

Public-Source Corporate Due-Diligence Case Study

Redwire Corporation (NYSE: RDW)

PREPARED FOR	ASSESSMENT CUTOFF	CASE
Sample Product	August 11, 2026	005 - Redwire

Independent portfolio exercise. Redwire Corporation was not a client and did not commission, participate in, or endorse this assessment.

Overall assessment

Risk level



Moderate Risk means one or more material risks, uncertainties, or dependencies were identified that could affect the client's decision and warrant specific monitoring, verification, or mitigation.

BCI disposition



Proceed with Controls means continued consideration is reasonable, but the client should apply the verification, monitoring, or mitigation measures identified in this report.

How to read this assessment: The Risk level reflects the significance of company-level risks identified in this review. The BCI disposition reflects the recommended decision posture based on those risks.

Executive summary

Redwire entered the second half of 2026 with materially stronger liquidity and lower debt, but it had not yet demonstrated self-funding operating performance. At June 30, the company reported \$557.0 million of cash and cash equivalents, \$48.1 million of net debt, \$214.0 million of first-half revenue, a \$117.5 million first-half net loss, and \$31.6 million of cash used in operating activities. Contracted backlog was \$542.1 million. [1]

The principal counterparty concerns are financial-reporting controls, integration and execution risk following the Edge Autonomy acquisition, continuing capital-market dependence, and customer/government concentration. Redwire still reported material weaknesses in internal control over financial reporting and ineffective disclosure controls at June 30. Defense Tech contributed \$106.2 million of first-half revenue, including \$85.6 million attributed to the Edge Autonomy acquisition. [1]

BCI therefore assesses Redwire at a Moderate Risk level and assigns a Proceed with Controls disposition. The public record does not identify an issue that independently requires avoiding a commercial relationship, but a material engagement should include current financial verification, control-remediation evidence, performance protections, notice rights, and periodic reassessment.

Key findings

- Liquidity improved materially, but the improvement was capital-market supported. Redwire raised approximately \$415.1 million of gross proceeds through at-the-market equity sales during the first half of 2026; a separate June 2026 facility authorized up to \$500 million of additional sales. [1]
- Financial-reporting controls remain the clearest governance issue. Management reported material weaknesses in internal control over financial reporting and ineffective disclosure controls as of June 30, 2026. [1]

- The Edge Autonomy acquisition materially changed the business mix. Defense Tech generated \$106.2 million of first-half revenue, with \$85.6 million attributed to the acquisition; Redwire was still integrating enterprise-resource-planning and control processes. [1]
- Customer and government exposure is material but not concentrated in a single counterparty. National-security revenue represented about 46% of first-half revenue; two customers individually exceeded 10% of first-half revenue. [1]
- Legacy sponsor control diminished during 2026. AE Industrial Partners and affiliates held 31.2% of common stock as of March 27, but subsequent Form 4 filings show substantial sales, leaving only a small reported common-stock position by April 22; AE-linked directors remained on the board. [2, 3]
- The principal historical securities class action had been settled and dismissed. A related shareholder-derivative settlement received final approval on August 4, 2026 and included governance reforms. [1, 4]

Decision controls

For a material commercial relationship, BCI would treat the following as decision conditions rather than routine watch items: current liquidity and operating-cash performance; evidence that internal-control remediation is operating effectively; Edge Autonomy integration and backlog conversion; major-customer and government-program performance; and prompt notice of financing, regulatory, export-control, cybersecurity, or exclusion-related developments.

Scope and method

Decision question: Does currently available public-source information identify financial, governance, control, customer, integration, legal, regulatory, or performance risks significant enough to change the terms of a prospective commercial relationship with Redwire Corporation?

This portfolio case study is a bounded public-source counterparty assessment. It prioritizes Securities and Exchange Commission (SEC) filings, court and corporate records, government-contracting information, and other attributable public records. Negative public-record searches are treated as limited findings, not proof that adverse information does not exist.

Analytical convention: Bracketed citations support factual statements. Statements labeled “BCI assessment” are analytical judgments drawn from the cited record rather than conclusions stated by the source.

