

Stifel North Atlantic AM-Forward, LP

Fund Overview

Stifel North Atlantic AM-Forward Fund is built to address supply chain challenges

- Target investments in established Tier 2, Tier 3 and Tier 4 Aerospace and Defense manufacturing (not technology) businesses seeking to grow additive manufacturing capabilities
- Leverage a Technology Advisory Board comprised of Strategic Investors for input on leading suppliers and technical due diligence
- Potentially benefit from leverage from the SBA SBIC Program¹
- Seek to harness resources from the Department of Defense through the Critical Technologies initiative¹



≥ STRATEGY

Invest in **existing Tier 2, 3, and 4 small business suppliers** to leading defense, aerospace, and energy companies

Invest in *suppliers* (not projects) targeting **improved additive manufacturing capabilities**

Build capacity for DoD and expand **commercial capabilities**

Use a **range of financing structures** (debt, equity, etc.) targeted to a small business's specific needs

≥ FOCUS

The Fund targets AM adoption and focuses on implementing the full value chain of additive manufacturing, to deliver quality approved parts when needed.

Sample investments may include²:

- **Post-processing**
- **Quality management**
- **Large-scale AM**
- **High performance design for AM**
- **Precise AM production**

Additive Manufacturing Potential Benefits



GE CFM LEAP Engine Fuel Nozzle^{3,4}



Pressure Valve^{3,5}



Satellite Bus^{3,5}

≥ IMPROVED PART DESIGN

- 25% reduction in part weight
- 15% improvement in fuel efficiency
- 20-to-1 reduction in number of parts

≥ DECREASED LEAD TIME

- 1 year to 40 hours
- Improve quoted lead-time for critical submarine component

≥ REDUCED COSTS

- 60% reduction in test and assembly time due to improved design
- \$1billion potential savings

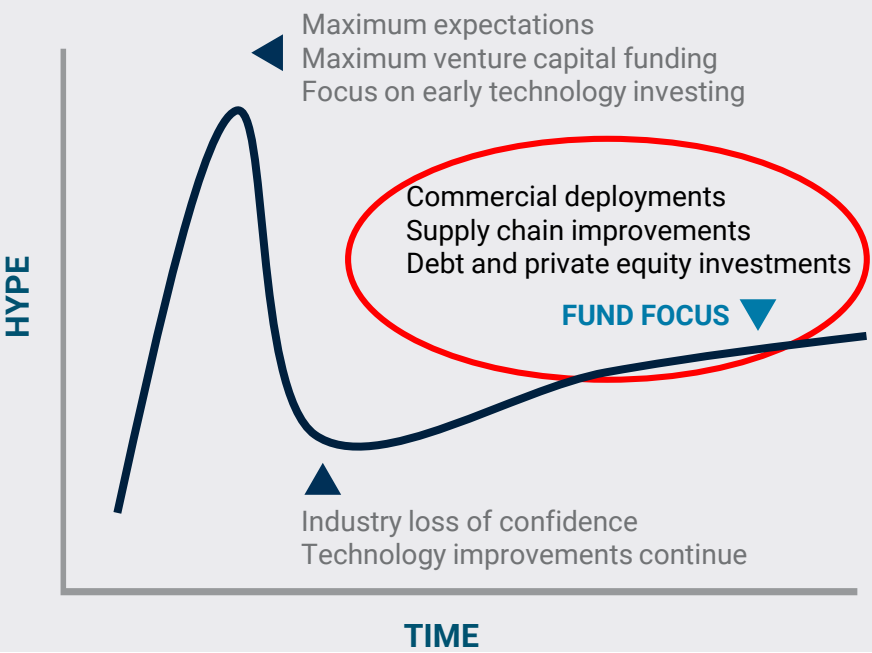
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Fund Summary



