



# INVESTOR PRESENTATION

March 2026



# Forward-looking safe harbor statement

This presentation contains certain forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, including those relating to the Company's focus on enhanced execution of the Company's strategic plan. You can identify these statements by the words "may," "will," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable," "potential," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include, but are not limited to, continued funding of defense programs, the timing and amounts of such funding, general economic and business conditions, including unforeseen weakness in the Company's markets, effects of any U.S. federal government shutdown or extended continuing resolution, effects of geopolitical unrest and regional conflicts, competition, changes in technology and methods of marketing, delays in or cost increases related to completing development, engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. government's interpretation of, federal export control or procurement rules and regulations, including tariffs, changes in, or in the interpretation or enforcement of, environmental rules and regulations, market acceptance of the Company's products, shortages in or delays in receiving components, supply chain delays or volatility for critical components, production delays or unanticipated expenses including due to quality issues or manufacturing execution issues, failure to meet contractual performance specifications, adherence to required manufacturing standards, capacity underutilization, increases in scrap or inventory write-offs, failure to achieve or maintain manufacturing quality certifications, such as AS9100, failure to achieve or maintain qualified business systems, such as those required by the DFARS, adverse findings in government audits or investigations, the impact of supply chain disruption, inflation and labor shortages, among other things, on program execution and the resulting effect on customer satisfaction, inability to fully realize the expected benefits from acquisitions, restructurings, and operational efficiency initiatives or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, effects of shareholder activism, increases in interest rates, changes to industrial security and cyber-security regulations and requirements and impacts from any cyber or insider threat events, changes in tax rates or tax regulations, changes to interest rate swaps or other cash flow hedging arrangements, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, litigation, including the dispute arising with the former CEO over his resignation, unanticipated costs under fixed-price service and system integration engagements, and various other factors beyond our control. These risks and uncertainties also include such additional risk factors as are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 27, 2025 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

## Use of Non-GAAP (Generally Accepted Accounting Principles) Financial Measures

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides adjusted EBITDA, adjusted income, adjusted EPS, and free cash flow, which are non-GAAP financial measures. Adjusted EBITDA, adjusted income, and adjusted EPS exclude certain non-cash and other specified charges. The Company believes these non-GAAP financial measures are useful to help investors better understand its past financial performance and prospects for the future. However, these non-GAAP measures should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes these non-GAAP measures assist in providing a more complete understanding of the Company's underlying operational results and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals.

# MRCY

NASDAQ listed

**Mercury Systems is a  
Global Technology  
Company Serving the  
Aerospace & Defense  
Industry**

## \$943M

TTM revenue ending Q2FY26

## \$1.5B

Backlog ending Q2FY26

## 2,000+

Number of team members globally;  
~30% hold DoD security clearances

## 300+

Installed base; number of defense  
programs with Mercury embedded

## 40+

Years of tech leadership  
in the A&D industry

## 75%

Of primes consider Mercury their  
top processing technology provider

# Worldwide Design, Manufacturing, and Integration Capabilities

**FREMONT, CA**  
RFM design center

**OXNARD, CA**  
RFM design & manufacturing

**TORRANCE, CA**  
Avionics, EW & mission subsystems

**CYPRESS, CA**  
Integrated secure processing, EW & SIGINT subsystems

**PHOENIX, AZ**  
Trusted DMEA facility for U.S. manufacturing operations (USMO)

**WEST LAFAYETTE, IN**  
Embedded security

**HUNTSVILLE, AL**  
Mixed-signal & secure processing services

**PEACHTREE CORNERS, GA**  
Microwave Design Center

**SAN ANTONIO, TX**  
Embedded security

**GULF BREEZE, FL**  
Multi-function displays, sensors and communications

**ALPHARETTA, GA**  
Rugged flat panel displays

**GAINESVILLE, FL**  
Embedded security

**HUDSON, NH**  
RFM subsystems & components

**ANDOVER, MA**  
Trusted DMEA facility for secure processing

**UPPER SADDLE RIVER, NJ**  
Mixed-signal processing boards & data recorder solutions

**MARRIOTTSVILLE, MD**  
Microwave Design Center

**ARLINGTON, VA**  
Legal and compliance

**WEST CALDWELL, NJ**  
RFM subsystems, modules & components

**CHANTILLY, VA**  
Rugged server design & manufacturing

Mercury's on-shore, DMEA-certified facilities support the full program lifecycle, from concept through design, assembly, and test.