Company profile and financial snapshot

Headquarters	Jacksonville, Florida	Ticker	RDW
Reportable segments	Space / Defense Tech	H1 2026 revenue	\$214.0M
H1 2026 net loss	\$(117.5)M	Cash + equivalents	\$557.0M at June 30
Net debt	\$48.1M at June 30	Contracted backlog	\$542.1M at June 30

Priority Information Requirements

Priority Information Requirements (PIRs) are the key questions and information needs this research must address to support the client's decision. They define what we will examine and help keep the assessment focused on the issues that matter most.

PIR 1	Ownership and control
PIR 2	Leadership, governance, and financial controls
PIR 3	Financial resilience
PIR 4	Customers and government dependence
PIR 5	Acquisition and execution risk
PIR 6	Legal, regulatory, and compliance exposure
PIR 7	Overall counterparty assessment

PIR 1 - Ownership and control

Redwire's ownership profile changed materially during 2026. The April proxy reported AE Industrial Partners and affiliates with 31.2% of common stock and 23.1% of total voting power as of March 27. Subsequent SEC Form 4 filings show substantial sales in March and April; by April 22, the reporting group disclosed only 128,440 common shares remaining in the reported position. AE-linked directors, including Kirk Konert and Michael Greene, remained on the board. [2, 3]

BCI assessment: The public record no longer supports describing AE Industrial Partners as a controlling stockholder at the assessment cutoff. Legacy board and relationship ties remain relevant, but ownership concentration had declined materially.

PIR 2 - Leadership, governance, and financial controls

The 2026 proxy states that Redwire had a majority-independent board and that the Audit, Compensation, and Nominating and Corporate Governance Committees were composed entirely of independent directors under the applicable New York Stock Exchange standards. [2]

The more material governance issue is financial reporting. At June 30, 2026, management identified material weaknesses across U.S., European, and Redwire Defense Tech operations, including insufficiently demonstrated process-level controls and ineffective information-technology general controls. Management concluded that disclosure controls and procedures were not effective. The company stated that the weaknesses had not resulted in a material misstatement of the June-quarter financial statements. [1]

A shareholder-derivative action tied to earlier financial-control allegations was resolved through a settlement requiring governance reforms; a final order approving the settlement and \$0.9 million in fees and expenses was entered August 4, 2026. [1, 4]

BCI assessment: Board-independence safeguards are conventional, but the unresolved control weaknesses remain material to a counterparty because they increase reporting, integration, and execution risk. Remediation should be verified through operating-effectiveness evidence rather than management plans alone.

PIR 3 - Financial resilience

Redwire reported \$214.0 million of first-half revenue and a \$117.5 million net loss. Net cash used in operating activities was \$31.6 million, improved from \$132.7 million in the prior-year period but still negative. Cash and cash equivalents were \$557.0 million at June 30, while net debt was \$48.1 million, down from \$85.2 million at December 31, 2025. [1]

The stronger balance sheet was supported by equity issuance. Redwire sold approximately 30.9 million shares through two at-the-market programs during the first half for approximately \$415.1 million of gross proceeds. A June 2026 ATM facility authorized up to \$500 million of additional sales. [1]

BCI assessment: Near-term liquidity risk is materially lower than in earlier periods, but the company has not demonstrated sustained self-funding operations. For a long-duration counterparty relationship, cash generation and future equity issuance remain decision-relevant.

PIR 4 - Customers and government dependence

For the first half of 2026, Redwire reported \$99.1 million of national-security revenue, \$38.2 million of civil-space revenue, and \$76.8 million of commercial and other revenue. National security therefore represented about 46% of total revenue. Two customers individually exceeded 10% of first-half revenue: Customer E at \$38.3 million and Customer D at \$24.3 million. [1]

Contracted backlog was \$542.1 million at June 30, including \$322.0 million in Space and \$220.2 million in Defense Tech. Redwire states that backlog reflects firm funded executed contracts, but terminations, amendments, cancellations, and annual-funding requirements can reduce ultimate conversion. [1]

BCI assessment: Government exposure is substantial but is distributed across national-security, civil-space, commercial, and international activity. Counterparty risk is better characterized as program and customer-concentration risk than as dependence on a single government customer.

