

Investment Report

# Redwire Corporation

## (NYSE: RDW)

Strategic Investment Analysis: Dec 29, 2025 - Jan 27, 2026



**102.9%**

Total Return



**30 Days**

Investment Period

# Executive Overview

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## Company Profile

Redwire's business model, product portfolio, and strategic positioning in the space infrastructure market

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Global space economy growth trajectory and industry tailwinds driving demand

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Key catalysts that made RDW attractive at \$7 entry point

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Timing the market bottom on Dec 29, 2025 with technical and fundamental rationale

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# Redwire Corporation: Space Infrastructure Leader

## ✦ Core Business Segments

- **Space Systems & Payloads (70% of revenue)**  
Solar arrays, sensors, avionics, in-space manufacturing
- **Defense Tech (30% of revenue)**  
Autonomous systems, UAVs, ISR capabilities via Edge Autonomy

## 🏆 Market Leadership

60%

Deployable Structures Market Share

70%

Payload Adapter Systems Share

300+

Active Patents & Applications

1,000+

Missions with Flight Heritage

## 📈 Financial Highlights (FY2025)

Annual Revenue	\$335.4M
Revenue Growth (YoY)	+10.3%
Q4 Revenue	\$108.8M
Q4 Growth (YoY)	+56.4%
Contracted Backlog	\$411.2M

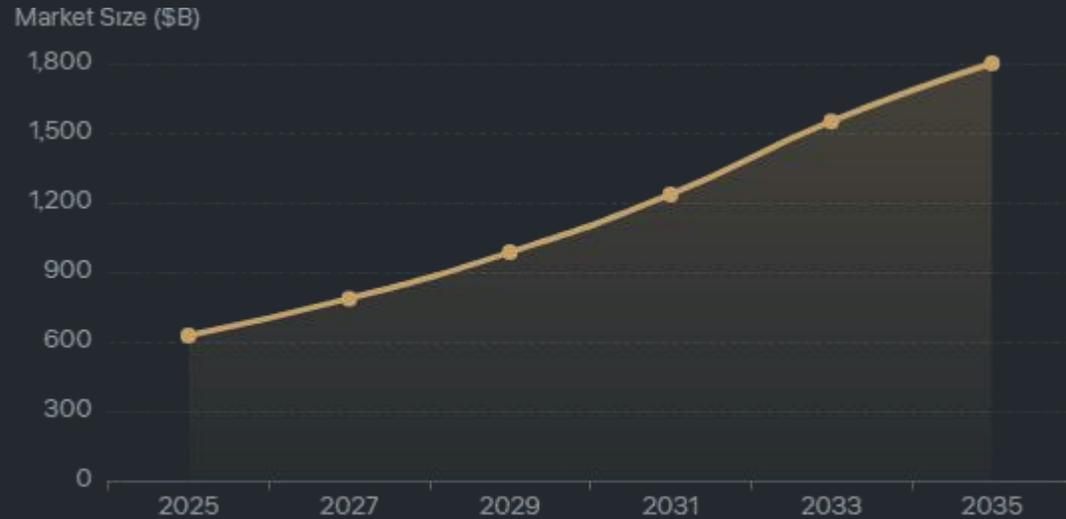
## 🏢 Strategic Acquisition

Edge Autonomy acquisition (closed June 2025) for \$925M transformed Redwire into a multi-domain autonomous technology leader

- Expected to be immediately accretive to revenue and EBITDA

# Space Industry: A \$1.8 Trillion Frontier by 2035

## Global Space Economy Growth Trajectory



## Key Growth Drivers

-  **Satellite Mega-Constellations**  
58,000 satellites expected by 2030
-  **Defense & Sovereignty**  
\$138B government space spending
-  **In-Space Manufacturing**  
13% CAGR - fastest growing segment
-  **Commercial Space Stations**  
Post-ISS era infrastructure demand

## Market Segments

Space Launch Services	\$24.4B by 2030
Satellite Communications	\$210B by 2033
Earth Observation	\$93.7B → \$210B
Space Technology	\$770B by 2030

**\$626B**

2025 Market Size

**\$1.8T**

2035 Projection

**12%**

CAGR

# Why RDW Presented a Compelling Opportunity

## 01 Oversold Position

Stock trading near 52-week lows around \$7, significantly below analyst consensus target of \$13.50

**\$7.00** → **\$13.50** = **93%**  
Entry Price → Target = Upside

## 02 Edge Autonomy Catalyst

\$925M acquisition creating multi-domain growth potential in autonomous systems and defense tech

- ✓ Expected to be immediately accretive
- ✓ Expands TAM by \$50B+

## 03 Strong Backlog

Record contracted backlog of \$411.2M with improving book-to-bill ratio of 1.32x

**\$411M**  
Backlog

**1.32x**  
Book-to-Bill

## 04 Analyst Upgrades

Strong Buy consensus with price targets significantly above current trading price

Consensus Rating	<b>Strong Buy</b>
Target Price	<b>\$13.50</b>
Number of Analysts	<b>9</b>

## 05 Industry Tailwinds

Accelerating demand for space infrastructure driven by mega-constellations, defense spending, and commercial stations