**UNITED KINGDOM**  
Program support

**SPAIN**  
Program support (software, application, engineers)

**SWITZERLAND**  
International headquarters, avionics & mission computing

# Mercury's Strategic Framework

## Purpose

Innovation that matters<sup>®</sup>

## Vision

The leader in mission-critical processing at the edge

## Strategic Tenets

### INNOVATE

and advance our processing platform, leveraging our unique positioning at the intersection of high tech and A&D

### EXPAND

our mission impact by maximizing our processing platform content across A&D

### DELIVER

uncompromising performance as an integrated team for all of our stakeholders

## Priorities

Performance  
Excellence

Thriving  
growth engine

Margin  
expansion

Cash release

# Our Four Primary Focus Areas

*Ongoing efforts to improve performance as we move through fiscal year 2026*

## PERFORMANCE EXCELLENCE

- Ramp critical production programs aligned with our value creation model, advance product innovation, and mature management systems to drive execution

## DRIVING ORGANIC GROWTH

- Record backlog supports view that MRCY grows in excess of addressable market, which is targeted for 5%-7% annualized growth

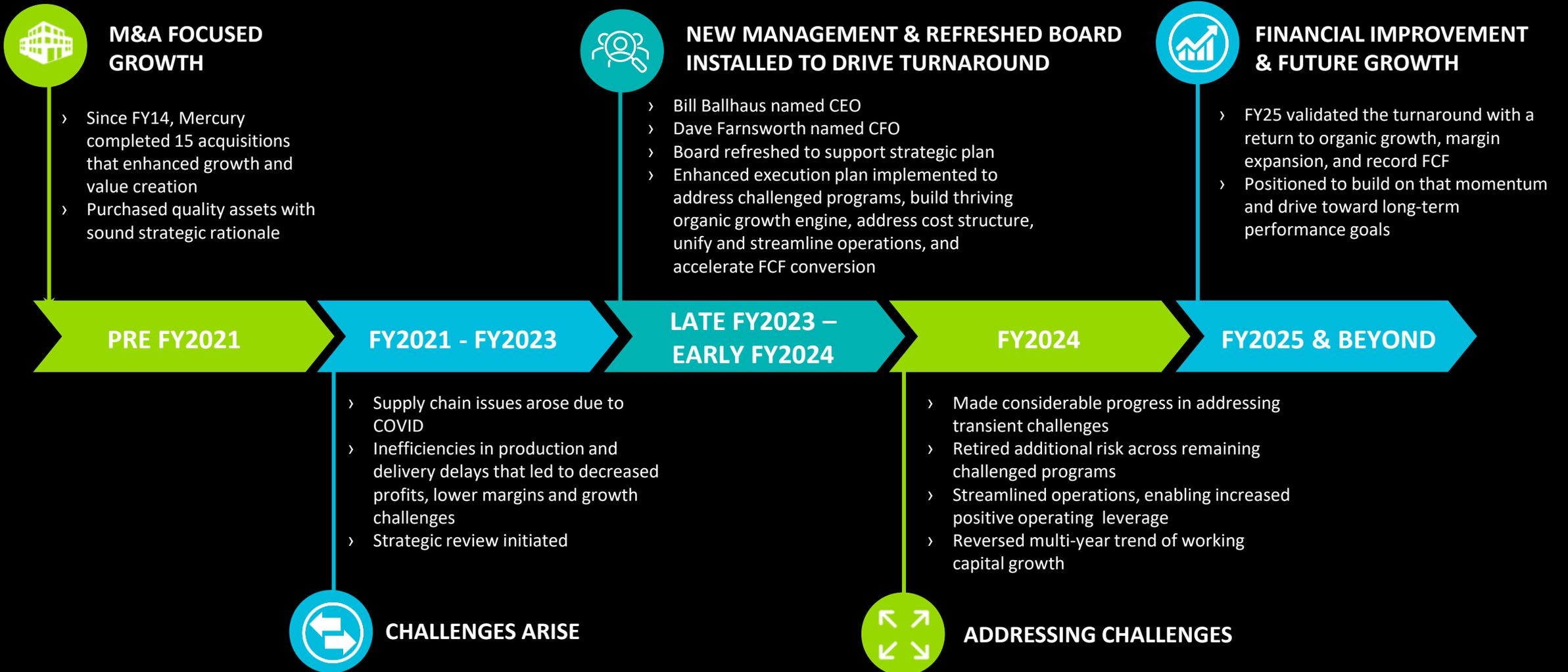
## EXPANDING MARGINS

- Targeting low to mid 20% adjusted EBITDA margins. Drivers include normalizing mix of development to production (20/80) programs, and positive operating leverage

