



## NEWS RELEASE

# V2X Delivers Solid Second Quarter Results and Increases Full-Year Adjusted EPS Guidance

2025-08-04

## Second Quarter and Recent Highlights

- Revenue of \$1.08 billion and net income of \$22.4 million
- Adjusted net income<sup>1</sup> of \$42.3 million, up 61% y/y
- Adjusted EBITDA<sup>1</sup> of \$82.4 million, with a margin of 7.6%
- Diluted EPS of \$0.70; Adjusted diluted EPS<sup>1</sup> of \$1.33, up 59% y/y
- Improved net debt by \$200 million y/y
- Established \$100 million share repurchase authorization
- Awarded \$4.3 billion T-6 aircraft program

RESTON, Va., Aug. 4, 2025 /PRNewswire/ -- V2X, Inc. (NYSE: VVX) announced second quarter 2025 financial results. "Our second quarter results reflect V2X's ability to execute in all market environments and further demonstrate the resiliency of our business," said Jeremy C. Wensinger, President and Chief Executive Officer. "We believe the overall trends in our market remain positive and that V2X is well positioned to leverage our mission expertise and full lifecycle capabilities to deliver next generation data-enabled solutions that enhance readiness and customer outcomes."

Mr. Wensinger continued, "We are bringing innovation and new approaches to rapidly deploy solutions for improved readiness, which was exemplified by the recent \$4.3 billion T-6 program award. The T-6 aircraft is widely used in a multi-service aviation training program that is critical to ensure new pilot readiness. This award is an example of the strategy we are executing and it's an honor to have been selected to help ensure that pilots in the U.S. Air Force, Navy, and Army will be trained and ready for their next mission. V2X will use commercial-based

approaches to provide full spectrum supply chain management solutions to enable this essential training-mission for over 700 aircraft."

"I'd like to thank all our employees for their contributions during the quarter and specifically recognize the recent success achieving full operational capability on the Army's largest training program. This is a remarkable accomplishment, which will ensure the delivery of critical training related services to Army warfighters worldwide by infusing cutting-edge innovations to meet ever-evolving needs."

Mr. Wensinger concluded, "We are transforming V2X to be a leader in data-enabled mission solutions across all domains. The growth initiatives fueling this advancement include optimizing our core for on contract growth, leveraging capabilities into adjacent markets, extending new offerings, and strategically investing both internally and externally. We are executing on these initiatives today and believe they will accelerate growth, create differentiation, and yield value in the years to come."

## Second Quarter 2025 Results

"V2X reported revenue of \$1.08 billion in the quarter," said Shawn Mural, Senior Vice President and Chief Financial Officer. "The performance in the second quarter was strong and provides additional confidence to deliver on our full year commitments. The second quarter results reflect the great job our team has done in optimizing and refining our processes and procedures. I'm very proud of what we have been able to achieve over the past year."

"For the quarter, the Company reported operating income of \$52.9 million and adjusted operating income<sup>1</sup> of \$77.3 million, increasing \$11.5 million dollars or 18% from the prior year. V2X delivered adjusted EBITDA<sup>1</sup> of \$82.4 million, with a margin of 7.6%. Net income for the quarter was \$22.4 million dollars. Adjusted net income<sup>1</sup> was \$42.3 million dollars, increasing \$16.1 million dollars or 61% year-over-year. Second quarter GAAP diluted EPS was \$0.70. Adjusted diluted EPS<sup>1</sup> for the quarter was \$1.33, increasing 59% year-over-year."

"Second quarter net cash provided by operating activities was \$28.5 million. Adjusted net cash provided by operating activities<sup>1</sup> increased \$112.1 million year-over-year to \$58.3 million."

Mr. Mural continued, "During the quarter we further progressed our capital allocation strategy by establishing a \$100 million share repurchase authorization. We believe the strong cash flow characteristics of our business support V2X's ability to create additional long-term value through the efficient deployment of capital. The core tenets of our deployment strategy include opportunistically repurchasing shares, strategic acquisitions, internal investments for growth, and reducing leverage via debt reduction."

## Increasing 2025 Adjusted EPS<sup>1</sup> Guidance

Mr. Mural concluded, "Given the year-to-date performance and trends in our business, the Company is increasing its adjusted EPS guidance for 2025 and reaffirming its revenue, adjusted EBITDA, and adjusted net cash<sup>1</sup> ranges."

