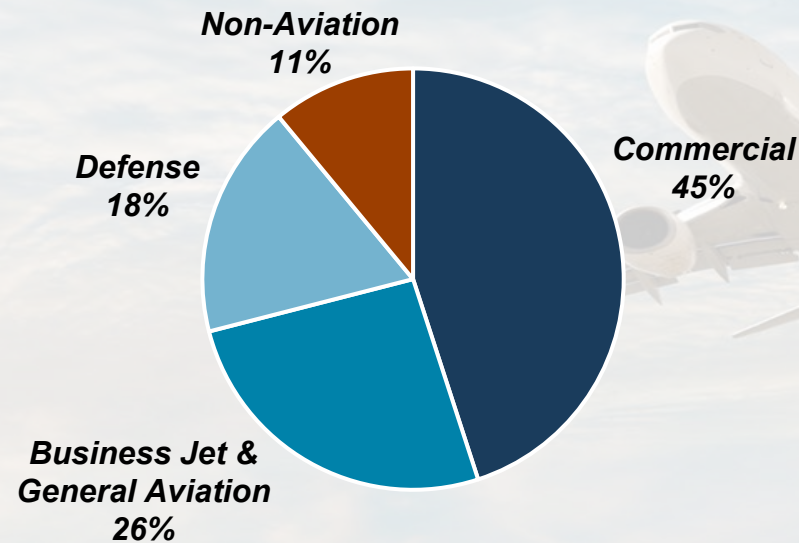
Our business focuses on *mission-critical, highly engineered solutions with high-intellectual property content*. Our products cover a diverse range of applications supporting **250+ platforms** in use today for a diverse customer base within the commercial, business jet and general aviation, and defense end markets

Products



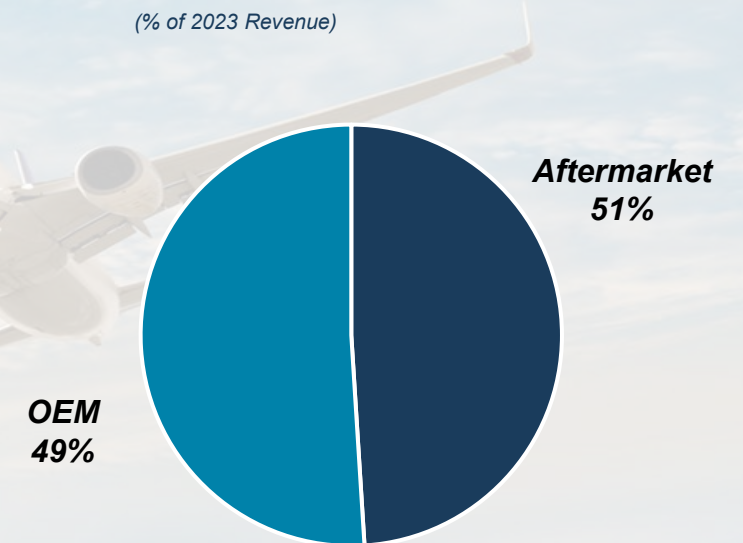
End Market⁽¹⁾

(% of 2023 Revenue)



