

Firan Technology Group Corporation (FTG:TSX, FTGFF:OTC)

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All figures in CAD unless otherwise stated

Firan Technology Froup Corp.	FTG:TSX
Share Price	\$6.89
Average Daily Volume (K)	25.7
Shares Outstanding (M)	25.2
Market Cap (\$M)	\$173.6
Cash (\$M)	\$10.0
Debt (\$M)	\$35.3
Enterprise Value (\$M)	\$198.9

FYE Nov 30	FY23A	FY24A	FY25E
Sales (\$M)	\$135.2	\$162.1	\$187.3
Sales Growth (YoY %)	51%	20%	16%
Gross Margin (%)	34%	32%	N/A
Adj. EBITDA (\$M)	\$20.0	\$21.7	\$28.0
Adj. EBITDA Margin (%)	15%	13%	15%
Net Income (\$M)	\$11.6	\$10.8	N/A

Valuation	FY23A	FY24A	FY25E
EV/EBITDA	9.9x	9.2x	7.1x
P/E	15.0x	16.1x	N/A
EV/Sales	1.5x	1.2x	1.1x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



FTG is an aerospace and defense electronics product and subsystem supplier to customers around the globe. FTG has two operating units: FTG Circuits and FTG Aerospace communities. It offers semi additive process technologies, high density interconnect products, high temperature rigid flex printed, RF boards, thermal management, and rigid flex and assembly products. The Company also provides aerospace chassis and assembly, backlit control panels and assemblies, cockpit lighting power supply, cursor-controlled device, integrated switch panel/keyboards/bezels, and line replaceable unit/cockpit assemblies.

What you need to know:

- Firan is a manufacturer of printed circuit boards and advanced electronic assemblies for the aerospace and defense industries.
- The Company has seen rapid growth in recent years, posting a 35% revenue CAGR since FY22 while EBITDA margins have scaled from 8% in FY22 to 13% in FY24.
- FTG consistently introduces new technology to increase content per aircraft and acquires smaller firms (six acquisitions since 2016).
- Watch clips of the interview [here](#).

Company Overview

Firan is a leading Canadian manufacturer of high-reliability printed circuit boards and advanced electronic assemblies, serving the aerospace, defense, and high-tech industries. With a history spanning over 40 years, FTG specializes in producing complex, mission-critical electronic components that meet the stringent quality and performance standards of its global customer base. FTG operates multiple manufacturing facilities across the U.S., Canada, and China and has a strong presence in international markets, positioning itself as a trusted supplier to defense contractors, commercial aerospace manufacturers, and industrial technology firms.

FTG's business is divided into two main segments: FTG Circuits, which focuses on high-reliability printed circuit boards, and FTG Aerospace, which provides cockpit display assemblies, illuminated panels, and other electronic interface solutions. The Company has made strategic investments in automation, capacity expansion, and acquisitions to drive growth and enhance its competitive edge. With a strong commitment to innovation and operational excellence, FTG continues to expand its capabilities to support next-generation aerospace and defense programs.

Investment Thesis

Track Record of Growth. FTG grew revenue by 51% in FY23, followed by 20% in FY24, and 16% expected in FY26. This was driven mainly by organic growth based on increasing aircraft deliveries and U.S. defense spending. The Company has a total available capacity of over \$200M.

Operating Leverage. The Company has exhibited strong operating leverage over the years, with EBITDA margins rising from 8% in FY22 to 15% in FY25E. We attribute this to the team's focus on innovation and operational excellence.

New Technology & Acquisitions. FTG has been increasing its product offering to grow content per aircraft while acquiring smaller firms, having acquired six firms since 2016. This includes the recent acquisition of FLYHT Aerospace.

Management & Insider Ownership. The team is led by CEO Brad Bourne who brings a long-term background in aerospace from Spar Aerospace Limited. Mr. Bourne owns 11% of the shares outstanding while Director Robert Beutel owns 19% through Oakwest Corporation.

Valuation. Firan stock is up ~30% over the last year but still only trades at 9.2x/7.1x FY24/FY25E EBITDA, a discount to its larger peers.

Conference Takeaways

- Management team is looking to double revenue every five years. Additionally, the bottom line is expected to grow faster than the topline.
- Focused on becoming the main supplier for cockpits before expanding to other aircraft segments.