

Capital Markets Presentation

March 25, 2026

Based on the Company's 2025
Financial Statements

Bet Shemesh Engines
Holdings (1997) Ltd.



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Company Overview

Bet Shemesh Engines, controlled by FIMI Opportunity Funds, 58 years of experience and a proven track record across a wide range of capabilities in the field of jet propulsion.

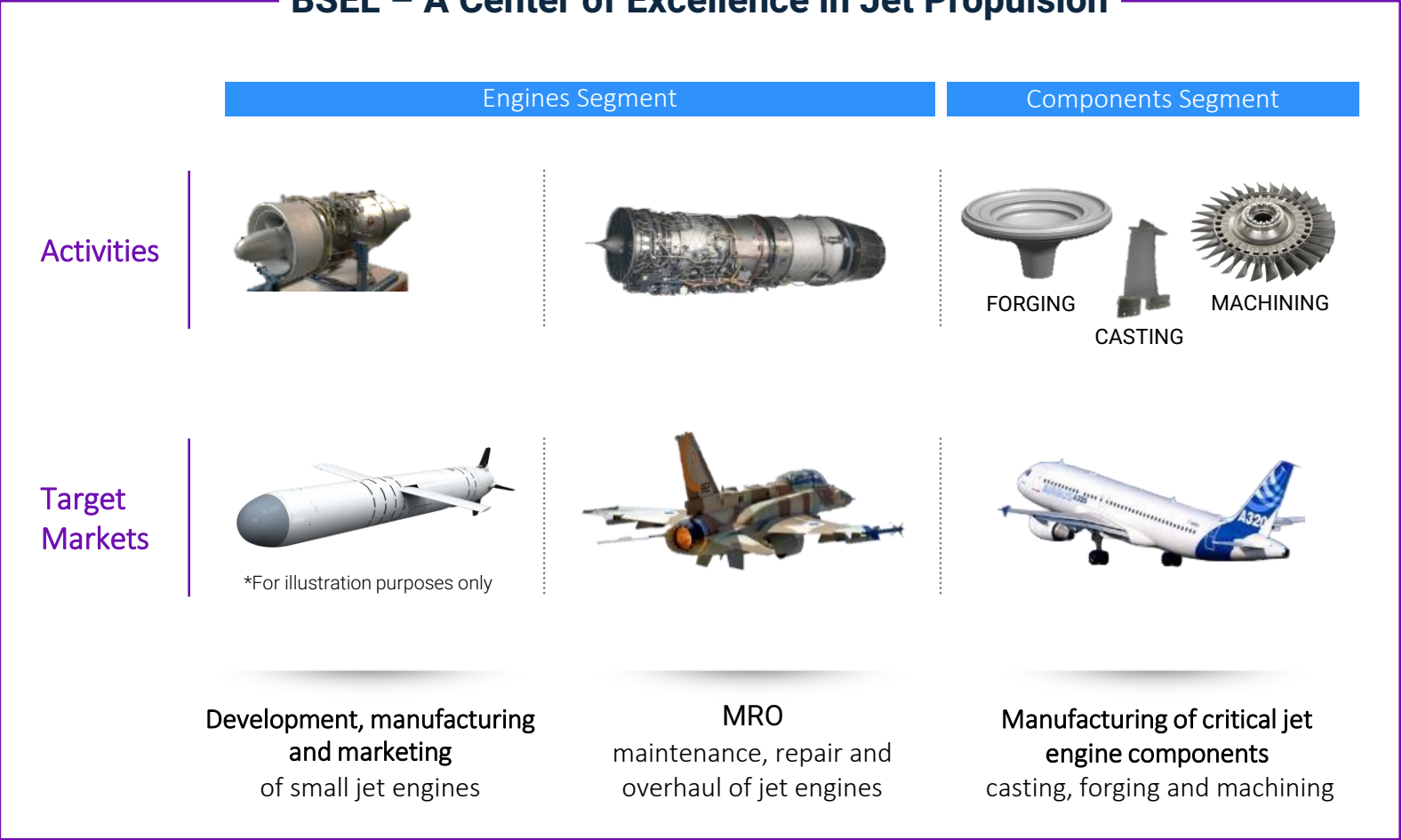


Ram Drori,
Chief Executive
Officer

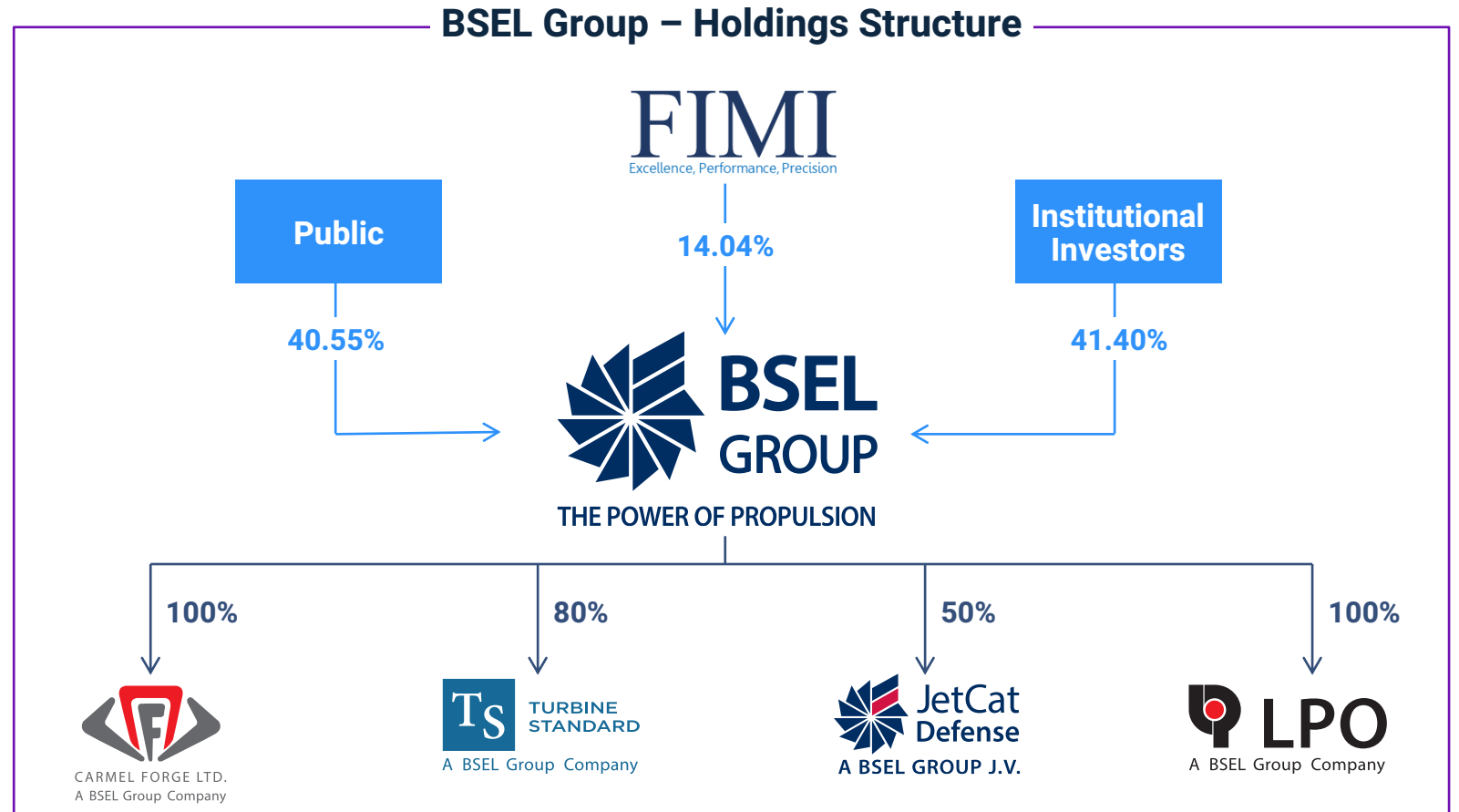


Gillon Beck,
Chairman of the
Board

BSEL – A Center of Excellence in Jet Propulsion



Business Holdings Structure



* Including Bet Shemesh Engines Holdings (1997) Ltd. (the "Public Company") Subsidiary Bet Shemesh Ltd., that holds – 4.01% of the Public Company.



58 years of blue and white industrial excellence



Mr. Joseph Szydlowski establishes the first Bet Shemesh Engines facility



Pratt & Whitney acquires a 40% stake in Bet Shemesh Engines



IPO on the Tel Aviv Stock Exchange



Ministry of Finance facility



TS, Ohio, USA



New small engine facility

Bet Shemesh Engines was founded by Mr. Joseph Szydlowski and the State of Israel

The State of Israel acquires full ownership of BSEL

Ormat acquires 100% of Bet Shemesh Engines

LPO acquisition



FIMI acquires a controlling stake in BSEL (45%)



Acquisition of Carmel Forge from Pratt & Whitney

New GTF engine facility



Acquisition of Turbine Standard (USA)