Aftermarket vs. OEM⁽¹⁾

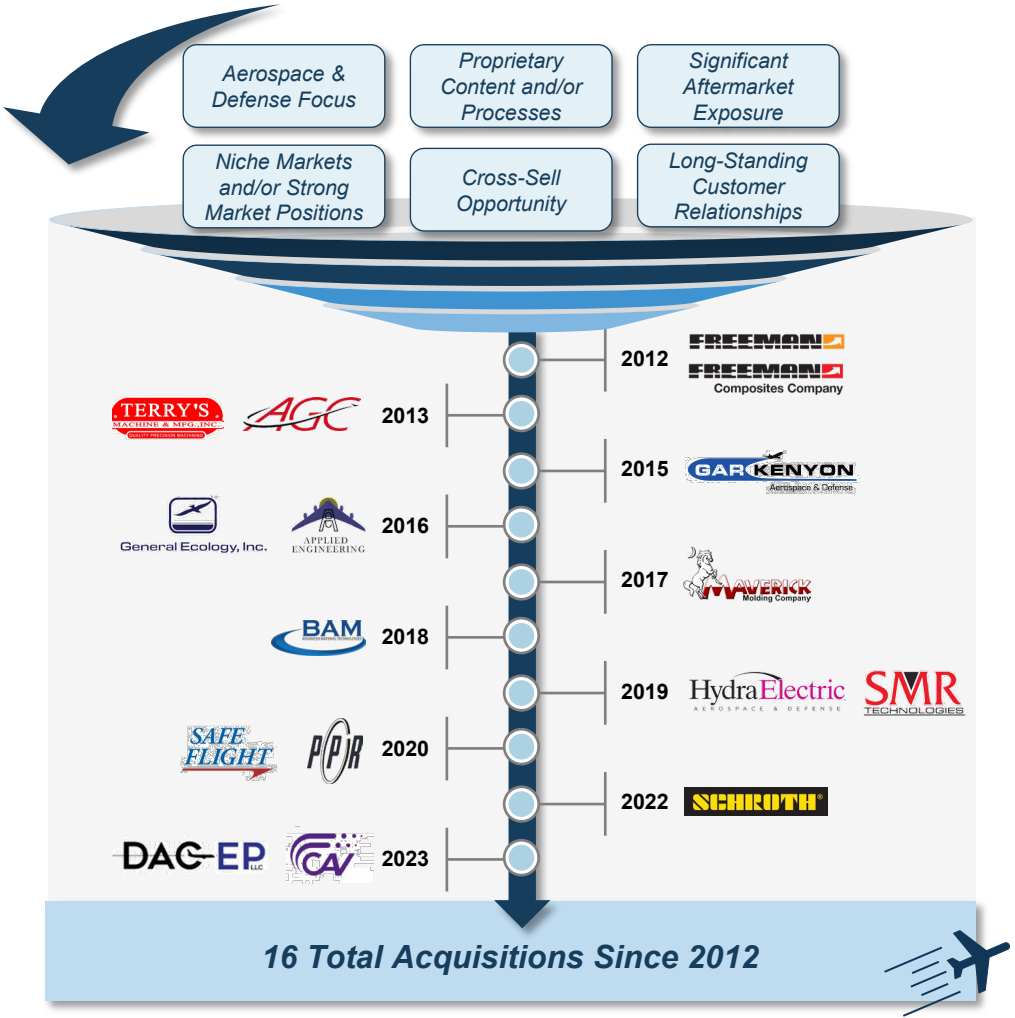
(% of 2023 Revenue)



(1) Pro forma sales for full year 2023. Includes full year impact of DAC and CAV, both acquisitions completed in Q3 2023. Please see additional special notice on pro forma sales and non-GAAP information

Disciplined Acquisition Playbook

Acquiror of Choice in the Fragmented Aerospace Components Market



- Extensive **Aerospace & Defense industry experience** to identify and support targets in next phase of growth
- Operational expertise coupled with comprehensive financial planning eliminates integration inefficiencies
- Strong revenue synergies from cross-selling acquired products to loyal blue-chip customer base
- Track record of **retaining key personnel** to grow our family and make the company an attractive home
- Acquisition value creation in a short period of time enables **greater ability-to-pay** and win in a competitive environment
- Lean entrepreneurial structure enables us to act on acquisition opportunities **more quickly and flexibly** than larger competitors

We Serve Virtually all Platforms

Aircraft Platforms

COMMERCIAL



Airbus A320 Family



Boeing 737 Family



Airbus 350

...and many others

- A220
- A330
- A380
- B747
- B757
- B767 / B767F
- B777 / B777X
- B787
- ARJ21
- Embraer ERJ / E-Jet
- Bombardier CRJ
- Numerous Out of Production Aircraft (e.g., MD11, DC-9, etc.)

