Exhibit 33

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 26, 2024

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-33160

Spirit AeroSystems Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**20-2436320**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3801 South Oliver
Wichita, Kansas 67210
(Address of principal executive offices and zip code)

(316) 526-9000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Class A Common Stock, par value $0.01 per share	SPR	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
☒	☐	☐	☐	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 17, 2024, the registrant had 116,912,390 shares of Class A Common Stock, par value $0.01 per share, outstanding.

request extends the waiting period imposed by the HSR Act until 30 days after Spirit and Boeing have substantially complied with the requests or the waiting period is terminated sooner by the Federal Trade Commission.

Other than transaction expenses associated with the Merger of $28.8 and $46.8 for the three and nine months ended September 26, 2024, respectively, the Merger Agreement did not affect the Company's consolidated financial statements for the three and nine months ended September 26, 2024.

Airbus Term Sheet

Spirit and Airbus SE entered into the Airbus Term Sheet on June 30, 2024. The Airbus Term Sheet is a binding term sheet under which the parties have agreed to negotiate in good faith definitive agreements (the "Definitive Agreements"), including a purchase agreement, providing for the acquisition by Airbus or its affiliates of the Spirit Airbus Business on the terms set forth in the Airbus Term Sheet with the goal of permitting Boeing and Holdings to consummate the Merger prior to the Outside Date. The Airbus Term Sheet provides that the execution of the Definitive Agreements will be subject to and conditioned upon the completion to the satisfaction of Airbus of its due diligence. The Airbus Term Sheet contemplates that specified portions of the Spirit Airbus Business, such as the portion of the Spirit Airbus Business in Prestwick, Scotland (the "Airbus Prestwick Business"), may, instead of being acquired by Airbus or its affiliates, be acquired by one or more third parties.

Under the transaction terms set forth in the Airbus Term Sheet, Airbus would acquire from Spirit and its subsidiaries the Spirit Airbus Business, excluding any portions thereof to be acquired by third parties, and cash in the amount of $559.0 (subject to downward adjustment if the acquisition by Airbus includes the Airbus Prestwick Business) for nominal consideration of one dollar, subject to working capital and other purchase price adjustments and additional adjustments, to be agreed between the parties prior to execution and delivery of the Definitive Agreements, to reflect the fair market value of specified assets of the Spirit Airbus Business to the extent they are to be acquired by Airbus rather than third parties.

The transaction terms set forth in the Airbus Term Sheet include provisions for, among other things, the payment in full by Spirit to Airbus of any loans, advance payments, similar arrangements and undisputed liquidated damages owing from Spirit to Airbus (the "Outstanding Amounts") as of the closing of the transactions contemplated by the Airbus Term Sheet (the "Airbus Transactions," and such closing, the "Airbus Closing"), with any disputed liquidated damages to be resolved and paid in accordance with a mutually agreed dispute resolution process; transitional arrangements with respect to specified real estate; obtaining third-party consents; segregation of Spirit's business conducted primarily for the benefit of Airbus from the remainder of Spirit's business and treatment of vendor and supply contracts, employees, intellectual property, pensions and unfunded employee liabilities in connection with the separation of those portions of Spirit's business; mutual indemnification and releases; inclusion in the Definitive Agreements of customary representations, warranties and covenants; and transitional and other arrangements to be entered into by the parties at the Airbus Closing.

Under the transaction terms set forth in the Airbus Term Sheet, the Airbus Closing would be conditioned upon the receipt of applicable governmental and regulatory consents, approvals and clearances; the absence of any order, legal prohibition or injunction preventing the consummation of the Airbus Transactions; compliance by the parties with their pre-closing covenants in all material respects; payment in full of the Outstanding Amounts; the closing under the Merger Agreement occurring substantially concurrently with the Airbus Transactions; there being no material adverse change after the date of the Definitive Agreements and before the Airbus Closing in the business operations to be acquired by Airbus at the Airbus Closing; and Spirit's implementation in all material respects of technical measures and policies to protect confidential data of Airbus.