Establishment of JetCat JV



Expected inauguration of a new small engine facility in April



President Ezer Weizman visits the facility



Lavie Project



LPO Ada Serbia



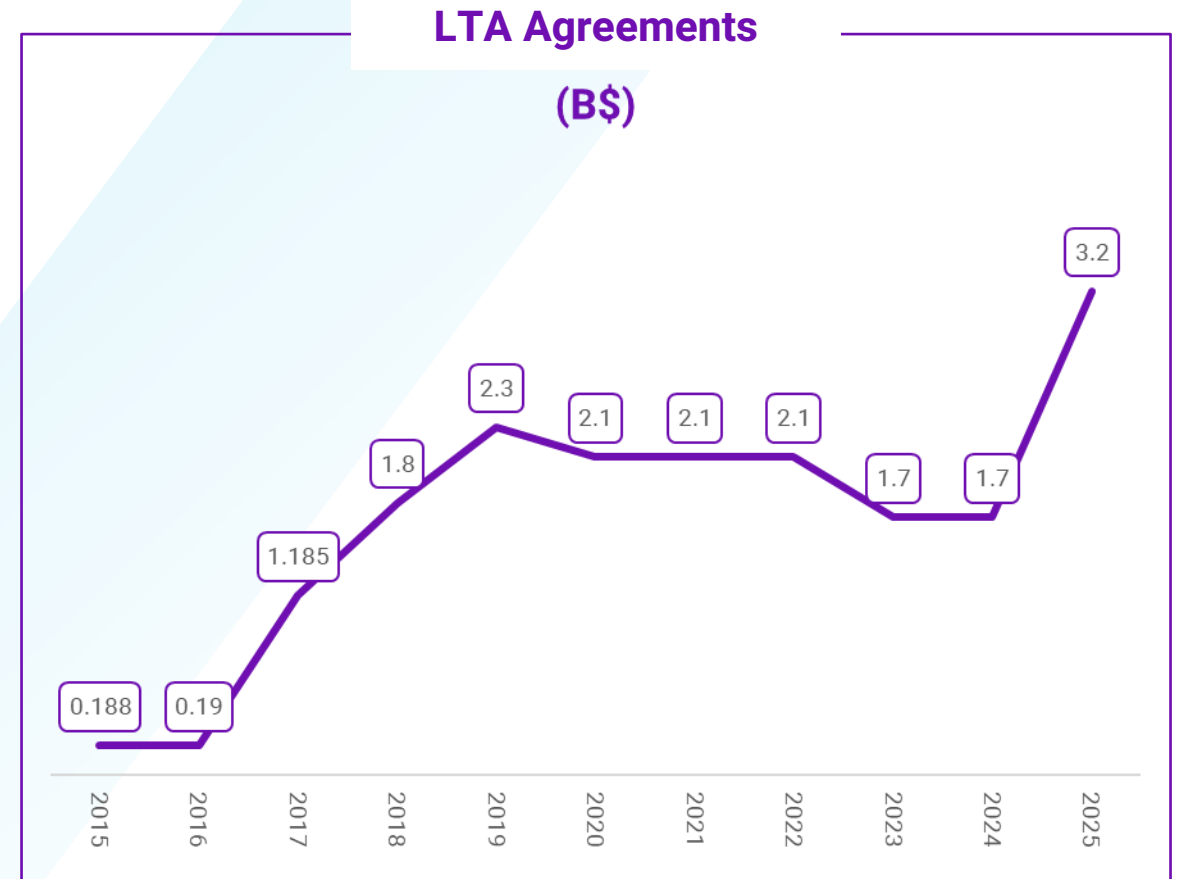
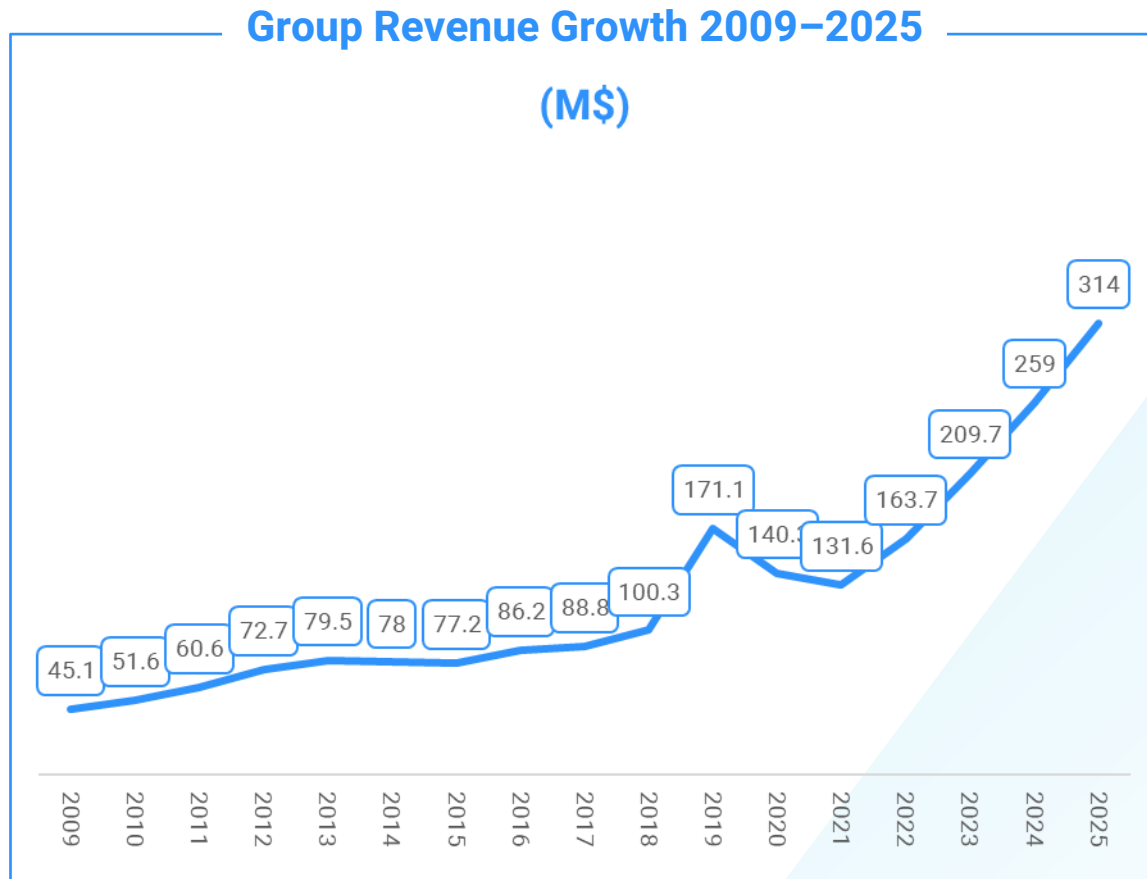
New GTF engine facility, Bet Shemesh