BUSINESS JET



Bombardier Challenger 300



Bombardier Challenger 650



Beech King Air Family

...and many others

- G150/200/280
- G450/550
- G500/600
- G650
- Challenger 600
- Global Express 7000/8000
- Falcon 2000
- Falcon 6X
- Falcon 7X
- Cessna Citation Family
- Phenom 100
- Phenom 300
- Legacy 450 & 550
- Cirrus SR22
- PC-12

MILITARY



F-35



F-15/F-16/F-22



F/A-18

...and many others

- Eurofighter Typhoon
- T6
- P3
- AWACS
- V-22
- KC-46
- KC-135
- KC-390
- RC-135
- E-2D
- C-130 Family
- C-5
- C-17
- Various Military Rotorcraft

AERO-ENGINES



CFM 56



CFM LEAP



PT6

...and many others

- F135
- F100
- F119
- F404
- F110
- PW1000G
- PW4000
- PW200
- PW300
- Trent XWB
- GE90/GE9X

Broad Product Offering

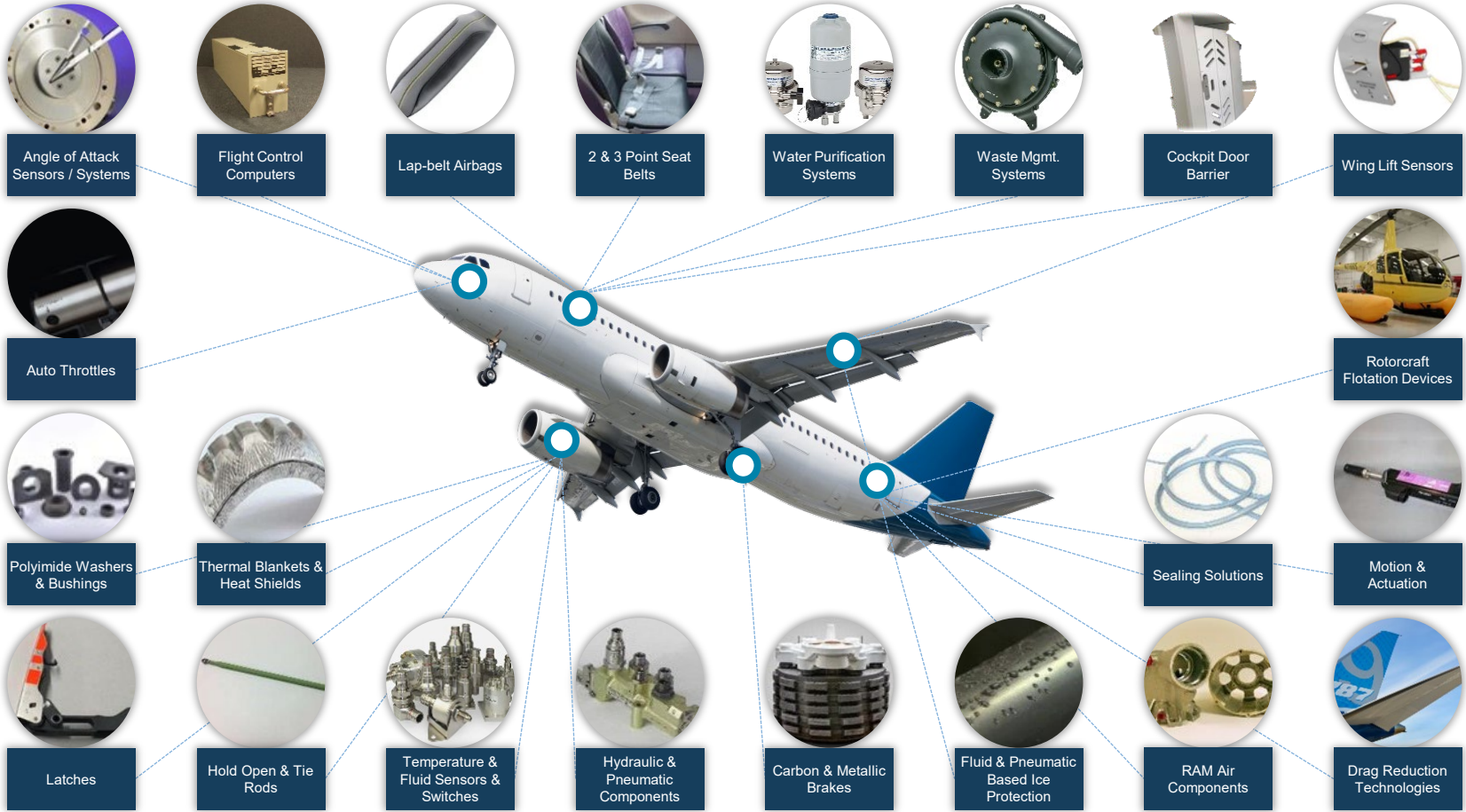
Wide Ranging Portfolio Offering With Over 15,000+ Products Offered