The Airbus Term Sheet provides that no binding agreement has been made with respect to the French aspects of the Airbus Transactions ("Airbus French Transactions"). Prior to the Company and Airbus and its affiliates entering into definitive agreements that are applicable to the Airbus French Transactions, Spirit and Airbus have agreed to comply with their respective information and consultation obligations with applicable employees and employee representatives. The Airbus Term Sheet also provides that the parties will complete necessary labor consultations and obtain necessary approvals from applicable unions and works councils in various jurisdictions, as may be legally required.

Liquidity

These condensed consolidated financial statements have been prepared in accordance with US generally accepted accounting principles (GAAP) on a going concern basis, which assumes the Company will be able to continue as a going concern and contemplates the realization of assets and satisfaction of liabilities in the normal course of business. However, substantial doubt about the Company's ability to continue as a going concern exists. The Company has incurred net losses of $1,508.9, $616.2, $545.7, and $540.8, for the nine months ended September 26, 2024, and the years ended December 31, 2023, 2022, and 2021, respectively, and cash used in operating activities of $1,257.5, $225.8, $394.6, and $63.2, respectively for the same periods. As of September 26, 2024, our debt balance was $4,402.6, including $426.2 of debt classified as short-term. The Company's cash and cash equivalents were $217.6 and $823.5 as of September 26, 2024, and December 31, 2023, respectively. The Company will require additional liquidity to continue its operations over the next 12 months.

Further, certain changes made to the production and delivery process implemented by Boeing have had an immediate impact to the Company's results of operations and cash flows. On March 2, 2024, Boeing announced they would no longer accept deliveries of product that required out of sequence assembly or incremental quality re-work. As a result, the Company has experienced higher levels of inventory and contract assets and lower operational cash flows due to the inability to physically ship and invoice end items to Boeing in a timeframe aligned with production activities. Additionally, during late 2023 the Company was preparing its production line to accommodate an expected increase in production rates for 2024 and beyond. Boeing's ability to increase production rates is governed by the FAA, and the production rates which were anticipated are now limited. During the quarter ended September 26, 2024, the Company continued to experience delays and realized higher than anticipated costs with respect to these production and delivery processes, and anticipates that some level of higher costs will continue in the future.

On April 18, 2024, the Company entered into a Memorandum of Agreement ("MOA") with Boeing, where Boeing advanced $425.0 to the Company to support the Company's liquidity. This MOA was amended on June 20, 2024, to increase the advance by an additional $40.0 and to revise certain repayment amounts and extend near-term repayment dates. As of the date of this filing, we have repaid $40.0 of the MOA advances; however, the other amounts remain outstanding. We have engaged in discussion with Boeing regarding a second amendment to the MOA, but there can be no assurance that such amendment will be entered into on acceptable terms, if at all.

On October 18, 2024, we announced a 21-day furlough, effective October 27, 2024, for approximately 700 employees working on the B767 and B777 programs in response to the strike by Boeing employees as the Company has reached maximum storage capacity on the B767 and B777 programs. Our ability to align our costs, including both internal and supply chain related spending, to react to unexpected changes in customer-determined production rates has and will likely continue to have a material impact on the Company's results of operations and cash flows. Our liquidity has been impacted by higher levels of inventory and contract assets, lower operational cash flows due to a decrease in expected deliveries to Boeing, higher factory costs to maintain rate readiness (attributed to product quality verification process enhancements, including moving such processes from Renton, Washington, to Wichita, Kansas), Boeing no longer allowing for traveled work on the B737 fuselage to its factories, the strike by Boeing employees, and limitations on Boeing increasing production rates. Based upon expected production volumes and deliveries, the terms of this advance require installments be repaid through October 2024, which has been deferred.

Additionally, the Company was in negotiations with Airbus related to pricing adjustments on the A220 and A350 programs during 2023 and continuing into 2024 with a goal of completing those negotiations in early 2024. As a result of the announcement on March 1, 2024, that the Company was engaged in discussions with Boeing about a possible acquisition of the Company by Boeing, followed by the signing of the Merger Agreement and Term Sheet on June 30, 2024, there was a shift in the strategic discussions with Airbus relevant to pricing adjustments on the A220 and A350 programs, most recently with a focus toward customer advances and other accommodations.