Guidance is as follows:

	Prior 2025 Guidance		Updated 2025 Guidance	
\$ millions, except for per share amounts				
Revenue	\$4,375	\$4,500	\$4,375	\$4,500
Adjusted EBITDA <sup>1</sup>	\$305	\$320	\$305	\$320
Adjusted Diluted Earnings Per Share <sup>1</sup>	\$4.45	\$4.85	\$4.65	\$4.95
Adjusted Net Cash Provided by Operating Activities <sup>1</sup>	\$150	\$170	\$150	\$170

The Company is not providing a quantitative reconciliation with respect to the foregoing forward-looking non-GAAP measures in reliance on the "unreasonable efforts" exception set forth in the SEC rules because certain financial information, the probable significance of which cannot be determined, is not available and cannot be reasonably estimated. For example, unusual, one-time, non-ordinary, or non-recurring costs, which relate to mergers and acquisitions ("M&A"), integration and related activities cannot be reasonably estimated. Forward-looking statements are based upon current expectations and are subject to factors that could cause actual results to differ materially from those suggested here, including those factors set forth in the Safe Harbor Statement below.

## Second Quarter Conference Call

Management will conduct a conference call with analysts and investors at 4:30 p.m. ET on Monday, August 4, 2025. U.S.-based participants may dial in to the conference call at 877-300-8521, while international participants may dial 412-317-6026. A live webcast of the conference call as well as an accompanying slide presentation will be available here: <https://app.webinar.net/MPvI2xBdpg3>

A replay of the conference call will be posted on the V2X website shortly after completion of the call and will be available for one year. A telephonic replay will also be available through August 18, 2025, at 844-512-2921 (domestic) or 412-317-6671 (international) with passcode 10200918.

Presentation slides that will be used in conjunction with the conference call will also be made available online in advance on the "investors" section of the Company's website at <https://gov2x.com>. V2X recognizes its website as a key channel of distribution to reach public investors and as a means of disclosing material non-public information to comply with its obligations under the U.S. Securities and Exchange Commission ("SEC") Regulation FD.

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<sup>1</sup> See "Key Performance Indicators and Non-GAAP Financial Measures" for descriptions and reconciliations.

## About V2X

V2X builds innovative solutions that integrate physical and digital environments by aligning people, actions, and technology. V2X is embedded in all elements of a critical mission's lifecycle to enhance readiness, optimize resource management, and boost security. The company provides innovation spanning national security, defense, civilian, and international markets. With a global team of approximately 16,000 professionals, V2X enables mission success by injecting AI and machine learning capabilities to meet today's toughest challenges across all operational domains.

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## Safe Harbor Statement

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 (the "Act"): Certain material presented herein includes forward-looking statements intended to qualify for the safe harbor from liability established by the Act.

Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "could," "potential," "continue" or similar terminology. These statements are based on the beliefs and assumptions of the management of the Company based on information currently available to management. Forward-looking statements in this press release, include, but are not limited to our future performance and capabilities; all of the statements and items listed under "Increasing 2025 Adjusted EPS Guidance" above and other assumptions contained therein for purposes of such guidance; our belief that prior performance provides substantial visibility for future performance; market trends; our expectations that the foreign military sales and international markets represent a large and growing addressable opportunity; and our belief that our strategy, visibility, and targeted growth opportunities provide substantial opportunities for value creation.

These forward-looking statements are not guarantees of future performance, conditions, or results, and involve a number of known and unknown risks, uncertainties, assumptions, and other important factors, many of which are outside our management's control, which could cause actual results to differ materially from the results discussed in the forward-looking statements. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Company's historical experience and our present expectations or projections. For a discussion of some of the risks and uncertainties that could cause actual results to differ from such forward-looking statements, see the risks and other factors detailed from time to time in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the SEC.

We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

V2X, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) (UNAUDITED)

(In thousands, except per share data)	Three Months Ended		Six Months Ended	
	June 27, 2025	June 28, 2024	June 27, 2025	June 28, 2024
Revenue	\$ 1,078,330	\$ 1,072,183	\$ 2,094,253	\$ 2,082,747
Cost of revenue	982,597	998,348	1,920,417	1,938,638
Selling, general, and administrative expenses	42,793	46,409	86,598	86,352
Operating income	52,940	27,426	87,238	57,757
Loss on extinguishment of debt	(313)	(1,998)	(2,527)	(1,998)
Interest expense, net	(20,598)	(28,807)	(40,317)	(56,381)
Other expense, net	(2,579)	(4,735)	(4,874)	(6,368)
Income (loss) from operations before income taxes	29,450	(8,114)	39,520	(6,990)
Income tax expense (benefit)	7,059	(1,570)	9,022	(1,590)
Net income (loss)	\$ 22,391	\$ (6,544)	\$ 30,498	\$ (5,400)
Earnings (loss) per share				
Basic	\$ 0.71	\$ (0.21)	\$ 0.96	\$ (0.17)
Diluted	\$ 0.70	\$ (0.21)	\$ 0.96	\$ (0.17)
Weighted average common shares outstanding - basic	31,693	31,470	31,643	31,411
Weighted average common shares outstanding - diluted	31,883	31,470	31,886	31,411