JETCAT



Framework Agreements and Group Revenue Growth





BSEL The power of Propulsion

GROUP 3 Continents, 5 Locations, 9 Facilities, 1400 Employees



Customers

Small Engines
& MRO



Critical
Engine Parts



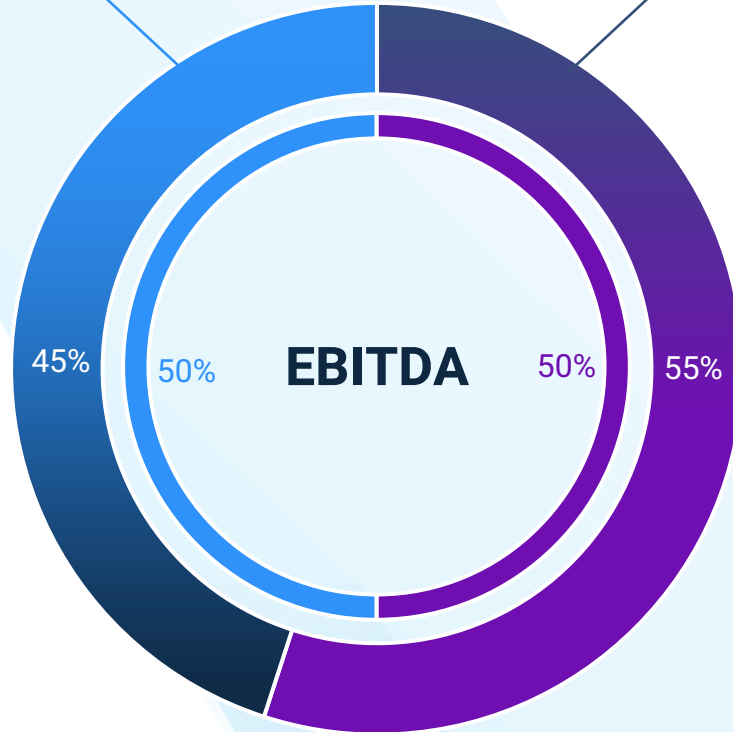
Collins Aerospace

Honeywell



Operating Segments

Revenue Breakdown



Engines Segment

Development, manufacturing, maintenance and assembly of jet engines:

Maintenance, repair and overhaul (MRO) of civil and military jet engines (IAF and foreign air forces), both domestic and international



Development, manufacturing and marketing of small jet engines



Components Segment

Manufacturing of jet engine components:

Forging of disks and rings (pressing and rolling)



Casting of blades and advanced engine components



Precision machining of critical rotating components



Recent Key Developments

Engines Segment

08
2025

Further to previous disclosures regarding engagements with leading customers for the development and production of jet engines, with cumulative orders totaling approximately \$124 million (approx. NIS 471 million), **the Company received additional orders for jet engine production totaling approximately \$100 million (approx. NIS 337 million).** In addition, the Company increased its overall estimate for these engagements from approximately NIS 1.0 billion to NIS 1.3 billion.

01
2026

The Company received orders from a major foreign air force for MRO (Maintenance, Repair and Overhaul) of F100 engine cores, totaling approximately \$21.5 million, with potential growth to approximately \$30 million, subject to the Company's estimates.

03
2026

Jet Cat Defense received its first order, valued at approximately \$10 million, from U.S.-based CoAspire, a company specializing in the development, design and manufacturing of cruise missiles for U.S. government defense programs and additional security agencies. Delivery is expected during 2026.

Components Segment

10
2025

Signing of a ~15-year agreement with an expected total value of approximately \$1.2 billion, the largest in BSEL's history, for the renewal and significant expansion of an existing long-term framework agreement (with a remaining backlog of approximately \$164 million as of the reporting date), as part of the Group's Components Segment activities. The agreement was signed with an existing customer, one of the world's leading OEM aircraft engine manufacturers. The agreement includes an option for a 5-year extension, potentially increasing its total value by an additional ~\$400 million.

03
2026

Expansion of an agreement with an existing international customer in the parts sector for approximately \$80 million As part of this, new items were added to the most advanced engine programs in the aviation world, item prices were updated, and the rate of market analyses that the company will provide was increased. The product supply period is until the end of 2032.