## DRIVING IMPROVED FCF CONVERSION & RELEASE

- Sustaining positive free cash flow after a strong FY25. Continuing to reduce working capital intensity and drive toward normalized 50% FCF conversion

# The Transformation of Mercury Systems



# Serving Customers from Product through Solution Level

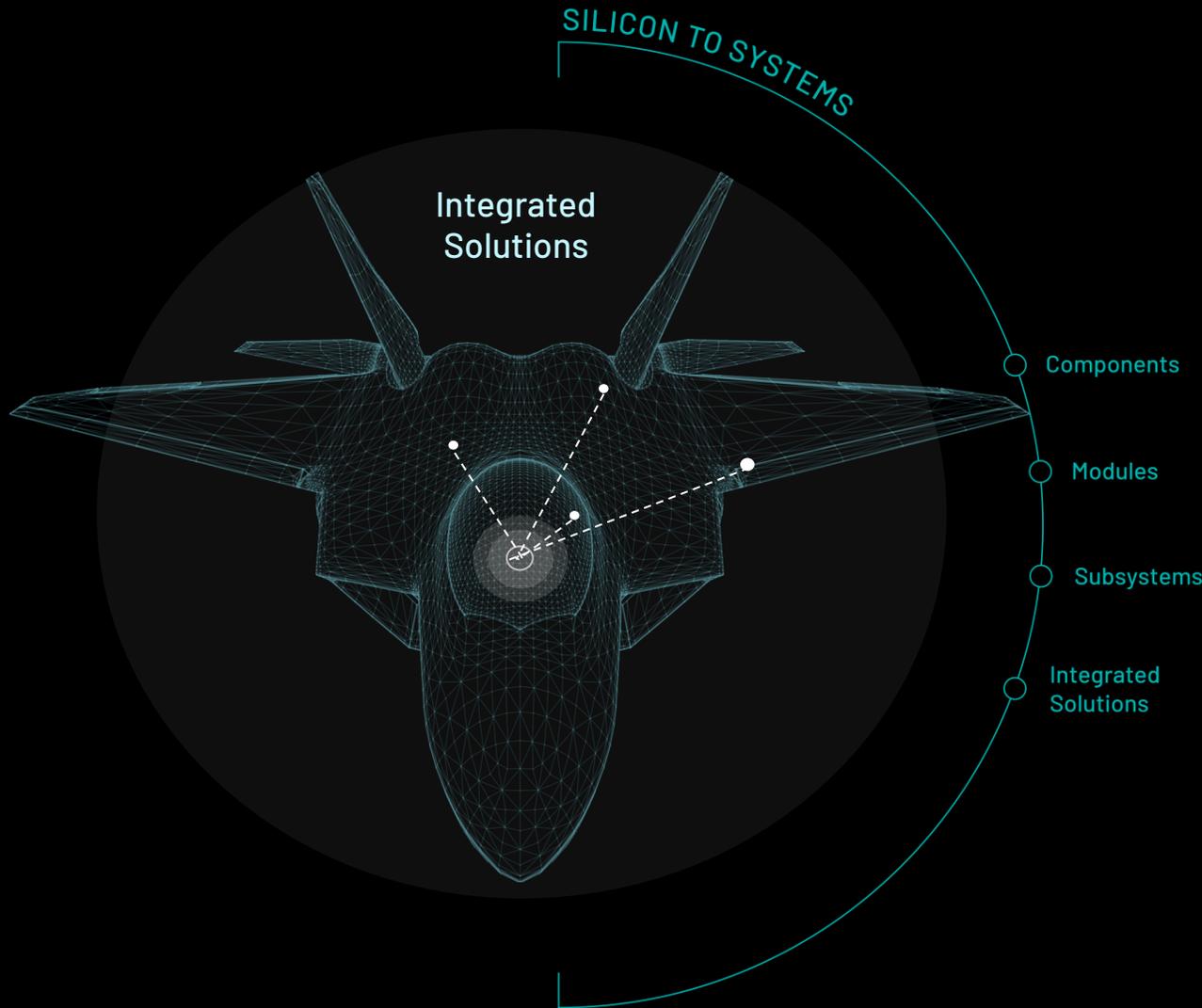
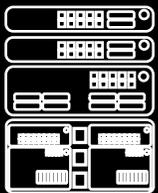
## Components



