



Firan Technology Group Corporation (“FTG”) Announces Full Year and Fourth Quarter 2024 Financial Results

TORONTO, Feb. 19, 2025 -- Firan Technology Group Corporation (TSX: FTG) (OTCQX: FTGFF) today announced financial results for the full year and fourth quarter of 2024.

Full Year Financial Highlights:

- **Bookings:** Total bookings reached \$184.5 million, marking a 25% increase over 2023.
- **Backlog:** The year-end backlog stood at \$122.4 million, a 26% rise from the previous year.
- **Revenue:** Full year revenues increased by 20% to \$162.1 million.
- **Adjusted EBITDA:** Achieved \$25.8 million, up from \$19.4 million in 2023.
- **Adjusted Net Earnings:** Increased by 47% to \$10.3 million.
- **Net Debt:** Maintained a strong balance sheet with net debt of \$0.7 million after \$14.7 million in investments.
- **Working Capital:** As of November 30, 2024, FTG's net working capital was \$49.9 million, compared to \$41.1 million at year-end 2023, reflecting higher accounts receivable and cash due to organic growth.

Fourth Quarter Financial Highlights:

- **Sales:** Reached \$45.2 million, a 13.1% increase over Q4 2023.
- **Adjusted EBITDA:** Recorded at \$7.6 million, up from \$6.0 million in Q4 2023.
- **Adjusted Net Earnings:** Rose by 67% to \$3.9 million.

Business Highlights:

During 2024, the Corporation invested in existing sites and grew the business organically. FTG is strategically deploying its capital in ways that will drive increased shareholder returns for the future in both the near term and long term. Specifically, FTG accomplished many goals in 2024 that continue to improve the Corporation and position it for the future, including:

- **Integration Progress:** Continued successful integration of 2023 acquisitions, with improvements in throughput, pricing, and cost savings at Circuits Minnetonka and Circuits Haverhill.
- **Contract Wins:** Secured a \$17.0 million contract to supply cockpit interface assemblies for COMAC's C919 aircraft, with production spanning from late 2024 to Q3 2026.

Subsequent Events:

- **FLYHT Acquisition:** Subsequent to year-end, FTG acquired FLYHT Aerospace Solutions Ltd., enhancing FTG's presence in the commercial aerospace aftermarket and expanding its product offerings on Airbus aircraft. This acquisition aligns with FTG's strategic priorities, and plans include ramping up sales of FLYHT's product lines and insourcing manufacturing to other FTG sites.
- **De Havilland Contract:** Also subsequent to year-end, FTG announced that De Havilland Aircraft of Canada Ltd. has selected FTG to provide updated cockpit control assemblies for the new De Havilland Canadair 515 (DHC-515) aerial firefighting aircraft.
- **New Facility:** Announced plans to open an Aerospace facility in Hyderabad, India, to support strategic growth and expand market presence.
- **Banking Agreement:** Completed a new three-year banking agreement with BMO Corporate Finance, providing improved flexibility and reduced costs to support growth and corporate development objectives.

Financial Tables:

Table 1: Key Financial Metrics (Full Year)

Metric	FY 2024	FY 2023	% Change
Sales	\$162,096,000	\$135,200,000	19.9%
Gross Margin	\$44,176,000	\$39,285,000	12.5%
Gross Margin (%)	27.3%	29.1%	-180 bps

Net Earnings to FTG Equity Holders	\$10,815,000	\$11,621,000	-6.9%
Adjusted Net Earnings ⁽¹⁾	\$10,306,000	\$7,012,000	47.0%
Earnings Per Share (Basic)	\$0.45	\$0.49	-8.2%
Earnings Per Share (Diluted)	\$0.45	\$0.48	-6.3%
Adjusted Earnings Per Share (Basic) ⁽¹⁾	\$0.43	\$0.29	48.3%
Adjusted Earnings Per Share (Diluted) ⁽¹⁾	\$0.43	\$0.29	48.3%

(1) Adjusted Net Earnings is not a measure recognized under International Financial Reporting Standards ("IFRS"). Management believes that this measure is important to many of the Corporation's shareholders, creditors and other stakeholders. The Corporation's method of calculating Adjusted Net Earnings may differ from other corporations and accordingly may not be comparable to measures used by other corporations.