- The Aerospace and Defense (AERODEF) supply chain is fractured and complex.**
There are over 200,000 suppliers⁶, and the number of Prime Contractors has decreased from 51 to 5 since 1990⁷.
- Additive Manufacturing (AM) offers a potentially attractive solution.**
AM is deemed critical by the DoD to future development of vital technologies⁸, and can improve part design, reduce lead times, and cut costs.
- Small business manufacturers have capacity but lack capital access to implement AM.**
Many small businesses lack the resources to purchase equipment, train their workforce, and fund lengthy part qualification processes.
- The Stifel North Atlantic AM-Forward Fund (the Fund) is purpose built to address these challenges.**
The Fund intends to provide capital and resources to small business manufacturers within the AERODEF supply chain to implement advanced manufacturing processes and techniques.
- The Fund is designed to partner with major AERODEF stakeholders.**
The Fund intends to use a Technology Advisory Board, comprised of members of leading AERODEF companies.⁹
- The Fund will be led by an experienced, multi-functional team inside a major financial institution.**
The investment team will include strong private investment, financial, and industry experience.
- The scope of the small business supply chain problem creates a sizeable investment opportunity.**
The DoD provides \$83 billion in contracts to small businesses¹⁰; there are more than 700 small-business manufacturers.¹¹

3D PRINTING & ADDITIVE MANUFACTURING HYPE¹²



- There is no assurance that the Fund will be granted an SBIC license or, if granted, that the Fund will have access to SBA leverage or any benefits from the Dept. of Defense
- Samples are illustrative only. The Fund may or may not invest in these specific areas
- The examples do not represent investments made by the Managing Directors and they are listed simply to illustrate the potential benefits of additive manufacturing as an investment thesis for the Fund
- GE Aviation and <https://manufactur3dmag.com/ge-aviation-produced-its-100000th-3d-printed-fuel-nozzle-tip/>
- Stifel proprietary research; photo credit: The U.S. National Archives
- U.S. Government Accountability Office, <https://www.gao.gov/products/gao-22-104154>
- United States Department of Defense, State of Competition within the Defense Industrial Base, Office of the Under Secretary of Defense for Acquisition and Sustainment, February 2022
- United States Department of Defense, <https://www.cto.mil/dod-additive-manufacturing-strategy/>
- There are no assurances on how many leading AERODEF manufacturers the Fund will attract as investors
- Farooq Mitha, Director of Department of Defense Office of Small Business Programs, "Small businesses are key to national defense," The Hill, <https://thehill.com/opinion/congress-blog/3847967-small-businesses-are-key-to-national-defense/>, February 7, 2023
- Stifel proprietary research; screen from Capital IQ, U.S.-based Aerospace and Defense manufacturers, LTM Revenue less than \$100 million
- Adapted from the Hype Cycle by the Gartner Group

Disclosure: This document has been prepared to provide prospective investors with the opportunity to determine their preliminary interest regarding an investment in Stifel North Atlantic AM-Forward, LP (the "Fund") and may not be used or reproduced for any other purpose. This document is for informational purposes only and all information contained herein is subject to revision and completion. The information in this document is intended only as an overview of the Fund. The information set forth herein does not purport to be complete. This is not an offering for the Fund. A Confidential Private Offering Memorandum (the "Memorandum") will be available for persons interested in considering an investment in the Fund. This document does not constitute an offer to sell any interest in the Fund and is not a solicitation or offer to sell any interest in the Fund. Such an offer will only be made to persons who have received and reviewed the Memorandum and the Amended and Restated Agreement of Limited Partnership of the Fund (the "Partnership Agreement"), who are qualified by the general partner of the Fund (the "General Partner") as appropriate investors in the Fund, and who have executed all documentation required by the General Partner. Recipients of this document cannot purchase or commit to purchase any interest in the Fund at this time and should not make a decision to do so at this time.

The actual terms of an investment in the proposed Fund may be different from the terms set forth in this document, and such differences may be substantial. Nothing contained in this document is, or should be relied upon as, a promise or representation as to the future. The Memorandum and the Partnership Agreement will contain additional information about the terms and conditions of an investment in the Fund and risk disclosures that are important to any investment decision regarding the Fund. The past performance of each of Stifel, North Atlantic, and ASTRO is not necessarily indicative of future success of the Fund. An investment in the Fund is speculative in nature and an investor may lose all or a portion of any such investment. The offer and sale of the LP Interests will not be registered under the Securities Act of 1933, as amended ("Securities Act"), or under applicable state securities laws. The LP Interests are being offered and sold in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act, and the offering is designed to comply specifically with the requirements of Rule 506(c) of Regulation D under the Securities Act.