## Modules



## Subsystems



## KEY TECHNOLOGIES

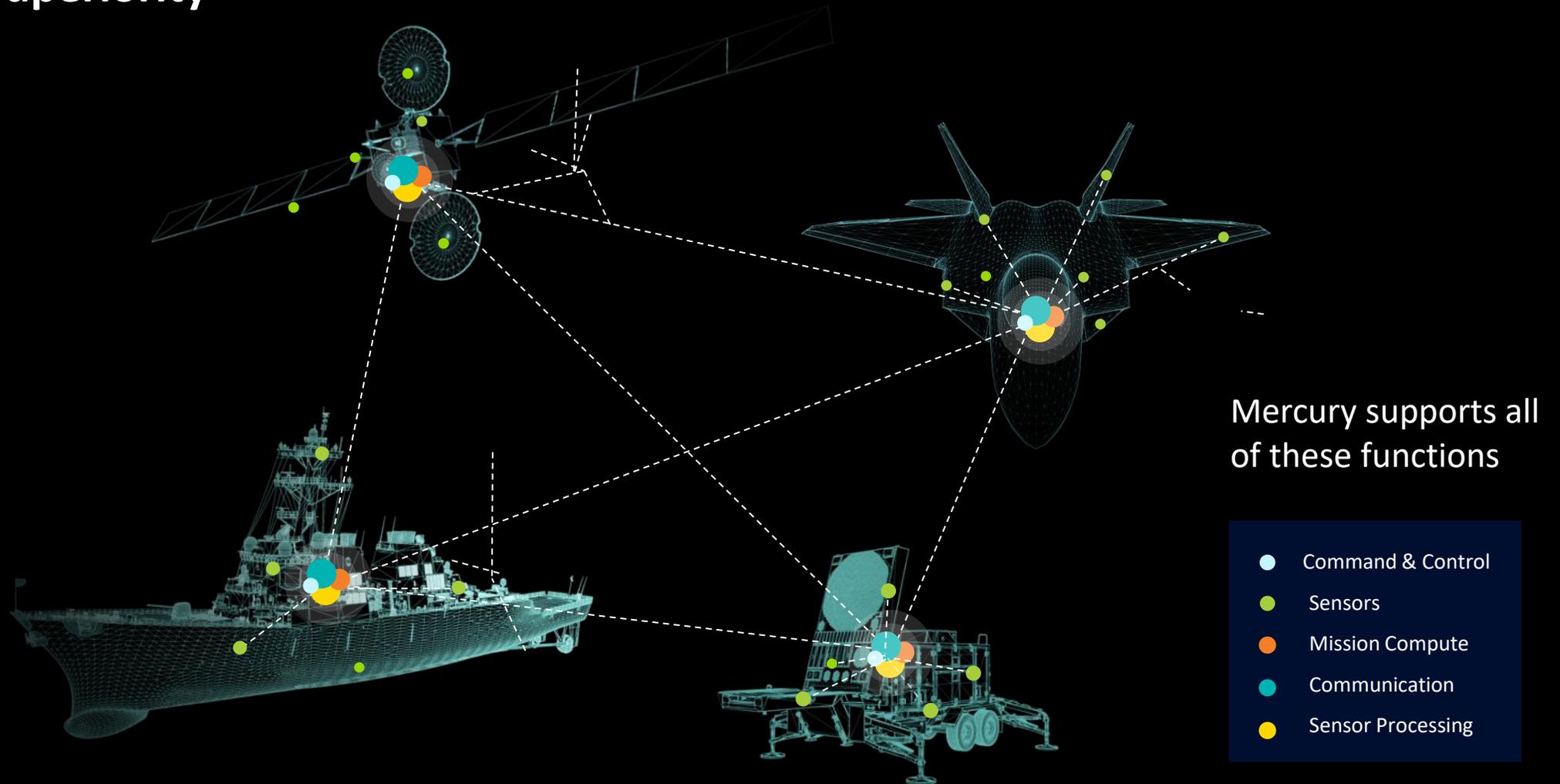
- Signal
- Compute
- Data Management
- Display
- Secure

## STRATEGIC RELATIONSHIPS

Mercury's commercial relationships make cutting-edge technologies profoundly more accessible to the A&D industry.