Mission critical nature of products with high monetary and reputational cost of failure to customers

Revenue from IP-heavy, proprietary products, which require a depth of operational expertise

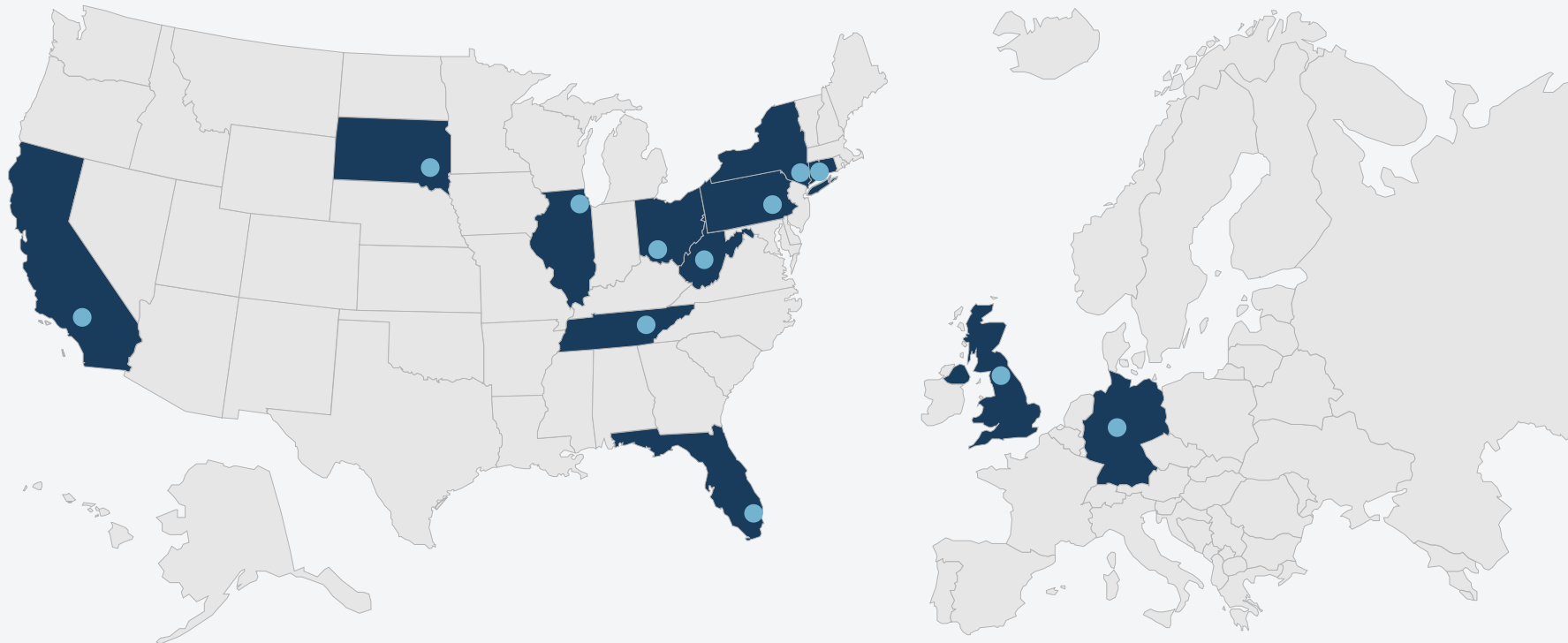
Time and cost intensive specification process ensures once Loar products are spec'd on to platform they are "locked in" for long term

Strong ability to provide aftermarket services for Loar components ensures high-margin revenue streams for lifetime of platforms Loar serves