V2X, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except per share data)	June 27, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash, cash equivalents and restricted cash	\$ 190,457	\$ 268,321
Receivables	738,899	710,068
Prepaid expenses and other current assets	137,748	121,831
Total current assets	1,067,104	1,100,220
Property, plant, and equipment, net	61,455	62,001
Goodwill	1,656,926	1,656,926

Intangible assets, net	277,945	323,068
Right-of-use assets	33,791	37,774
Other non-current assets	48,351	48,854
Total non-current assets	<u>2,078,468</u>	<u>2,128,623</u>
Total Assets	\$ 3,145,572	\$ 3,228,843
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$ 434,716	\$ 547,568
Compensation and other employee benefits	150,072	166,918
Short-term debt	14,935	20,003
Other accrued liabilities	286,820	261,735
Total current liabilities	<u>886,543</u>	<u>996,224</u>
Long-term debt, net	1,091,721	1,087,484
Deferred tax liabilities	17,999	20,983
Operating lease liabilities	29,951	33,811
Other non-current liabilities	53,615	64,189
Total non-current liabilities	<u>1,193,286</u>	<u>1,206,467</u>
Total liabilities	<u>2,079,829</u>	<u>2,202,691</u>
Commitments and contingencies (Note 7)		
Shareholders' Equity		
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; No shares issued and outstanding	—	—
Common stock; \$0.01 par value; 100,000,000 shares authorized; 31,709,357 and 31,560,490 shares issued and outstanding as of June 27, 2025 and December 31, 2024, respectively	317	316
Additional paid in capital	773,002	769,719
Retained earnings	296,033	265,535
Accumulated other comprehensive loss	(3,609)	(9,418)
Total shareholders' equity	<u>1,065,743</u>	<u>1,026,152</u>
Total Liabilities and Shareholders' Equity	\$ 3,145,572	\$ 3,228,843

V2X, INC.  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)	Six Months Ended	
	June 27, 2025	June 28, 2024
Operating activities		
Net income (loss)	\$ 30,498	\$ (5,400)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation expense	8,175	11,870
Amortization of intangible assets	45,125	45,525
Amortization of cloud computing arrangements	2,453	886
Impairment of non-operating long-lived asset	—	2,192
Loss on disposal of property, plant, and equipment	325	269
Stock-based compensation	6,181	11,794
Deferred taxes	(4,807)	(1,207)
Amortization of debt issuance costs	3,032	4,163
Loss on extinguishment of debt	2,527	1,998
Changes in assets and liabilities:		
Receivables	(24,216)	(51,693)
Other assets	(13,894)	(56,734)
Accounts payable	(116,931)	(9,505)
Compensation and other employee benefits	(17,322)	8,480
Other liabilities	11,923	5,811
Net cash used in operating activities	<u>(66,931)</u>	<u>(31,551)</u>
Investing activities		
Purchases of capital assets	(5,180)	(8,511)
Proceeds from the disposition of assets	90	11
Acquisitions of businesses	—	(16,939)
Net cash used in investing activities	<u>(5,090)</u>	<u>(25,439)</u>
Financing activities		
Repayments of long-term debt	(3,812)	(7,669)
Proceeds from revolver	319,000	648,750
Repayments of revolver	(319,000)	(602,750)
Proceeds from stock awards and stock options	77	149
Payment of debt issuance costs	(3,909)	(1,188)
Payments of employee withholding taxes on stock-based compensation	(2,974)	(5,767)

Net cash (used in) provided by financing activities	(10,618)	31,525
Exchange rate effect on cash	4,775	(2,416)
Net change in cash, cash equivalents and restricted cash	(77,864)	(27,881)
Cash, cash equivalents and restricted cash - beginning of period	268,321	72,651
Cash, cash equivalents and restricted cash - end of period	\$ 190,457	\$ 44,770
Supplemental disclosure of cash flow information:		
Interest paid	\$ 32,956	\$ 55,374
Income taxes paid	\$ 5,164	\$ 7,946
Purchase of capital assets on account	\$ 2,125	\$ 520