# Proliferation of sensors and data are driving the need to power AI processing capabilities at the edge to enable rapid data exchange across domains and achieve decision superiority



# Addressable Market

Mercury serves a large and growing market with favorable tailwinds and multiple ways to expand market footprint

## TIER 2 MARKET SIZE AND CAGR<sup>(1)</sup>

\$50.0B

5.8%

Global Tier 2 Market

\$21.3B

5.2%

U.S. Tier 2 Market

\$28.7B

6.3%

Rest of World Tier 2 Market

## STRONG DEFENSE DEMAND SIGNALS

### Increased global defense spend

Western nations committing to significant defense spend for future missions and evolving threats, led by U.S. spending with renewed emphasis from European partners

### Prioritizing modernization of capabilities

Investment spending is prioritizing procurement of new platform and weapon systems, as well as upgrades to existing systems with modern platform/mission management, C2, comms and sensing capabilities

### Further “electronification” of systems

Electronic systems spend is expected to outpace the overall market, reflecting continued electronic content and capability growth from previous generation



Mercury  
benefits from  
market spend  
and buy  
dynamics

## CHANGING BUYING DYNAMICS

### Outsourcing of Tier 2/3 to scaled tier providers

A&D supply chain has evolved since the mid-1990s moving from significant in-house design and production of Tier 2/3 content at Primes to today, where scaled Tier 2/3 tier providers are also capable of supplying to Prime and Tier 1s

### End-customer desire to “delay” prime content

End-customers (Government) are increasingly seeking to minimize prime “vendor lock” by also going direct to scaled Tier 2/3 providers & requiring open system architectures

### Desire for faster upgrades infusing open systems

End-customer is increasingly seeking to leverage open systems and capabilities to meet the requirements for faster upgrade cycles of electronics and expanding demand for more processing capability

Source: Renaissance Strategic Advisors

(1) Tier 2 market FY24-29 CAGR

# Portfolio

Core market verticals with multiple levers to drive growth

Tier 2 Market Size | CAGR<sup>(1)</sup>

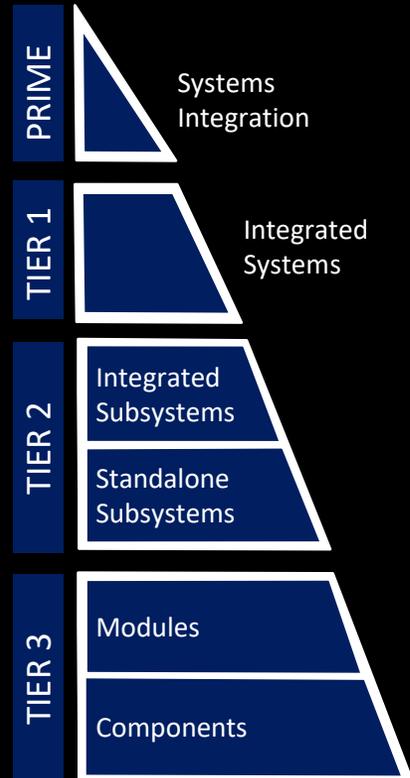
\$10.1B | 5.5%

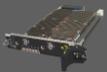
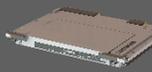
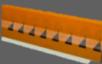
\$10.6B | 6.1%