Components Segment

Components Segment participation in Advanced Engine Programs

Addition of New Engine Programs Since 2017 to Date

PW 1100 (*)
LEAP A, B, C (*)
PW 1500 (*)
RR Trent 1000 (*)
RR TXWB (*)
PW 812, 814, 815
F135 (*)
T408 (*)
GT 7500

(*) New generation

New Engine Programs

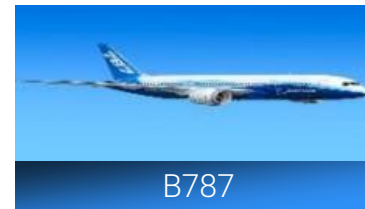
PW1100, LEAP A, B, C



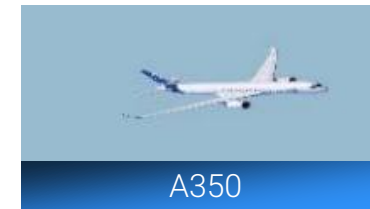
PW 307



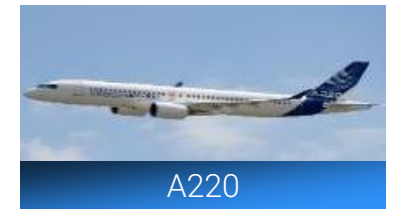
RR T1000



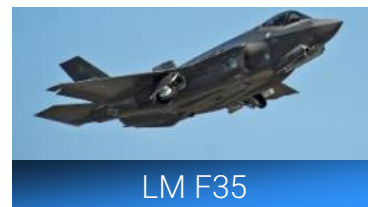
RR TXWB



PW 1500



F135



GE T408



PW 812

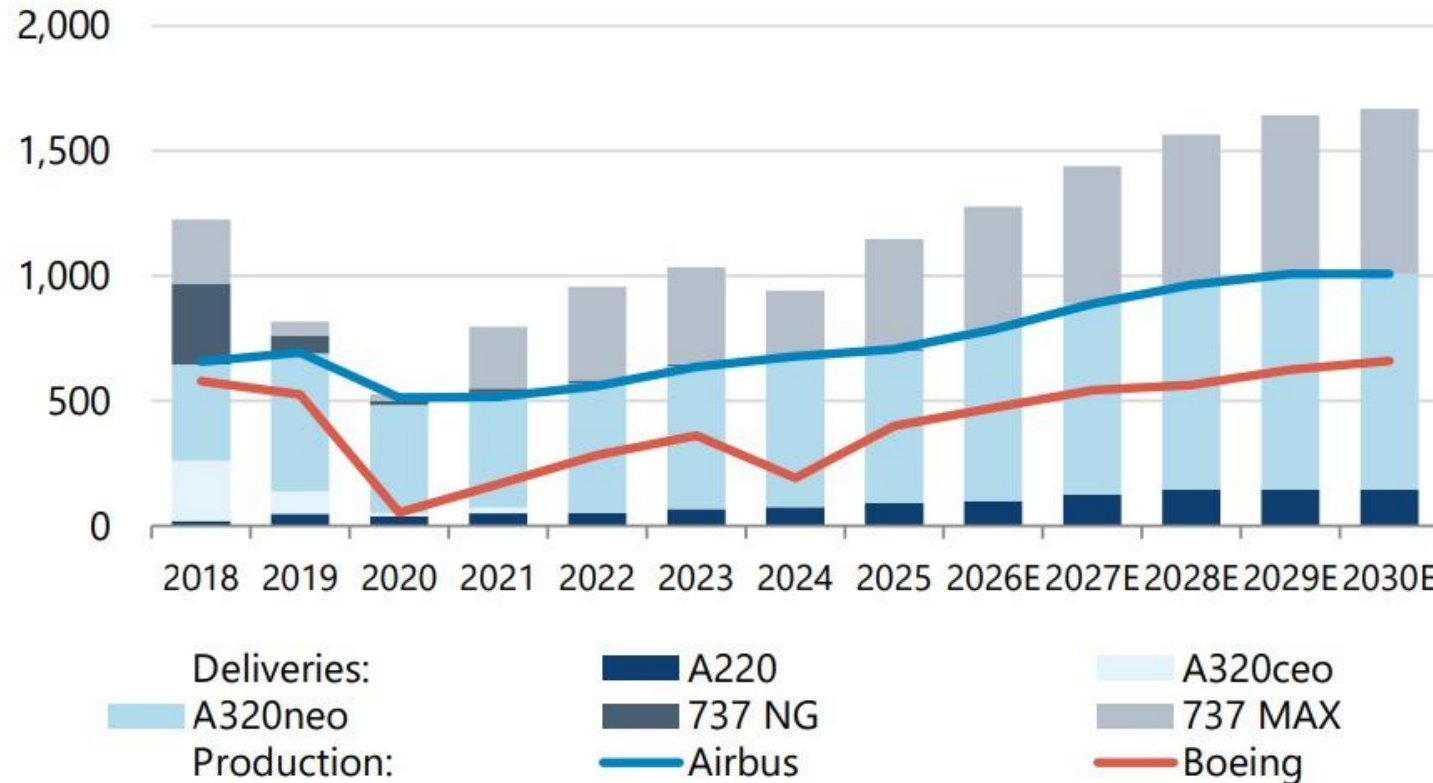


PW 814, 815



Global Civil Aviation Market Outlook

Boeing and Airbus forecast for production and deliveries of narrow-body passenger aircraft, by type, over the next five years (2026–2030):



Source: Cirium®, Jefferies

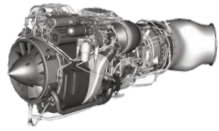


Engines Segment



*For illustration purposes only

Engines Segment – Certified MRO Engines

	F-100	T-700	PT6	Allison 250	TPE331	CT7
Engine Type						
OEM						
Platform	 F16 / F15	 Blackhawk, Apache	 Various Aircraft	 Various Helicopters	 Various Aircraft	 Various Aircraft
Main Customers			We serve a wide variety of customers worldwide			



- Full MRO capabilities with FAA and EASA certifications
- Highly skilled and trained manpower (mostly from the Israeli Air Force)
- Test cells for all the above mentioned engine types

Engines Segment – Small Engines

Bet Shemesh Engines, as a center of excellence for jet propulsion in Israel and a relevant player in the global market, brings development and manufacturing capabilities for a wide range of engines tailored to leading platforms in Israel and worldwide.