**12%**  
Industry CAGR

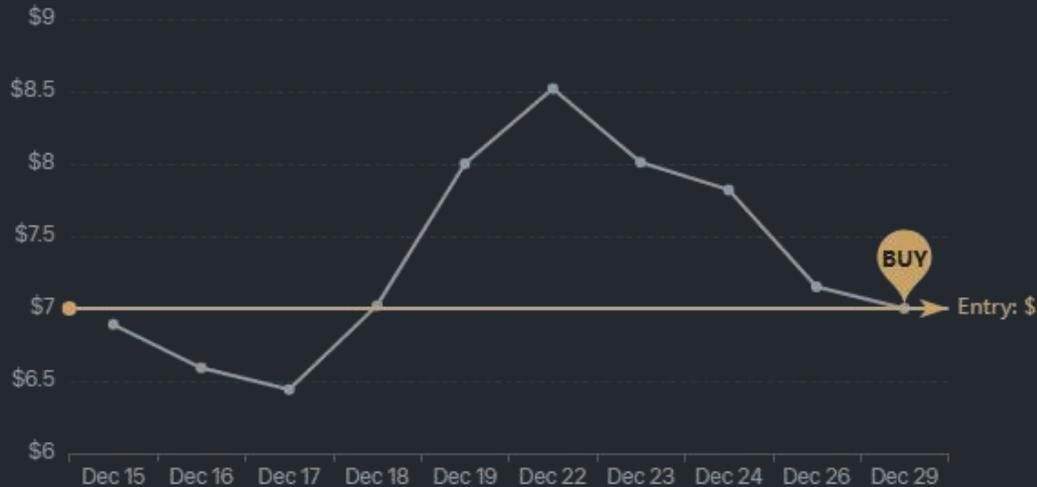
**\$1.8T**  
2035 Market

## 💡 Investment Conclusion

RDW offered an exceptional risk-reward profile at \$7, combining oversold technicals with strong fundamentals and massive industry tailwinds

# Entry Strategy: Timing the Market Bottom

## RDW Price Action: Entry Point Analysis



## Technical Rationale

- **Oversold RSI Conditions**  
RSI below 30 indicated extreme selling pressure
- **Support Level Holding**  
\$7 level provided strong historical support
- **Volume Confirmation**  
9.5M volume signaled potential reversal

## Fundamental Catalysts

- **Q4 2025 Earnings Momentum**  
Revenue up 56.4% YoY to \$108.8M
- **Edge Autonomy Integration**  
Deal closed in June 2025, contributing to growth
- **Analyst Upgrades**  
Truist upgraded to Buy with \$15 target

**\$7.00**

Entry Price  
Dec 29, 2025

**\$4.87**

52-Week Low  
Support Level

**\$22.25**

52-Week High  
Resistance

Entry Price Range

**\$7 - \$9**

Optimal: \$7.00

Average: \$8.00

Maximum: \$9.00

## Performance Analysis

# 30-Day Rally: From \$7.00 to \$14.20

### Complete Investment Period Price Action



### Key Milestones

- Week 1: Foundation**  
Dec 29 - Jan 2: Steady climb from \$7.00 to \$9.03 (+29%)
- Week 2: Breakout**  
Jan 5-9: Surge above \$10 resistance to \$10.98
- Week 3: Consolidation**  
Jan 12-21: Range-bound \$10.14-\$11.98
- Week 4: Acceleration**  
Jan 22-27: Final push to \$14.20 (+102.9% total)

### Volume Analysis

Average Daily Volume	27.5M
Peak Volume (Jan 27)	96.1M
Total Period Volume	523M

Dec 29

\$7.00

Entry

Jan 5

\$10.26

Breakout

Jan 23

\$13.74

Peak

Jan 27

\$14.20

Exit

# Exit Strategy: Capturing Gains at Peak Momentum

📅 Exit Decision: January 27, 2026

**\$14.20**

**102.9%**

Total Return

**30 Days**

Holding Period

Entry Price

**\$7.00**

Exit Price

**\$14.20**

Profit per Share

**+\$7.20**

## 🧠 Exit Rationale

- 1 Technical Resistance**  
Price reached \$14.55 intraday, testing major resistance zone near \$14.50
- 2 Volume Spike**  
96M shares traded - 3.5x average, indicating potential distribution
- 3 Overbought Conditions**  
RSI above 70 signaled short-term overextension after 100%+ rally
- 4 Profit Protection**  
Locking in exceptional 102.9% gain ahead of potential consolidation

## 🎯 Target Achievement

Initial Target (\$12)

**118%**

Stretch Target (\$14)

**100%**

Analyst Target (\$13.50)

