

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 1, 2025**



VSE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation)	000-03676 (Commission File Number)	54-0649263 (IRS Employer Identification Number)
3361 Enterprise Way Miramar, Florida (Address of Principal Executive Offices)		33025 (Zip Code)

(954) 430-6600
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.05 per share	VSEC	The NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On May 2, 2025 (the “Closing Date”), VSE Corporation (“VSE” or the “Company”), as the borrower, and its domestic wholly owned subsidiaries, as guarantors (collectively, together with the Company, the “Loan Parties”), entered into a new five-year, senior secured credit agreement, dated as of May 2, 2025 (the “Credit Agreement”), with Citizens Bank, N.A. and certain other banks and financial institutions as lenders (the “Lenders”), and Citizens Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”). The Credit Agreement provides for a senior secured term loan facility in an aggregate principal amount of \$300.0 million (the “Term Facility”) and a senior secured revolving credit facility in an aggregate principal amount of \$400.0 million (the “Revolving Facility” and, together with the Term Facility, the “Senior Facilities”), of which an aggregate amount of \$30.0 million will be available through a sub facility in the form of letters of credit. In connection with the Revolving Facility, Citizens Bank, N.A., in its capacity as the swingline lender, will make available to the Company a swingline facility under which the Company may make short-term borrowings (“Swingline Loans”) (on same-day notice) of up to \$20.0 million. Any such Swingline Loans will reduce availability under the Revolving Facility on a dollar-for-dollar basis (except for the purpose of calculating the amount of the commitment fee (as set forth in the Credit Agreement)).

The Credit Agreement is secured by substantially all of the assets of the Loan Parties and contains a total net leverage ratio covenant and an interest coverage ratio covenant, customary representations and warranties, and other affirmative and negative covenants. The covenants include limitations or restrictions on the incurrence of indebtedness, the occurrence of a change of control of VSE, purchases of VSE's common stock, the payment of dividends on VSE's equity interests, the making of investments, asset dispositions, and acquisitions. The Credit Agreement defines events of default and acceleration provisions.

The Term Facility will mature on May 2, 2030 and will amortize in quarterly installments with a total of (i) \$7.5 million for the first and second year following the Closing Date, (ii) \$15.0 million for the third year following the Closing Date and (iii) \$22.5 million for the fourth and fifth year following the Closing Date, with the balance of outstanding borrowings payable on the final maturity date (subject to certain exceptions as provided in the Credit Agreement).

Borrowings under the Senior Facilities will accrue interest at either the Term SOFR Rate plus the SOFR Margin or ABR plus the ABR Margin. The Company, at its option may select between one, three or six month Term SOFR Rates.

The applicable SOFR Margin or ABR Margin will be determined based on the Company's Total Net Leverage Ratio, which shall be subject to adjustment as set forth below.

Total Net Leverage Ratio	Term SOFR Rate (the “SOFR Margin”)	ABR (the “ABR Margin”)
≥ 3.50:1.00	2.25%	1.25%
3.50:1.00 to 3.00:1.00	2.00%	1.00%
3.00:1.00 to 2.25:1.00	1.75%	0.75%
2.25:1.00 to 1.50:1.00	1.50%	0.50%
< 1.50:1.00	1.25%	0.25%

Such rates will initially be, at the Company's option, the Term SOFR Rate plus 1.75% or ABR plus 0.75%, and interest will be payable quarterly.

The proceeds of the Term Facility were used by the Company on the Closing Date solely to pay fees and expenses incurred in connection with the Senior Facilities, to repay, in full, amounts outstanding under that certain Fourth Amended and Restated Business Loan and Security Agreement, dated as of January 5, 2018, by and among the Company, the co-borrowers party thereto, the lenders party thereto and Citizens Bank, N.A., as administrative agent (as amended, the “2018 Credit Agreement”). Following repayment of all borrowings under the 2018 Credit Agreement, the 2018 Credit Agreement was terminated.

The proceeds of loans under the Revolving Facility will be used by the Company from time to time after the Closing Date for working capital and other general corporate purposes, including, without limitation, permitted acquisitions and capital expenditures.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Credit Agreement, a copy of which will be filed with the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025.

Item 2.03 Creation of Direct Financial Obligation.

The information included under Item 1.01 above regarding the Credit Agreement is incorporated by reference into this Item 2.03.

Item 8.01 Other Events.

On May 1, 2025, the Company issued a press release announcing the acquisition of Turbine Weld Industries, LLC, a specialized Maintenance, Repair, and Overhaul service provider focused on complex engine components for business and general aviation platforms (the "Press Release"). A copy of the Press Release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit
Number

[99.1 Press release dated May 1, 2025, entitled "VSE Corporation Acquires Turbine Weld Industries"](#)

[99.2 Press release dated May 2, 2025, entitled "VSE Corporation Completes Refinancing of Term Loan A and Revolver"](#)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VSE CORPORATION

(Registrant)

Date: May 2, 2025

By: /s/ Tobi B. Lebowitz

Tobi B. Lebowitz

Chief Legal Officer and Corporate Secretary



VSE Corporation Acquires Turbine Weld Industries
Acquisition Expands VSE Aviation's Repair Capabilities Across Key Engine Platforms

MIRAMAR, FL., May 1, 2025 – VSE Corporation ("VSE" or the "Company") (NASDAQ: VSEC), a leading provider of aviation aftermarket distribution and repair services, today announced it has acquired Turbine Weld Industries, LLC ("Turbine Weld"), a specialized Maintenance, Repair, and Overhaul ("MRO") service provider focused on complex engine components for business and general aviation ("BG&A") platforms.