No One Part Makes Up More Than 3% of the Company's 2023 Net Sales

Global Manufacturing Footprint



● Manufacturing Location

12
Manufacturing
Locations

16
Niche Brands

~1,400
Employees
As of March 31, 2024

Investor Information

- Exchange: NYSE
- Symbol: LOAR
- Fiscal Year – January 1 to December 31
- Investor Contact:
ir@loargroup.com
- Additional Information:
www.loargroup.com /
info@loargroup.com



Appendix – Reconciliation of EBITDA and Adjusted EBITDA to Net Income (Loss)

(in thousands unless otherwise indicated)

	Years Ended December 31,	
	2023	2022
Net loss	\$ (4,615)	\$ (2,469)
Adjustments:		
Interest expense, net	67,054	42,071
Income tax provision (benefit)	7,052	(142)
Operating income	69,491	39,460
Depreciation	9,938	8,882
Amortization	28,086	25,074
EBITDA	107,515	73,416
Adjustments:		
Recognition of inventory step-up ^(a)	603	704
Other income ^(b)	(762)	(861)
Transaction expenses ^(c)	3,394	6,365
Stock-based compensation ^(d)	372	1,526
Acquisition integration costs ^(e)	1,621	1,913
COVID-19-related expenses ^(f)	—	210
Adjusted EBITDA	\$112,743	\$ 83,273
Net sales	\$317,477	\$239,434
Net loss margin	(1.4)%	(1.0)%
Adjusted EBITDA Margin	35.5%	34.8%

^(a) Represents accounting adjustments to inventory associated with acquisitions of businesses that were charged to cost of sales when inventory was sold.

^(b) Represents a grant from the U.S. Department of Transportation under the AMJP.

^(c) Represents transaction-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses, and valuation costs that are required to be expensed as incurred.

^(d) Represents the non-cash compensation expense recognized by the Company for our restricted equity unit awards.

^(e) Represents costs incurred to integrate acquired businesses and product lines into Loar's operations, facility relocation costs and other acquisition-related costs.

^(f) Represents incremental costs related to the pandemic that are not expected to recur once the pandemic dissipates and are clearly separable from normal operations (for example, additional cleaning and disinfecting of facilities by contractors above and beyond normal requirements and COVID sick pay).

Appendix – Reconciliation of EBITDA and Adjusted EBITDA to Net Income (Loss)

(in thousands unless otherwise indicated)

	Year Ended				Twelve Months Ended Dec. 31, 2017 ⁽¹⁾	Oct. 2, 2017 through Dec. 31, 2017 ⁽¹⁾	Jan. 1, 2017 through Oct. 1, 2017 ⁽¹⁾	Year Ended				
	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018				Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
	(Successor)							(Predecessor)				
Net (loss) income	\$ (5,354)	\$ (17,052)	\$ (4,152)	\$ (5,721)	\$ (7,063)	\$ (3,409)	\$ (3,654)	\$ (122)	\$ 1,278	\$ 6,075	\$ (1,058)	\$ (2,404)
Adjustments:												
Income tax provision (benefit)	(2,599)	(2,147)	774	(1,101)	(13,228)	(12,414)	(814)	499	685	(2,382)	105	160
Interest expense, net	31,637	32,864	29,304	16,846	10,610	3,817	6,793	8,933	981	15	10	14
Loss on extinguishment of debt ^(a)	—	—	—	—	5,233	—	5,233	—	—	—	—	—
Foreign exchange gain ^(b)	—	—	—	—	—	—	—	(72)	—	—	—	—
Gain on insurance recoveries ^(c)	—	—	—	—	—	—	—	—	—	(150)	—	—
Operating income (loss)	23,684	13,665	25,926	10,024	(4,448)	(12,006)	7,558	9,238	2,944	3,558	(943)	(2,230)
Depreciation	9,143	8,622	7,879	7,256	5,390	1,937	3,453	5,073	2,163	2,028	1,416	399
Amortization	23,550	22,429	21,919	16,405	8,399	4,613	3,786	4,795	1,246	906	1,385	817
EBITDA	56,377	44,716	55,724	33,685	9,341	(5,456)	14,797	19,106	6,353	6,492	1,858	(1,014)
Adjustments:												
Recognition of inventory step-up ^(d)	740	3,241	2,001	1,162	6,929	6,441	488	1,385	414	160	666	1,341
Other (income) loss ^(e)	396	(1,663)	—	(3,521)	2,313	—	2,313	(500)	—	—	—	—
Transaction expenses ^(f)	804	2,001	2,811	2,135	10,074	7,482	2,592	1,416	1,840	—	688	664
Stock-based compensation ^(g)	1,686	1,686	1,686	1,665	934	381	553	247	189	189	166	101
Acquisition integration costs ^(h)	642	405	931	2,406	1,101	288	813	197	451	21	21	—
COVID-19 related expenses ⁽ⁱ⁾	147	399	—	—	—	—	—	—	—	—	—	—
Management service agreement fees and expenses ^(j)	—	—	—	—	843	—	843	1,157	616	567	454	554
Adjusted EBITDA	\$ 60,792	\$ 50,785	\$ 63,153	\$ 37,532	\$ 31,535	\$ 9,136	\$ 22,399	\$ 23,008	\$ 9,863	\$ 7,429	\$ 3,853	\$ 1,646
Net sales	\$ 188,897	\$ 164,564	\$ 182,623	\$ 112,572	\$ 94,346	\$ 26,179	\$ 68,167	\$ 75,780	\$ 42,371	\$ 39,240	\$ 22,983	\$ 8,923
Net (loss) income margin	(2.8)%	(10.4)%	(2.3)%	(5.1)%	(7.5)%	(13.0)%	(5.4)%	(0.2)%	3.0%	15.5%	(4.6)%	(26.9)%
Adjusted EBITDA Margin	32.2%	30.9%	34.6%	33.3%	33.4%	34.9%	32.9%	30.4%	23.3%	18.9%	16.8%	18.4%