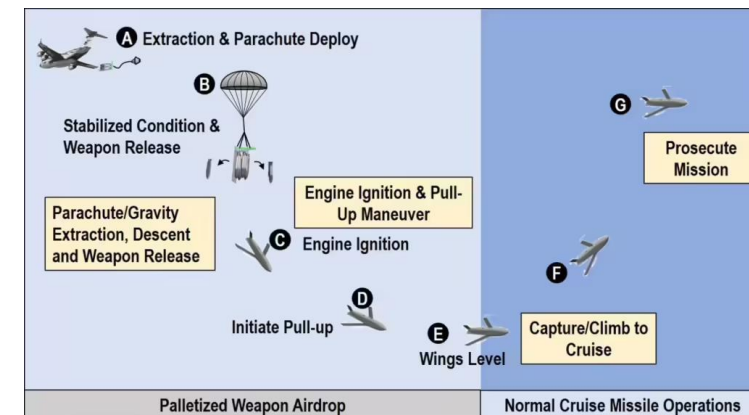
Its unique capabilities have led to significant orders for the development and production of engines, ensuring a substantial production backlog for the coming years.

In 2025, a partnership (**JetCat Defense**) was established with the German company JetCat for the development, manufacturing and marketing of small engines in the U.S. and Israel.

In light of the geopolitical developments in recent years, alongside ongoing military conflicts, we are identifying a clear trend of increasing demand for unmanned systems. This trend is characterized by an Affordable Mass approach, requiring highly competitive engine solutions and the ability to produce at scale.

We are experiencing a clear market environment in which demand significantly exceeds production capacity. Based on the Company's capabilities and product portfolio, this represents a meaningful opportunity to capture significant market share.

Recently, the Company received its first order, valued at approximately \$10 million, for delivery during 2026, from the U.S.-based company CoAspire. In our assessment, this represents the first of additional expected orders from leading customers in the market. We believe these developments will constitute one of the Group's key growth drivers in the coming years.



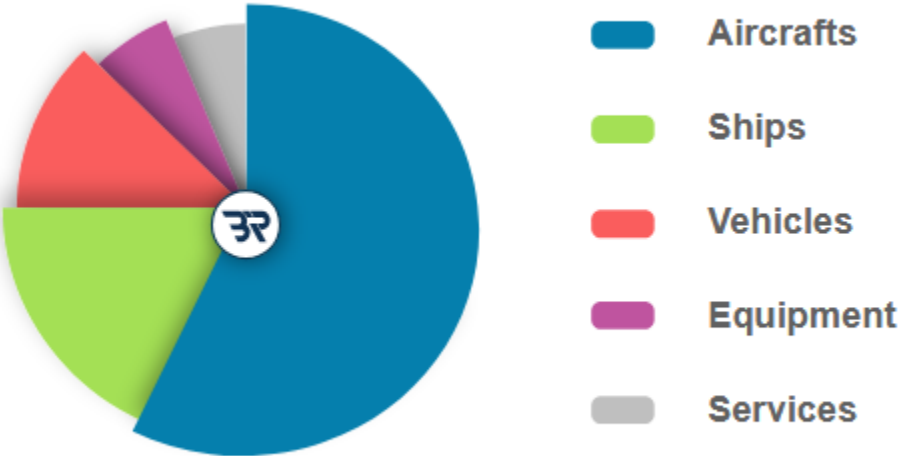
*For illustration purposes only



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Global Military Aviation Market Outlook

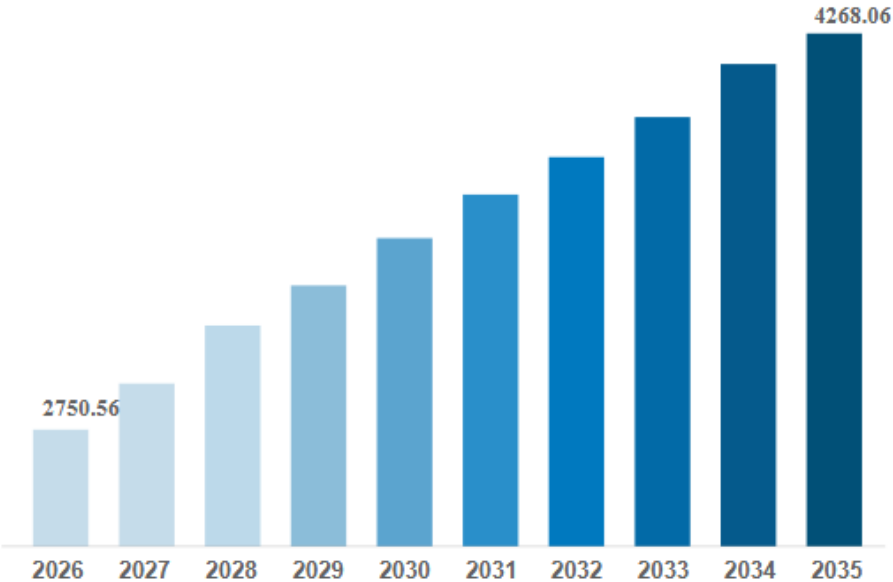
Global Defense Market Share, By Type, 2035



*Disclaimer: For illustrative purposes only.

