Third Quarter Fiscal Year 2026 Earnings Presentation

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Applied At-A-Glance

Purpose-Built for Modern Space and Defense

- Decades of advanced manufacturing experience for leading-edge space and defense programs
- Strategically focused on complex hardware and assemblies for extreme operating environments
- Integrated materials expertise: advanced composites, metallics, polymers
- Rapid prototyping → dynamic LRIP → responsively scaled production
- Balanced mix of next-gen platforms, full-rate production, and aftermarket sustainment

Undeniable Heritage + Next-Gen Agility



~1.8K
Team Members



220+
Engineers



1.5M+
Sq Ft of Production Floorspace



150+
Platforms



~90%
IP-Enabled Products



80%+
Sole / Single Source Revenue

Applied operates at the tempo and with the capacity the modern space and defense industry demands.

Third Quarter 2026 | Key Highlights

Record Revenue

$182.1M *+48.6% year over year*

~20% organic growth; double-digit growth in all three market areas

Record Contract Backlog

~$1.3B *~12% above Q2 2026*

As of September 30, 2026

Adjusted EBITDA

$39.7M *+37.4% year over year*

21.8% Adjusted EBITDA margin

Investing for Growth

~$50M *2026 capital investment*

Approaching 1,800 team members

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures; see the Adjusted EBITDA Reconciliation in this presentation for a reconciliation to the most directly comparable GAAP measure.

Momentum Across All Three Market Areas

~$254M Third Quarter Bookings | 1.4x Book-to-Bill

Space & Launch Systems

Q3 2026 REVENUE

$39.1M

+31.1% year over year





Defense Aviation & Airborne Systems

Q3 2026 REVENUE

$94.2M

+17.3% year over year





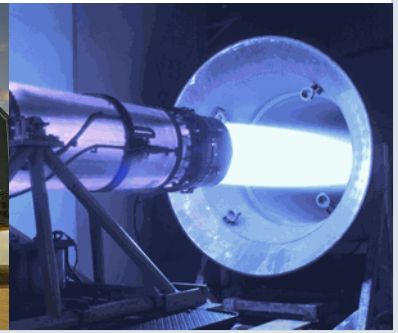
Advanced Sensing & Precision Strike Systems

Q3 2026 REVENUE

$48.7M

+294% year over year





Asymmetric Upside That Compounds

High forward visibility and expansive white space

Multiple levers for margin expansion

Proven M&A strategy and deep pipeline

Third Quarter 2026 Financial Results

(In $ millions, except percentages)	For the Three Months Ended September 30		YoY Growth
	2026	2025	
Revenue	**$182.1**	$122.5	**49%**
Gross Profit	**42.7**	34.3	**24%**
Gross Margin	**23.5%**	28.0%	**(450) bps**
Operating Income	**16.4**	15.7	**5%**
Net Income	**30.6**	2.7	**n/m**
Adjusted EBITDA	**39.7**	28.9	**37%**
Adjusted EBITDA Margin	**21.8%**	23.6%	**(180) bps**

For the three months ended September 30, 2026, Gross Profit includes $2.4M of share-based compensation expense related to the acceleration of vesting at the IPO and $0.6M related to purchase accounting on the CBI transaction; excluding these impacts, gross margin was 25.2%. Net Income includes a $24.2M income tax benefit. Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures; see the Adjusted EBITDA Reconciliation in this presentation for reconciliations to the most directly comparable GAAP measures.

Full Year 2026 Guidance

2026 Revenue Range	$660 million - $670 million
2026 Adjusted EBITDA Range	$137 million - $142 million

Near Term Strategic Focus Areas

- Driving Operational Excellence and Building Applied Right
- Focusing on the Highest Potential Opportunities within a Dynamic New Business Pipeline
- Executing on High Growth and Next-Gen Program Ramps

Led by Operators. Trusted by Proven Market Leaders and Bold New Entrants.

Guidance is presented on a GAAP, non-pro-forma basis. Adjusted EBITDA is a non-GAAP measure; the Company does not reconcile forward-looking Adjusted EBITDA to net loss.