Appendix – Reconciliation of EBITDA and Adjusted EBITDA to Net Income (Loss)

(in thousands unless otherwise indicated)

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- (1) For the period January 1, 2017 through October 1, 2017 (“Predecessor Period”), the Company is referred to as the “Predecessor.” For the period October 2, 2017 through December 31, 2017 (“Successor Period”), the Company is referred to as “Successor.” The Company applied pushdown accounting to the transaction. Due to the application of push-down accounting, different bases of accounting have been used to prepare the consolidated financial statements in the Predecessor Period and Successor Period. A black line separates the Predecessor Period and Successor Period to highlight the lack of comparability between these two bases of accounting. The Successor Period includes the accounts of Loar Holdings, LLC and its subsidiaries. The Predecessor Period includes the accounts of Loar Group Inc. Intercompany accounts and transactions between consolidated entities have been eliminated.
- (a) Represents the write-off of unamortized debt issuance costs associated with the extinguishment of debt.
- (b) Represents foreign exchange gains related to an overseas distribution center.
- (c) Represents insurance proceeds on property losses.
- (d) Represents accounting adjustments to inventory associated with acquisitions of businesses that were charged to cost of sales when inventory was sold.
- (e) Amounts represent income or losses not related to operations. The impact for the year ended December 31, 2021 represented certain long-lived asset write-offs of \$1.4 million, partially offset by a government grant of \$1.0 million. The impact for the year ended December 31, 2020 represented a government grant and a gain on sale of assets of \$1.0 million and \$0.7 million, respectively. The impact for the year ended December 31, 2018 is primarily attributable to contingent consideration payments for performance targets achieved post-acquisition. The impact for the 10 months ended October 1, 2017 represented an impairment of certain long-lived assets. The impact for the year ended December 31, 2016 represented a reversal of accrued contingency consideration related to unmet performance targets post-acquisition.
- (f) Represents transaction-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses, and valuation costs that are required to be expensed as incurred.
- (g) Represents the non-cash compensation expense recognized by the Company for restricted equity unit awards.
- (h) Represents costs incurred to integrate acquired businesses and product lines into Loar’s operations, facility relocation costs and other acquisition-related costs.
- (i) Represents incremental costs related to the pandemic that are not expected to recur once the pandemic dissipates and are clearly separable from normal operations (for example, additional cleaning and disinfecting of facilities by contractors above and beyond normal requirements and COVID sick pay).



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