\$7.8B | 5.5%

\$21.5B | 6.0%

## Product Line

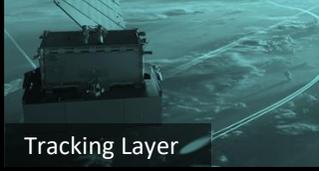


Command & Control	Communication	Mission Systems Integration	Sensor Processing
<p>End-to-end computing, display and connectivity to provide situational awareness, mission planning and battlefield management</p> <p> Increased Shipbuilding</p> <p> Centralized Processing System</p>	<p>Digital and RF, wired and wireless, software-defined connectivity to deliver actionable information to manned and autonomous decision-makers</p> <p> Aircraft Modernization</p> <p> Integrated Cockpit</p>	<p>Safe, reliable and resilient computing purpose-built to accommodate a range of missions across domains</p> <p> Fighter &amp; Rotary Wing Modernization</p> <p> Integrated Mission System</p>	<p>“Sense”/acquire, convert and process radar, sonar, imaging or EO/IR signal/data at the edge</p> <p> Distributed Sensors</p> <p> Integrated ECM System</p>
<p> Integrated Servers, Secure C3 Servers</p> <p> Rackmount Servers</p> <p> Small Form Factor Computer</p> <p> Secure System-in-Package</p>	<p> Communications Mgmt Unit</p> <p> Rugged Tactical Switch, Video Switches</p> <p> Transceivers</p> <p> RF / Microwave Components</p>	<p> Mission Computer</p> <p> Data Transfer Units</p> <p> Storage Boards</p> <p> High-Density Flash Memory</p>	<p> Sensor Processing Subsystems</p> <p> Integrated Converters</p> <p> Single Board Computers</p> <p> RF System-in-Package</p>

Mercury's Core Today

(1) Global Tier 2 market size and FY24-29 CAGR

# The Mercury Processing Platform enables 300+ defense programs

<b>SENSOR</b>	 LTAMDS	 Tracking Layer	 Patriot	 THAAD	 E-2D
<b>EW</b>	 F-35	 F-16	 Badger/Buzzard	 SEWIP	 EA-37B Compass Call
<b>AVIONICS</b>	 H-60	 F/A-18 & EA-18G	 M1 Abrams	 V-22	 Saab GlobalEye
<b>WEAPONS</b>	 SDB-II "Stormbreaker"	 PGK	 PAC-2/3	 AMRAAM	 Standard
<b>C3I</b>	 National Security Cutter	 Aegis	 Submarine Force	 JLTV	 AH-64

## PRIMES

Airbus

BAE Systems

Boeing

General Atomics

L3Harris

Leonardo

Lockheed Martin

Northrop Grumman

RTX

Saab

Sierra Nevada

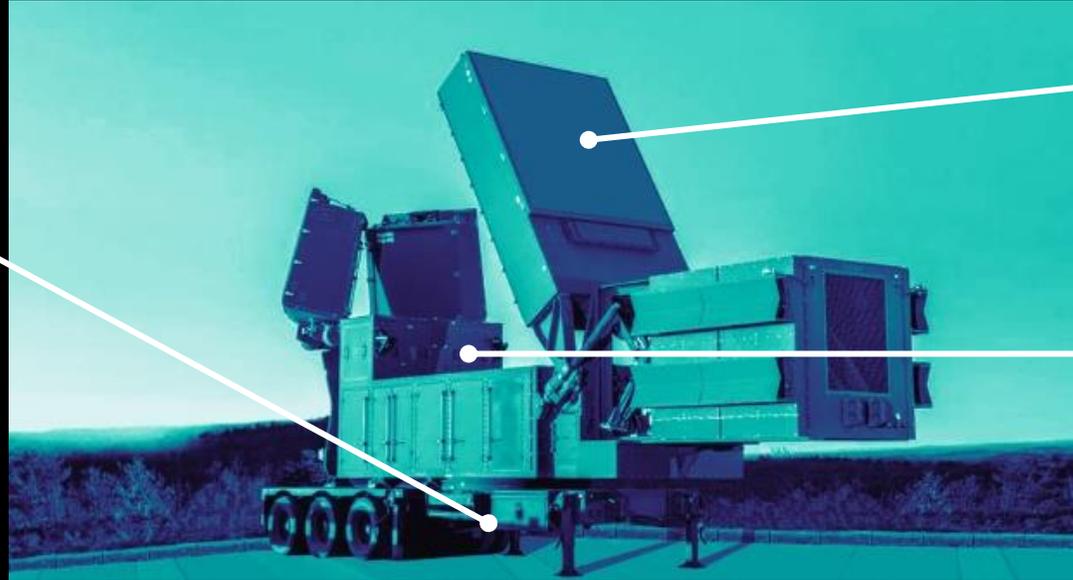
Thales

# Missile Defense Program Snapshot

Key provider of technology for the Golden Dome, and well-positioned to benefit from project funding increases