## Key Performance Indicators and Non-GAAP Measures

The primary financial performance measures we use to manage our business and monitor results of operations are revenue trends and operating income trends. Management believes that these financial performance measures are the primary drivers for our earnings and net cash from operating activities. Management evaluates its contracts and business performance by focusing on revenue, and operating income. Operating income represents revenue less both cost of revenue and selling, general and administrative (SG&A) expenses. Cost of revenue consists of labor, subcontracting costs, materials, and an allocation of indirect costs. SG&A expenses consist of indirect labor costs (including wages and salaries for executives and administrative personnel), bid and proposal expenses and other general and administrative expenses not allocated to cost of revenue. Backlog is the estimated amount of future revenues to be recognized under negotiated contracts.

We manage the nature and amount of costs at the program level, which forms the basis for estimating our total costs and profitability. This is consistent with our approach for managing our business, which begins with management's assessing the bidding opportunity for each contract and then managing contract profitability throughout the performance period.

In addition to the key performance measures discussed above, we consider adjusted net income, adjusted diluted earnings per share, adjusted operating income, adjusted EBITDA, adjusted EBITDA margin, net leverage ratio and adjusted operating cash flow to be useful to management and investors in evaluating our operating performance, and to provide a tool for evaluating our ongoing operations. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives. We provide this information to our investors in our earnings releases, presentations, and other disclosures.

Adjusted net income, adjusted diluted earnings per share, adjusted operating income, adjusted EBITDA, adjusted EBITDA margin, net leverage ratio, and adjusted net cash provided by (used in) operating activities, however, are not measures of financial performance under GAAP and should not be considered a substitute for financial measures determined in accordance with GAAP. Definitions and reconciliations of these items are provided below.

- Adjusted operating income is defined as operating income, adjusted to exclude items that may include, but are not limited to, significant charges or credits, and unusual and infrequent non-operating items that impact current results but are not related to our ongoing operations, such as M&A, integration, and related costs.
- Adjusted EBITDA is defined as operating income, adjusted to exclude depreciation and amortization of intangible assets, and items that may include, but are not limited to, significant charges or credits, and unusual and infrequent non-operating items that impact current results but are not related to our ongoing operations, such as M&A, integration, and related costs.
- Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue.
- Adjusted net income is defined as net income, adjusted to exclude items that may include, but are not limited to, significant charges or credits, and unusual and infrequent non-operating items that impact current results but are not related to our ongoing operations, such as M&A, integration and related costs, amortization of acquired intangible assets, amortization of debt issuance costs, and loss on extinguishment of debt.
- Adjusted diluted earnings per share is defined as adjusted net income divided by the weighted average diluted common shares outstanding.
- Cash interest expense, net is defined as interest expense, net adjusted to exclude amortization of debt issuance costs.
- Adjusted net cash provided by (used in) operating activities or adjusted operating cash flow is defined as net cash provided by (or used in) operating activities adjusted to exclude infrequent non-operating items, such as M&A payments and related costs.

## Non-GAAP Tables

(\$K, except per share data)	Three Months Ended		Six Months Ended	
	June 27, 2025	June 28, 2024	June 27, 2025	June 28, 2024
Revenue	\$ 1,078,330	\$ 1,072,183	\$ 2,094,253	\$ 2,082,747
Net income (loss)	\$ 22,391	\$ (6,544)	\$ 30,498	\$ (5,400)
Plus:				
Income tax expense (benefit)	7,059	(1,570)	9,022	(1,590)
Other expense, net	2,579	4,735	4,874	6,368
Interest expense, net	20,598	28,807	40,317	56,381
Loss on extinguishment of debt	313	1,998	2,527	1,998
Operating income	\$ 52,940	\$ 27,426	\$ 87,238	\$ 57,757
Plus:				
Amortization of intangible assets	22,562	22,986	45,125	45,525
M&A, integration and related costs	1,780	15,344	6,405	25,325
Adjusted operating income	\$ 77,283	\$ 65,756	\$ 138,768	\$ 128,607
Plus:				
Depreciation and CCA amortization	5,152	6,513	10,628	12,756
Adjusted EBITDA	\$ 82,435	\$ 72,269	\$ 149,396	\$ 141,363
Adjusted EBITDA margin	7.6 %	6.7 %	7.1 %	6.8 %
Minus:				
Cash interest expense, net	19,055	26,804	37,285	52,218
Income tax expense, as adjusted	13,315	10,145	22,549	17,300
Depreciation and CCA amortization	5,152	6,513	10,628	12,756
Other expense, net, as adjusted	2,579	2,543	5,124	4,176
Adjusted net income	\$ 42,334	\$ 26,264	\$ 73,810	\$ 54,913
(\$K, except per share data)	Three Months Ended		Six Months Ended	