Source: Business Research Insights

Global Defense Market Size 2035 (USD Billion)



REPORT INSIGHTS

Source: Business Research Insights

 MARKET SIZE USD 2750.56 BILLION 2026	 MARKET SIZE USD 4268.06 BILLION 2035	 CAGR 5% 2026-2035
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Financial data



Financial Results in 2025

\$ in thousands	2025	%	2024	%	Change	%
Revenue	314,083		258,981		55,102	21.3%
Gross Profit	77,203	24.6%	63,745	24.6%	13,458	21.1%
Operating Profit	56,228	17.9%	48,270	18.6%	7,958	16.5%
Net Profit for the Period	43,514	13.9%	36,424	14.1%	7,090	19.5%
EBITDA	70,750	22.5%	59,622	23.0%	11,128	18.7%

Financial Results in 2025 by Operating Segments

\$ in thousands	2025	%	2024	%	Change	%	Components Segment
External Revenue	171,984	93.2%	161,107	94.6%	10,877	6.8%	
Intersegment Revenue	12,504	6.8%	9,169	5.4%	3,335	36.4%	
Total Revenue	184,488	100.0%	170,276	100.0%	14,212	8.3%	
Operating Profit	23,616	12.8%	21,238	12.5%	2,378	11.2%	

\$ in thousands	2025	%	2024	%	Change	%	Engines Segment
External Revenue	142,099	99.4%	97,874	99.6%	44,225	45.2%	
Intersegment Revenue	908	0.6%	430	0.4%	478	111.2%	
Total Revenue	143,007	100.0%	98,304	100.0%	44,703	45.5%	
Operating Profit	35,357	24.7%	28,281	28.8%	7,076	25.0%	

Financial Results in Q4 2025 Compared to the previous period

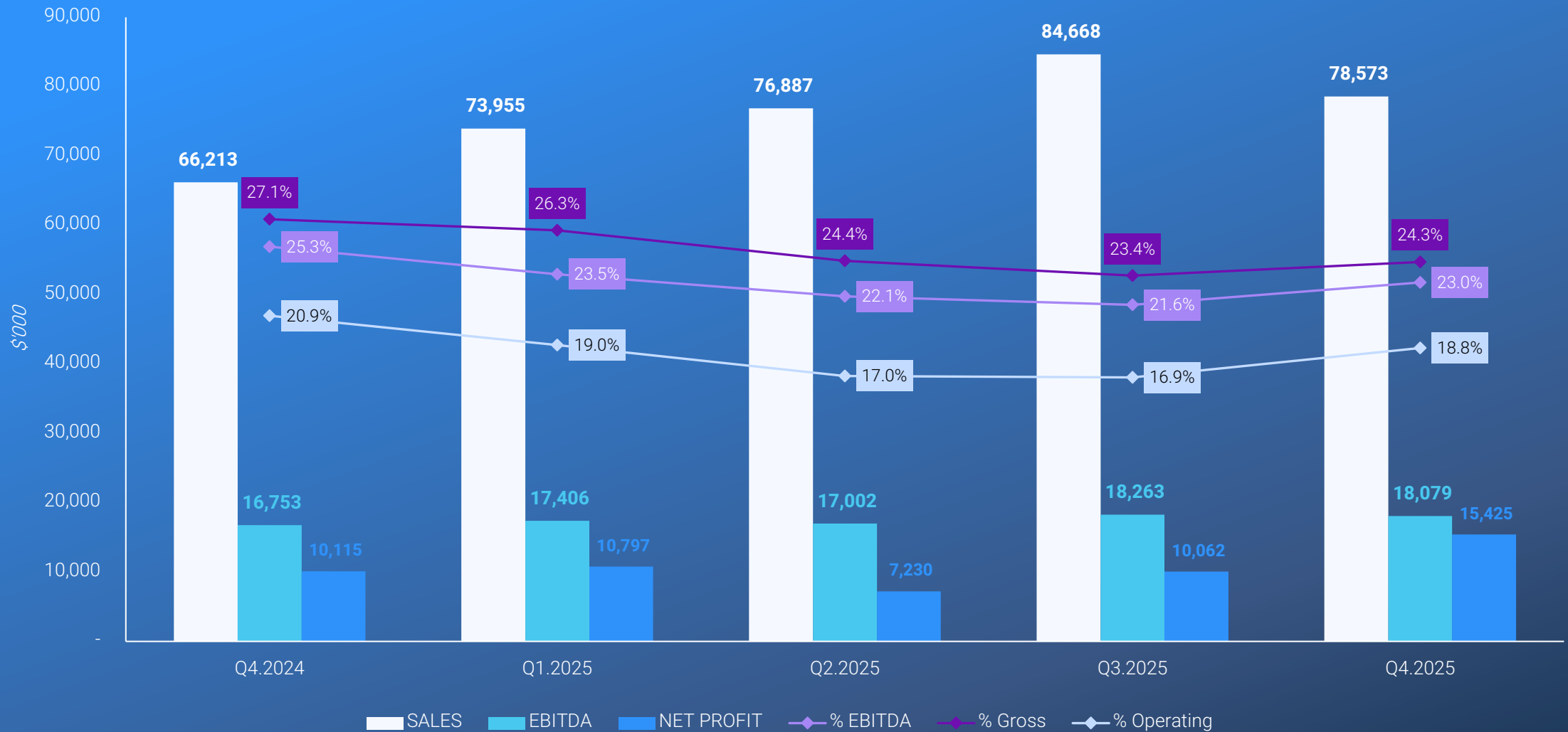
\$ in thousands	Q4 / 2025		Q4 / 2024		Change	
		%		%		%
Revenue	78,573		66,213		12,360	18.7%
Gross Profit	19,113	24.3%	17,915	27.1%	1,198	6.7%
Operating Profit	14,770	18.8%	13,820	20.9%	950	6.9%
Net Profit for the Period	15,425	19.6%	10,115	15.3%	5,310	52.5%
EBITDA	18,079	23.0%	16,753	25.3%	1,326	7.9%