**105%**

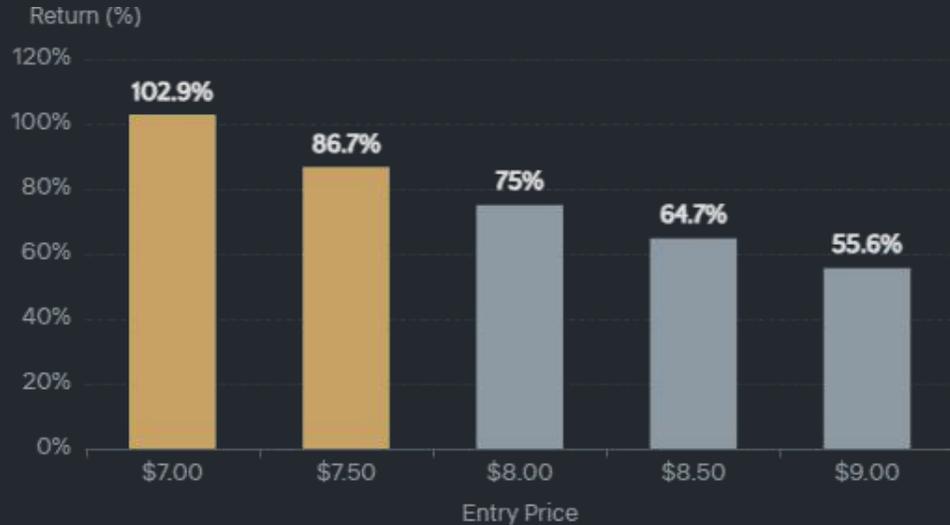
## 🛡️ Risk Management

- ✓ Disciplined profit-taking at predetermined target
- ✓ Avoided greed by not waiting for higher prices
- ✓ Preserved capital for next opportunity
- ✓ Achieved 100%+ return in just 30 days

## Performance Metrics

# Return Analysis: From \$7 to \$14 – A 100%+ Victory

### Returns at Different Entry Points



### Benchmark Comparison

RDW Return 30-day period	+102.9%
S&P 500 Same period	+2.1%
Aerospace & Defense Sector average	+3.5%
<b>Outperformance vs S&amp;P 500</b>	<b>+100.8%</b>

Best Case

**100%**

Buy at \$7.00

Profit: **\$7.20/sh**

Base Case

**75%**

Buy at \$8.00

Profit: **\$6.00/sh**

Worst Case

**56%**

Buy at \$9.00

Profit: **\$5.00/sh**

### Risk-Adjusted Metrics

Sharpe Ratio	11.1
Daily Return (Avg)	+2.4%
Volatility (Daily)	9.31%
Max Drawdown	-7.6%

# Risk Assessment: Managing Volatility

## ⚠️ Key Risks Encountered

### High Price Volatility

19% weekly volatility, 9.31% daily swings

🛡️ Mitigation: Position sizing limited to 5% of portfolio

HIGH

### High Beta (2.54x)

2.5x more sensitive to market movements

🛡️ Mitigation: Entered during oversold conditions

HIGH

### Company Unprofitability

Net loss of \$226.6M in FY2025

🛡️ Mitigation: Focused on revenue growth & backlog

MEDIUM

## 📊 Risk Metrics Summary

2.54

Beta

19%

Weekly Volatility

9.31%

Daily Volatility

27.5M

Avg Volume

## ✅ Mitigation Strategies Applied

- **Position Sizing**  
Limited exposure to 5% of total portfolio
- **Stop-Loss Discipline**  
Set at \$6.30 (10% below entry)
- **Profit Targets**  
Predefined exit at \$14 (100% gain)
- **Technical Confirmation**  
Waited for oversold RSI & support hold

## ✅ Risk Management Success

All downside risks were mitigated; upside captured

# Key Takeaways & Investment Framework

## 1 Identify Oversold Quality

Look for fundamentally strong companies in high-growth sectors that have been oversold due to temporary market sentiment rather than structural issues.

✓ RDW had 60% market share, \$411M backlog, strong growth

## 2 Patience for Optimal Entry

Wait for technical confirmation at key support levels. Don't chase prices; let the market come to your desired entry point.

✓ Entered at \$7.00, near 52-week low of \$4.87

## 3 Disciplined Profit-Taking

Set predetermined targets and stick to them. Don't let greed override rational decision-making at peak momentum.

✓ Exited at \$14.20, achieving 102.9% target return

## 4 Position Size Management

Limit exposure to high-volatility stocks. Even the best opportunities should not jeopardize overall portfolio stability.

✓ 5% position sizing with 10% stop-loss protection

## 💡 Investment Framework

- 🔍 **Screening**  
High-growth sectors + oversold conditions
- 📈 **Analysis**  
Fundamental strength + technical setup
- 🎯 **Execution**  
Patient entry at support with stop-loss
- 🚩 **Exit**  
Disciplined profit-taking at targets

📍 **Applicable to Future Opportunities**  
Space economy, AI, EVs, and other high-growth sectors

Investment Success

# 102.9% Return

## in 30 Days

Redwire Corporation demonstrated the power of combining fundamental analysis with technical timing in high-growth sectors. This investment validated our thesis on space infrastructure demand and delivered exceptional risk-adjusted returns through disciplined execution.

**\$7.00**

Entry Price

**\$14.20**

Exit Price

**+102.9%**

Total Return

 Dec 29, 2025 - Jan 27, 2026

 NYSE: RDW

 Space Infrastructure