Founded in 1986, Turbine Weld is a premier provider of high-value engine component repairs, specializing in hot section components for Pratt & Whitney Canada engines—including the PW100, PT6, and JT15D series with approximately 25,000 engines in service. Operating from its MRO center of excellence in Venice, Florida with a team of approximately 60, Turbine Weld has repaired more than 80,000 components and is recognized for its exceptional service and technical excellence.

STRATEGIC RATIONALE

- **Expanded Technical and Proprietary Capabilities:** Turbine Weld enhances VSE's position in the B&GA engine aftermarket by delivering specialized MRO services across high-demand platforms. Through collaboration with OEMs, Turbine Weld has developed numerous proprietary repair specifications and serves as the sole-source provider for many flight-critical repairs on two of the most widely used engine platforms in the B&GA market.
- **OEM Alignment:** The acquisition strengthens VSE's collaboration with OEM partners by broadening technical service capabilities and expanding the repair portfolio.
- **Growth and Investment:** VSE plans to invest in Turbine Weld's operational capacity to address increasing demand and accelerate growth opportunities.

EXECUTIVE SUMMARY

"This acquisition marks another important step in the strategic expansion of our aviation services business," said John Cuomo, President and CEO of VSE Corporation. "Turbine Weld brings industry-leading expertise in complex engine component repair, further positioning VSE as a comprehensive solutions provider to our OEM and aftermarket partners. We are thrilled to welcome the Turbine Weld team and look forward to growing together."

"Turbine Weld's proven track record, technical depth, and dedication to quality make them an outstanding addition to VSE Aviation," said Ben Thomas, Chief Operating Officer of VSE Corporation. "Expansion of Turbine Weld's highly technical repair capabilities is critical to supporting the tens of thousands of PT6 and PW100 operators in the global fleet. This partnership allows us to significantly increase Turbine Weld's capacity, broaden our capabilities, and deliver even greater value to our customers."

"We're excited to join forces with VSE Aviation," said Dave Bush, President of Turbine Weld Industries. "Their reputation, customer focus, strong culture, and commitment to technical excellence make this a natural fit for our employees and strengthens our overall service level to our customers."

TERMS

VSE acquired Turbine Weld for approximately \$50 million in cash, subject to working capital adjustments. The cash purchase price was funded using the Company's existing credit facility.

ADVISOR

Jones Day served as legal counsel to VSE Corporation.

ABOUT VSE CORPORATION

VSE is a leading provider of Aviation distribution and repair services for the commercial and business and general aviation (BG&A) aftermarkets. Headquartered in Miramar, Florida, VSE is focused on significantly enhancing the productivity and longevity of its customers' high-value, business-critical assets. VSE's aftermarket parts distribution and maintenance, repair, and overhaul (MRO) services support engine component and engine and airframe accessory part distribution and repair services for commercial and BG&A operators. For more detailed information, please visit VSE's website at www.vsecorp.com.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements. These forward-looking statements, which are included in accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, may involve known and unknown risks, uncertainties and other factors that may cause VSE's actual results to vary materially from those indicated or anticipated by such statements. Many factors could cause actual results and performance to be materially different from any future results or performance, including, among others, the risk factors described in our reports filed or expected to be filed with the SEC. Any forward-looking statement or statement of belief speaks only as of the date of this press release. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

INVESTOR RELATIONS CONTACT:

Michael Perlman

Vice President of Investor Relations and Treasury

Phone: (954) 547-0480

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VSE CORPORATION COMPLETES REFINANCING OF TERM LOAN AND REVOLVER

New Capital Structure Provides Lower Interest Rate, Increased Liquidity, and Enhanced Financial Flexibility

MIRAMAR, FL., May 2, 2025 – VSE Corporation (“VSE” or the “Company”) (NASDAQ: VSEC), a leading provider of aviation aftermarket distribution and repair services, today announced the successful refinancing of its Term Loan A and Revolving Credit Facility.

The Company entered into a new \$300 million Term Loan A and a \$400 million revolving credit facility, both maturing on May 2, 2030. These facilities refinance and replace the Company’s previous debt arrangements, which were scheduled to mature in October 2026. Borrowings under the new facilities will initially bear interest at the Secured Overnight Financing Rate (SOFR) plus 175 basis points, representing a reduction of approximately 60 basis points compared to the terms of the prior facilities.

“This refinancing supports the culmination of our multi-year transformation to a pure-play aviation aftermarket business and positions VSE to execute our growth strategies with increased agility,” said Adam Cohn, Chief Financial Officer of VSE Corporation. “We’re pleased to have secured more favorable terms, including a lower interest rate and expanded borrowing capacity, which will reduce our cost of capital and enhance our liquidity. The strong demand for this facility is a testament to the strength of our financial profile, the resilience of our business model, and the confidence our lenders have in VSE’s future.”

Citizens Bank, N.A. acted as the administrative agent, lead-left bookrunner and joint lead arranger, for the syndicate of ninebanks.

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This press release contains certain forward-looking statements, including statements regarding the anticipated benefits of the refinancing transactions. These forward-looking statements, which are included in accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, may involve known and unknown risks, uncertainties and other factors that may cause VSE’s actual results to vary materially from those indicated or anticipated by such statements. Many factors could cause actual results and performance to be materially different from any future results or performance, including, among others, our increased leverage as a result of the additional indebtedness, our ability to achieve the anticipated benefits of the refinancing transactions, including our strategic growth priorities, and the risk factors described in our reports filed or expected to be filed with the SEC.

Any forward-looking statement or statement of belief speaks only as of the date of this press release. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results.

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