## LTAMDS vs Patriot Content Potential:

- Radar processing 5x
- EP processing expansion 5x
- RF content expansion 2x



## Ground mobile Radar:

- Radar Processing

## Future potential expansion:

- Microelectronics processing at the antenna



LTAMDS



THAAD

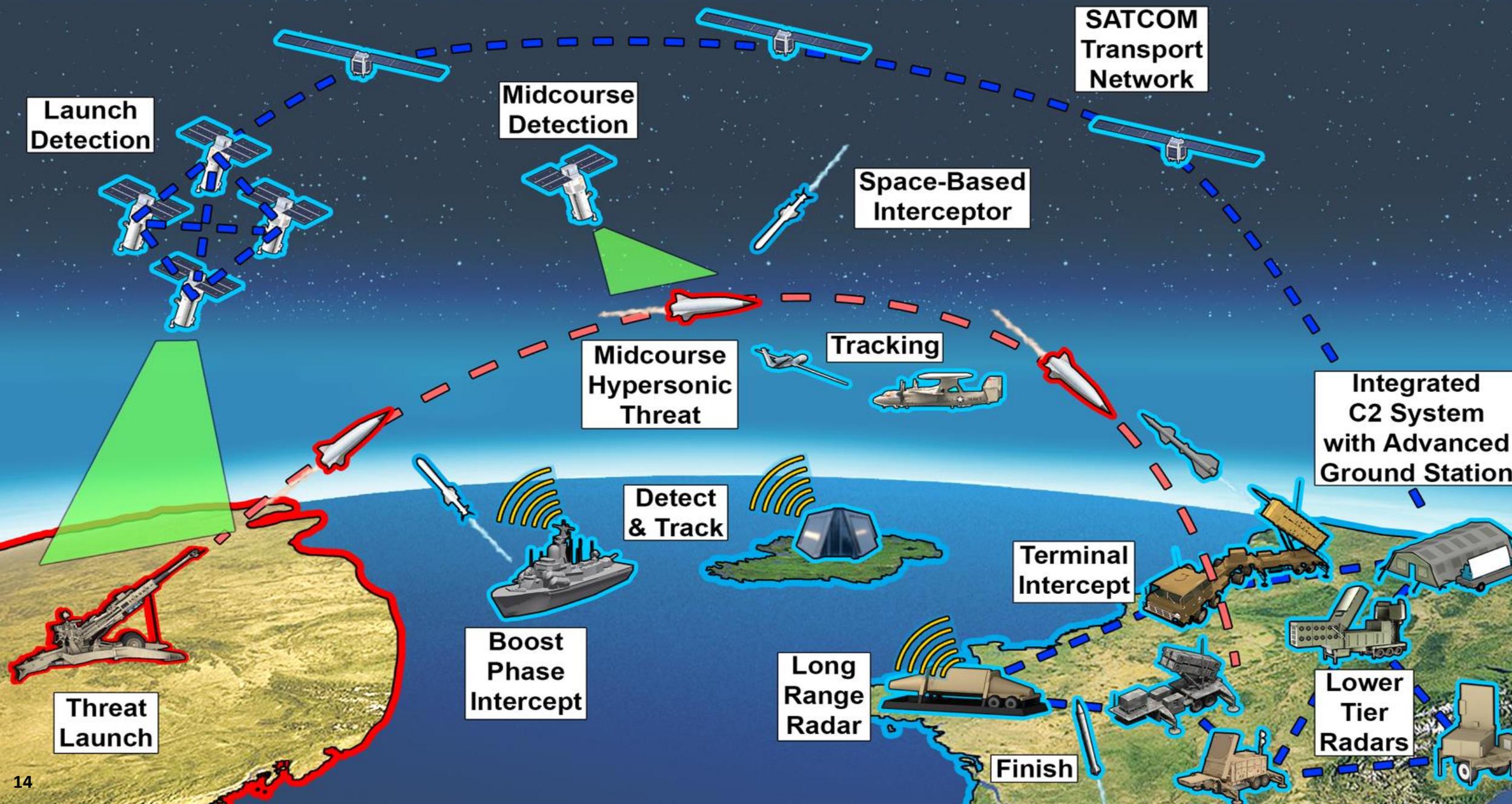


G/ATOR



PATRIOT

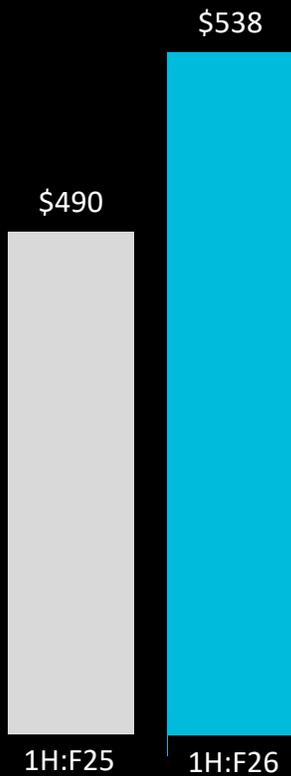
# Where Does MRCY Play Within Golden Dome?



# Select Financial Highlights

## Bookings (\$M)

+10% YoY



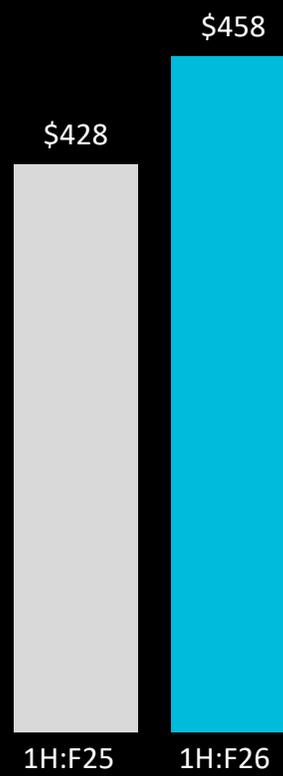
## Backlog (\$B)

+9% YoY



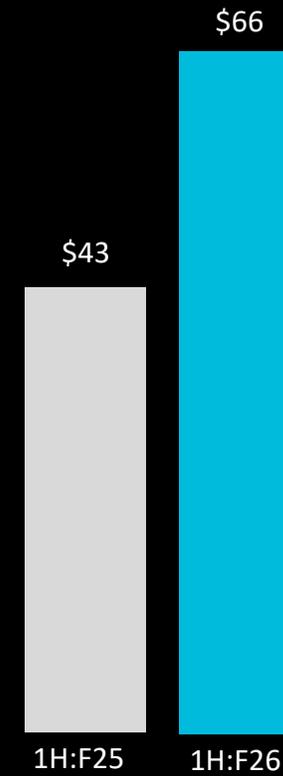
## Revenue (\$M)

+7% YoY



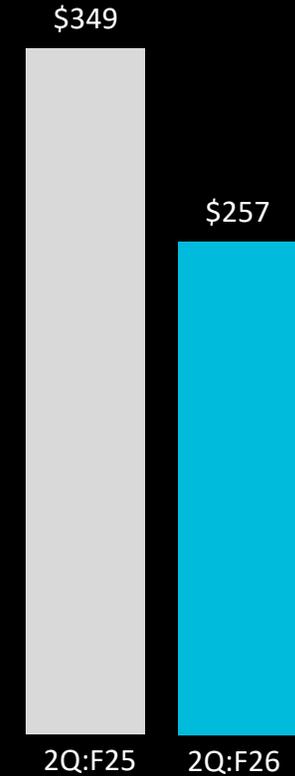
## Adj. EBITDA (\$M)

+51% YoY



## Net Debt (\$M)

-26% YoY



# Second Quarter 2026 Highlights

- Results support our expectation to deliver robust organic growth, expanding margins, and positive free cash flow.
- Quarterly bookings of \$288M and a 1.23 book-to-bill.
- Record backlog approaching \$1.5B.
- Revenue of \$233M; record first half revenue up 7% year-over-year.
- Adjusted EBITDA of \$30M (12.9% margin).
- FCF of \$46M in the quarter; well ahead of expectations.
- Solid execution across our broad portfolio of production and development programs.
- Streamlined operating structure enabling increased positive operating leverage.
- Continued progress on free cash flow drivers, with net working capital down \$61M year-over-year.

**\$288M**

Bookings with a book-to-bill ratio of 1.23x

**\$15M**

GAAP net loss

**\$1.5B**

Backlog; up 9% year-over-year

**\$30M**

Adjusted EBITDA

**\$233M**

Revenue

**\$52M**

Operating cash flow with FCF of \$46M



# CONTACT INVESTOR RELATIONS

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