These developments in 2024 resulted in a significant reduction in projected revenue and operating cash flows over the next twelve months. Additionally, although the advances received in 2024 have provided essential operational liquidity, there can be no assurance that we will be able to obtain additional advances from our customers, repay current advances on the specified due dates, renegotiate the due date or otherwise obtain additional liquidity as needed under acceptable terms or at all. We will need to obtain additional funding to sustain operations, as we expect to continue generating operating losses for the foreseeable future.

As of November 5, 2024, management has developed a plan designed to improve liquidity in response to the developments highlighted above. These plans are dependent upon many factors, including, among other things, the outcomes of active discussions related to the timing or amounts of repayment for certain customer advances, the timing and expected proceeds received from certain divestitures, the expected timing and outcome of the Merger Agreement and Term Sheet announced June 30, 2024, achieving anticipated B737 deliveries, and the timing, resolution, and ultimate impact of the strike by Boeing employees. Management is also evaluating additional strategies intended to improve liquidity to support operations, including, but not limited to, additional customer advances, issuing securities or debt financing subject to any contractual limitations and conditions, including the Merger Agreement, and restructuring of operations in an effort to increase efficiency and decrease expenses, which may include layoffs or additional furloughs. However, there can be no assurance that these plans or strategies will sufficiently improve our liquidity needs or that we will otherwise realize the anticipated benefits. Accordingly, substantial doubt about the Company's ability to continue as a going concern exists.

These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described above.

2. New Accounting Pronouncements

In December 2022, the FASB issued ASU No. 2022-06, which defers the sunset date of *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* from December 31, 2022 to December 31, 2024. ASU No. 2022-06 was effective upon issuance. ASU No. 2022-06 provides temporary optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting, providing optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. To date, the Company has not had a modification to which the application of this guidance is applicable. The Company will continue evaluating the potential impact of adopting this guidance on its consolidated financial statements, the impact of which is not expected to be material.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU No. 2023-07 is effective on a retrospective basis for fiscal years beginning after December 15, 2023, and interim periods in fiscal years beginning after December 15, 2024. Early adoption is permitted, including in an interim period. The Company will continue evaluating the potential impact of adopting this guidance.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which modifies FASB Accounting Standards Codification 740 to enhance the transparency and decision usefulness of income tax disclosures. ASU No. 2023-09 is effective on a prospective basis for annual periods beginning after December 15, 2024, with early adoption permitted. The Company has not elected early adoption and implementation of this guidance. The guidance will be adopted and implemented for the Company's fiscal year beginning January 1, 2025. The adoption is not expected to have a material impact to our financial position or results of operations.

In March 2024, the FASB issued ASU No. 2024-01 *Compensation - Stock Compensation (Topic 718) - Scope Application of Profits Interest and Similar Awards* which clarifies how an entity determines whether a profits interest or similar award is within the scope of Topic 718 or if it is not a share-based payment arrangement and therefore within the scope of other guidance. ASU 2024-01 provides an illustrative example with multiple fact patterns and also amends certain language in the "Scope" and "Scope Exceptions" sections of Topic 718 to improve its clarity regarding scope application. Entities can apply the amendments either retrospectively to all prior periods presented in the financial statements or prospectively to profits interest and similar awards granted or modified on or after the date of adoption. ASU 2024-01 is effective January 1, 2025, including interim periods, and is not expected to have a significant impact on our financial statements.

In March 2024, the FASB issued ASU 2024-02 *Codification Improvements - Amendments to Remove References to the Concepts Statements* which amends the Codification to remove references to various concepts statements and impacts a variety of topics in the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance, but in most instances the references removed are extraneous and not required to understand or apply the guidance. Generally, the amendments in ASU 2024-02 are not intended to result in significant accounting changes for most entities. ASU 2024-02 is effective January 1, 2025 and is not expected to have a significant impact on our financial statements.

3. Changes in Estimates

The Company has a periodic forecasting process in which management assesses the progress and performance of the Company's programs. This process requires management to review each program's progress by evaluating the program schedule, changes to identified risks and opportunities, changes to estimated revenues and costs for the accounting contracts