Non-GAAP Measures

Non-GAAP Financial Measures Disclosure: This presentation and today's conference call remarks include financial measures that are not prepared in accordance with U.S. GAAP, including Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and, where indicated, Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin. We believe these non-GAAP measures, when read in conjunction with our GAAP results, provide supplemental information that helps investors understand our financial condition and operating results, assess our future prospects, and analyze trends in our underlying business. Management also uses these measures to monitor operating performance and support financial, operational, planning, and capital allocation decisions.

Definitions: Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, as adjusted to eliminate certain non-cash charges and other items not reflective of ongoing operations, including acquisition-related expenses, integration expenses and restructuring costs, share-based compensation expense, and other costs. Adjusted EBITDA Margin is Adjusted EBITDA expressed as a percentage of revenue. Pro Forma Adjusted EBITDA and Pro Forma Adjusted EBITDA Margin give pro forma effect to the CBI acquisition for the applicable period. Free Cash Flow is net cash provided by (used in) operating activities less capital expenditures.

Limitations: These non-GAAP measures are supplemental and should not be considered in isolation or as substitutes for net income (loss), cash flows from operations, or other measures prepared in accordance with U.S. GAAP. They have limitations, including that they do not reflect significant interest expense or related cash requirements to service debt; future cash needs to replace depreciated or amortized assets; income taxes; share-based compensation; or certain IPO, acquisition-related, integration, and restructuring costs. Our definitions and calculations may differ from similarly titled measures used by other companies.

Reconciliations: Definitions and reconciliations to the most directly comparable GAAP measures are provided in this presentation, as applicable. To the extent we discuss forward-looking non-GAAP measures, we may not provide a reconciliation because the reconciling items are difficult to forecast and cannot be estimated without unreasonable effort; the impact of those items could be material.

Adjusted EBITDA Reconciliation

($ in millions, except percentages)	Q3 2026	Q3 2025	9M 2026	9M 2025
Net income (loss)	$30.6	$2.7	$(138.5)	$(9.2)
Income tax (benefit) expense	(24.2)	(4.4)	1.9	(0.1)
Interest expense, net	9.9	17.3	54.0	51.0
Depreciation and amortization	15.5	10.1	42.7	29.5
Share-based compensation expense	2.5	0.8	113.3	2.4
Transaction costs	1.8	0.1	21.0	0.6
Integration and restructuring costs	3.5	0.8	7.8	4.1
Legal contingencies loss	—	0.1	—	0.3
Management fees	—	0.4	0.5	1.1
Other	—	0.9	—	1.0
Adjusted EBITDA	**$39.7**	**$28.9**	**$102.6**	**$80.5**
Revenue	$182.1	$122.5	$483.7	$347.0
Adjusted EBITDA margin	**21.8%**	**23.6%**	**21.2%**	**23.2%**

Amounts may not sum due to rounding. Source: Condensed consolidated financial statements for the three and nine months ended September 30, 2026 and 2025 (unaudited).

Free Cash Flow and Capitalization

Free Cash Flow

($ in millions)	Q3 2026	Q3 2025	9M 2026	9M 2025
Cash provided by (used in) operating activities	$11.5	$(5.5)	$(70.6)	$(22.3)
Less: Capital expenditures	(21.0)	(6.4)	(42.6)	(10.4)
Free cash flow	**$(9.5)**	**$(12.0)**	**$(113.2)**	**$(32.7)**

Capital Investment

- $42.6 million of capital expenditures through the first nine months of 2026, supporting capacity for precision strike and next-generation defense aviation programs
- Full-year 2026 capital expenditures expected to be approximately $50 million, before returning to more normalized levels in 2027

Capitalization at September 30, 2026

($ in millions)	Amount
Cash and cash equivalents	$11.5
Total debt (current and long-term)	$409.5
Net debt	**$398.0**
Revolver availability	$120.0
Net leverage (pro forma TTM)	~2.7x

Free cash flow is a non-GAAP measure, defined as cash provided by (used in) operating activities less capital expenditures. Total debt excludes finance lease liabilities. Net leverage is based on pro forma trailing twelve-month Adjusted EBITDA. Amounts may not sum due to rounding.



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