	June 27, 2025	June 28, 2024	June 27, 2025	June 28, 2024
Diluted earnings (loss) per share	\$ 0.70	\$ (0.21)	\$ 0.96	\$ (0.17)
Plus:				
M&A, integration and related costs	0.04	0.36	0.15	0.60
Amortization of intangible assets	0.54	0.53	1.08	1.09
Amortization of debt issuance costs and Loss on extinguishment of debt	0.04	0.10	0.13	0.15
FMV land impairment	\$ —	0.05	\$ —	0.05
Gain on acquisition, net	0.00	—	\$ (0.01)	\$ —
Adjusted diluted earnings per share	\$ 1.33	\$ 0.83	\$ 2.31	\$ 1.72
Average shares outstanding:				
Basic, as reported	31,693	31,470	31,643	31,411
Diluted, as reported	31,883	31,470	31,886	31,411
Adjusted diluted	31,883	31,540	31,886	31,894

## Non-GAAP Tables

(\$K)	Three Months Ended		Six Months Ended	
	June 27, 2025	June 28, 2024	June 27, 2025	June 28, 2024
Net cash provided (used) by operating activities	28,532	25,675	(66,931)	(31,551)
Plus:				
M&A, integration, and related payments	7,754	6,197	10,762	12,035
MARPA facility activity	21,968	(85,711)	(3,649)	(117,819)
Adjusted operating cash flow	58,254	(53,839)	(59,819)	(137,335)

## SUPPLEMENTAL INFORMATION

Revenue by customer, contract type, contract relationship, and geographic region for the periods presented below was as follows:

### Revenue by Customer

(In thousands)	Three Months Ended			Six Months Ended		
	June 27, 2025	June 28, 2024	% Change	June 27, 2025	June 28, 2024	% Change
Army	\$ 457,443	\$ 456,690	0.2 %	\$ 899,579	\$ 890,120	1.1 %
Navy	354,282	349,824	1.3 %	700,394	671,208	4.3 %
Air Force	107,822	127,467	(15.4) %	206,948	246,036	(15.9) %
Other	158,783	138,202	14.9 %	287,332	275,383	4.3 %
Total revenue	\$ 1,078,330	\$ 1,072,183		\$ 2,094,253	\$ 2,082,747	

### Revenue by Contract Type

(In thousands)	Three Months Ended			Six Months Ended		
	June 27, 2025	June 28, 2024	% Change	June 27, 2025	June 28, 2024	% Change
Cost-plus and cost-reimbursable	\$ 647,582	\$ 615,837	5.2 %	\$ 1,270,653	\$ 1,200,659	5.8 %
Firm-fixed-price	405,091	429,182	(5.6) %	769,177	826,433	(6.9) %
Time-and-materials	25,657	27,164	(5.5) %	54,423	55,655	(2.2) %
Total revenue	\$ 1,078,330	\$ 1,072,183		\$ 2,094,253	\$ 2,082,747	

## Revenue by Contract Relationship

(In thousands)	Three Months Ended			Six Months Ended		
	June 27, 2025	June 28, 2024	% Change	June 27, 2025	June 28, 2024	% Change
Prime contractor	\$ 1,008,340	\$ 1,006,121	0.2 %	\$ 1,972,086	\$ 1,951,276	1.1 %
Subcontractor	69,990	66,062	5.9 %	122,167	131,471	(7.1) %
Total revenue	\$ 1,078,330	\$ 1,072,183		\$ 2,094,253	\$ 2,082,747	

## Revenue by Geographic Region

(In thousands)	Three Months Ended			Six Months Ended		
	June 27, 2025	June 28, 2024	% Change	June 27, 2025	June 28, 2024	% Change
United States	\$ 632,357	\$ 578,881	9.2 %	\$ 1,209,815	\$ 1,123,608	7.7 %
Middle East	320,317	361,064	(11.3) %	638,662	704,361	(9.3) %
Asia	76,793	84,663	(9.3) %	152,771	153,464	(0.5) %
Europe	48,863	47,575	2.7 %	93,005	101,314	(8.2) %
Total revenue	\$ 1,078,330	\$ 1,072,183		\$ 2,094,253	\$ 2,082,747	

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