Financial Results in Q4 2025 by Operating Segments

\$ in thousands	Q4/2025	%	Q4/2024	%	Change	%	Components Segment
External Revenue	41,560	90.0%	39,412	92.5%	2,148	5.5%	
Intersegment Revenue	4,606	10.0%	3,210	7.5%	1,396	43.5%	
Total Revenue	46,166	100.0%	42,622	100.0%	3,544	8.3%	
Operating Profit	6,762	14.6%	7,118	16.7%	356-	5.0%-	

\$ in thousands	Q4/2025	%	Q4/2024	%	Change	%	Engines Segment
External Revenue	37,013	99.3%	26,801	99.0%	10,212	38.1%	
Intersegment Revenue	272	0.7%	260	1.0%	12	4.6%	
Total Revenue	37,285	100.0%	27,061	100.0%	10,224	37.8%	
Operating Profit	8,462	22.7%	7,201	26.6%	1,261	17.5%	

Quarterly Trend of the Group (\$ in thousands)



Balance Sheet and Key Financial Ratios

	For the Period Ended		
	31.12.2025	31.12.2024	31.12.2023
Current Assets	287,123	189,711	161,331
Non-Current Assets	180,070	137,117	127,607
Total Assets	467,193	326,828	288,938
Current Liabilities	125,836	101,899	87,551
Long-Term Liabilities	42,656	31,603	47,067
Equity	(*)298,701	193,326	154,320
Total Liabilities and Equity	467,193	326,828	288,938

Including a capital raise of \$63M on December 30, 2025

	Financial Ratios (Period-End)		
	31.12.2025	31.12.2024	31.12.2023
Equity to Total Assets	64%	59%	53%
Financial Debt to Equity	3%	19%	34%
Net Financial Debt to EBITDA	0.1	0.6	1.6
Leverage Ratio (Net Financial Debt to Total Assets)	2%	11%	18%
Total Net Financial Debt on the Balance Sheet	9,439	36,239	53,226





Future Readiness

Growth Drivers of Bet Shemesh Engines Group



In the military market

Increasing demand and growth in the Engines Segment, both in small jet engines (including penetration into the U.S. market) and in MRO (engine overhaul) activities, among others through TS and JetCat, while maintaining high profitability margins.

Completion of a new advanced facility in the Engines Segment and a small engine assembly plant at TS.

Continued investment in the development and nurturing of human capital

as a central component of the Company's ability to execute its strategy in the coming years



In the civil aviation market

Continued growth in demand in the civil aviation market, primarily for narrow-body aircraft with more efficient and fuel-efficient engines such as LEAP and GTF, which is expected to increase demand for the Company's Components Segment.

Severe bottlenecks in the global supply chain create an opportunity for BSEL to gain additional market share and expand its product portfolio.

Continued focus on expanding activity in new engine programs through long-term agreements, based on enhanced manufacturing capabilities and new technologies developed in recent years to support the qualification of components for advanced engines.

Continued conservative and responsible operations

while taking into account risks and current market conditions, alongside identifying opportunities arising from this environment



Summary

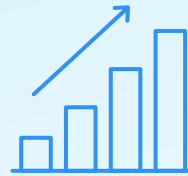
BSEL operates with a **strategy focused on continued development, growth and improved profitability** in the coming years. Growth is based on:



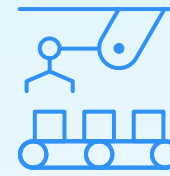
A strong business foundation across all core activities



Long-term framework agreements totaling approximately \$3.2 billion



A market environment of high demand and limited supply



Strong positioning with manufacturing capabilities, technologies and products aligned with future market requirements



A well-balanced distribution between business units, providing stability and reducing exposure to extreme market fluctuations



Thank You to Our Partners in the Capital Markets