Table 2: Key Financial Metrics (Quarterly)

Metric	Q4 2024	Q4 2023	% Change
Sales	\$45,244,000	\$39,991,000	13.1%
Gross Margin	\$12,816,000	\$10,739,000	19.3%
Gross Margin (%)	28.3%	26.9%	140 bps
Net Earnings to FTG Equity Holders	\$4,448,000	\$3,826,000	16.3%
Adjusted Net Earnings ⁽¹⁾	\$3,939,000	\$2,360,000	66.9%
Earnings Per Share (Basic)	\$0.18	\$0.16	12.5%
Earnings Per Share (Diluted)	\$0.18	\$0.16	12.5%
Adjusted Earnings Per Share (Basic) ⁽¹⁾	\$0.16	\$0.10	60.0%
Adjusted Earnings Per Share (Diluted) ⁽¹⁾	\$0.16	\$0.10	60.0%

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Table 3: EBITDA

Metric	Q4 2024	Q4 2023	FY 2024	FY 2023	% Change (Q4)	% Change (FY)
Net Earnings to Equity Holders	\$4,448,000	\$3,826,000	\$10,815,000	\$11,621,000		
Add: Interest, Accretion	\$529,000	\$512,000	\$2,210,000	\$1,283,000		
Add: Income Taxes	\$836,000	(\$468,000)	\$4,093,000	\$2,225,000		
Add: Depreciation and Amortization	\$2,060,000	\$1,950,000	\$8,345,000	\$6,888,000		
EBITDA ⁽²⁾	\$7,873,000	\$5,820,000	\$25,463,000	\$22,017,000	35.3%	15.7%
Adjustments						
Stock Based Compensation	\$106,000	\$197,000	\$739,000	\$512,000		
Government Assistance	-	-	-\$3,758,000			
Acquisition and Divestiture Expenses	\$317,000	-	\$317,000	\$615,000		
India Startup Costs	\$110,000	-	\$110,000	-		
Change in Fair Value of Contingent Consideration	(\$829,000)	-	(\$829,000)	-		
Adjusted EBITDA ⁽²⁾	\$7,577,000	\$6,017,000	\$25,800,000	\$19,386,000	25.9%	33.1%
Adjusted EBITDA Margin ⁽²⁾	16.7%	15.0%	15.9%	14.3%		

(2) EBITDA and Adjusted EBITDA are not measures recognized under International Financial Reporting Standards ("IFRS"). Management believes that these measures are important to many of the Corporation's shareholders, creditors and other stakeholders. The Corporation's method of calculating EBITDA and Adjusted EBITDA may differ from other corporations and accordingly may not be comparable to measures used by other corporations.

CEO Commentary:

"We are thrilled with FTG's performance in 2024, which reflects our strategic focus on growth and operational excellence," said Bradley C. Bourne, President and CEO of FTG. "Our investments in technology and acquisitions have positioned us well for future success, and we are excited about the opportunities ahead, including our expansion into the Indian market."

About Firan Technology Group Corporation:

FTG is an aerospace and defence electronics product and subsystem supplier to customers around the globe. FTG has two operating units:

- **FTG Circuits:** A manufacturer of high technology, high reliability printed circuit boards. Our customers are leaders in the aviation, defence, and high technology industries. FTG Circuits has operations in Toronto, Ontario, Chatsworth, California, Fredericksburg, Virginia, Minnetonka, Minnesota, Haverhill, Massachusetts, and a joint venture in Tianjin, China.
- **FTG Aerospace:** Designs, certifies, manufactures, and provides in-service support for illuminated cockpit products and electronic assemblies for original equipment manufacturers and operators of aerospace and defence equipment. FTG Aerospace has operations in Toronto, Ontario, Calgary, Alberta, Chatsworth, California, and Tianjin, China.

The Corporation's shares are traded on the Toronto Stock Exchange under the symbol FTG, and on the OTCQX Exchange under the symbol FTGFF.

Conference Call Details:

FTG will host a live conference call on Wednesday, February 19, 2025, at 4:00 p.m. (Eastern) to discuss the full year and fourth quarter 2024 financial results. To participate in the call, please dial 1-289-514-5100 or 1-800-717-1738 and use Conference ID 06303. The Chairperson is Mr. Brad Bourne. A replay of the call will be available until March 18, 2025, and can be accessed by dialing 1-289-819-1325 or 1-888-660-6264, Playback Passcode# 06303. The replay will also be available on the FTG website at www.ftgcorp.com.

Forward-Looking Statements:

This news release contains certain forward-looking statements. These forward-looking statements are related to, but not limited to, FTG's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains words such as "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. Such statements are based on the current expectations of management of the Corporation and inherently involve numerous risks and uncertainties, known and unknown, including economic factors and the Corporation's industry, generally. The preceding list is not exhaustive of all possible factors. Such forward-looking statements are not guarantees of future performance and actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Corporation. The reader is cautioned to consider these and other factors carefully when making decisions with respect to the Corporation and not place undue reliance on forward-looking statements. Other than as may be required by law, FTG disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

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Additional information can be found at the Corporation's website www.ftgcorp.com.