PIR 5 - Acquisition and execution risk

Redwire completed the Edge Autonomy acquisition in June 2025 and now reports the acquired business within Defense Tech. Defense Tech generated \$106.2 million of first-half 2026 revenue; Redwire attributed \$85.6 million of the year-over-year increase to the acquisition. [1]

Integration remains active. Redwire reported that Redwire Defense Tech continued to have material weaknesses similar to those affecting other operations and that the company was expanding its U.S. enterprise-resource-planning system into the acquired business while deploying information-technology and process controls. [1]

BCI assessment: The acquisition added material defense revenue and backlog, but control remediation, systems integration, contract execution, and backlog conversion remain relevant dependencies. Those issues are measurable and should be monitored directly rather than described generically as 'integration risk.'

PIR 6 - Legal, regulatory, and compliance exposure

The securities class action Lemen v. Redwire was settled for \$8.0 million and dismissed with prejudice in August 2025; settlement distributions continued in 2026. The related shareholder-derivative action was resolved through the August 4, 2026 final order described above. [1, 4]

A SAM.gov-derived public contractor profile checked during this review reported no active federal suspension or debarment for Redwire and an active entity registration through August 25, 2026. Because this case study does not have direct authenticated SAM access, BCI treats that as a qualified negative finding and would re-verify the authoritative SAM exclusions record immediately before contract award. [5]

BCI assessment: The bounded review did not identify a current public-record condition that independently requires avoiding Redwire. Historical litigation and current control weaknesses are material context, but they are not equivalent to an active federal exclusion or current enforcement bar.

PIR 7 - Overall counterparty assessment

The evidence supports a Proceed with Controls posture for a prospective material commercial relationship. Redwire has substantial liquidity, lower debt, a larger defense business, and a diversified revenue base, but continuing internal-control weaknesses, negative operating cash flow, equity-financing dependence, and integration requirements justify contract protections and periodic reassessment.

BCI assessment: Moderate Risk is appropriate because the identified issues could affect reporting reliability, execution, and financial flexibility, but the current public record does not identify a condition that independently warrants avoiding the relationship.

Recommended controls

Verify current financial condition	Obtain current liquidity, debt, operating-cash-flow, and material financing information before a large or long-duration commitment.
Verify control remediation	Request evidence that material weaknesses and disclosure-control deficiencies have been remediated and tested for operating effectiveness.
Structure performance protections	Use milestones, objective acceptance criteria, reporting rights, remedies, and suspension or termination rights proportionate to the relationship.
Establish notice requirements	Require prompt notice of material financing, regulatory, export-control, cybersecurity, exclusion, ownership, or performance developments.
Reassess periodically	For a high-value or long-duration relationship, repeat counterparty review rather than treating diligence as a one-time event.

How to read BCI assessments

BCI separates the risk level from the disposition. The risk level describes the significance of identified company-level risks and unresolved dependencies. The disposition describes the recommended decision posture based on those risks.

Moderate Risk	One or more material risks, uncertainties, or dependencies were identified that could affect the client's decision and warrant specific monitoring, verification, or mitigation.
Proceed with Controls	Continued consideration is reasonable, but the client should apply the verification, monitoring, or mitigation measures identified in the report.

Selected sources

[1] Redwire Corporation, Form 10-Q for quarter ended June 30, 2026, filed Aug. 6, 2026, SEC Accession No. 0001819810-26-000124.

[2] Redwire Corporation, Definitive Proxy Statement (DEF 14A), filed Apr. 10, 2026, SEC Accession No. 0001819810-26-000050.

[3] AE Red Holdings, LLC and related reporting persons, SEC Form 4 filed Apr. 24, 2026, reporting Apr. 22, 2026 disposition.

[4] Redwire Corporation, Form 8-K / derivative-settlement disclosures, June 18, 2026, together with the Aug. 4, 2026 final-order status reported in the June-quarter Form 10-Q.

[5] SAM.gov-derived Redwire Corporation federal-contractor profile, public record checked for active registration and exclusion status; authoritative SAM verification recommended before award.

Limitations

This is a bounded public-source portfolio case study, not enhanced due diligence, legal advice, or a current client assessment. Source availability, reporting lags, confidential contract terms, and events after August 11, 2026 may change the assessment. Company statements are treated as attributable disclosures, not independent verification of every underlying operational claim. The absence of an adverse finding should not be interpreted as proof that no adverse information exists.

Portfolio note: Redwire Corporation was not a client and did not commission, participate in, or endorse this assessment.