



# Third Quarter 2025 Earnings Presentation

November 4, 2025



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ARCADIA PRODUCTS' EXTERIOR ALUMINUM FRAMING SYSTEMS USED IN PINAL COUNTY ATTORNEY OFFICE BUILDING - PINAL COUNTY, AZ

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## USE OF NON-GAAP FINANCIAL MEASURES & SAFE HARBOR LANGUAGE

### **\*Use of Non-GAAP Financial Measures**

Adjusted net income (loss), adjusted diluted EPS, adjusted EBITDA, net debt, and free-cash flow are non-GAAP financial measures used by management to measure operating performance. For reconciliations of the most directly comparable GAAP measures to non-GAAP measures, please see the tables at the back of this presentation. For a discussion of why we use non-GAAP financial measures, please see our Form 10-K for the year ended December 31, 2024.

### **Safe Harbor Language**

Except for the historical information contained herein, this presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including fourth quarter 2025 guidance on sales, adjusted EBITDA and the expected fourth quarter 2025 results (including billings) and underlying assumptions for each of Arcadia, DynaEnergetics and NobelClad. Such statements and information are based on numerous assumptions regarding present and future business strategies, the markets in which we operate, anticipated costs and the ability to achieve goals. Forward-looking information and statements are subject to known and unknown risks, uncertainties and other important factors that may cause actual results and performance to be materially different from those expressed or implied by such forward-looking information and statements, including but not limited to: our ability to realize sales from our backlog; our ability to obtain new contracts at attractive prices; the execution of purchase commitments by our customers, and our ability to successfully deliver on those purchase commitments; the size and timing of customer orders and shipments; the timely completion of contracts; changes to customer orders; product pricing and margins; fluctuations in customer demand; our ability to successfully navigate slowdowns in market activity or execute and capitalize upon growth opportunities; the success of DynaEnergetics' product, technology, and margin enhancement initiatives; our ability to successfully protect our technology and intellectual property and the costs associated with these efforts; consolidation among DynaEnergetics' customers; fluctuations in foreign currencies; fluctuations in tariffs and quotas; the cost and availability of energy; the cyclical nature of our business; competitive factors; the timing and size of expenditures; the timing and price of metal and other raw material; the adequacy of local labor supplies at our facilities; changes in immigration laws or enforcement programs; our ability to attract and retain key personnel; current or future limits on manufacturing capacity at our various operations; government actions or other changes in laws and regulations; the availability and cost of funds; our ability to access our borrowing capacity under our credit facility; geopolitical and economic instability, including recessions, depressions, wars or other military actions; inflation; supply chain delays and disruptions; transportation disruptions; general economic conditions, both domestic and foreign, impacting our business and the business of our customers and the end-market users we serve; the potential effects of activist stockholder actions and actions that we may take to discourage takeover attempts, as well as the other risks detailed from time to time in our SEC reports, including the annual report on Form 10-K for the year ended December 31, 2024. We do not undertake any obligation to release public revisions to any forward-looking statement, including, without limitation, to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.





## AGENDA

### Opening Remarks & Operational Update

- James O'Leary – CEO

### Financial Results & Guidance

- Eric Walter – CFO

### Questions and Answers



EXPLOSION-CLAD PLATES FROM NOBELCLAD ARE USED IN CRITICAL EQUIPMENT ON THE U.S. NAVY'S LARGEST AIRCRAFT CARRIER CLASS – THE GERALD R. FORD



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### THIRD QUARTER SUMMARY

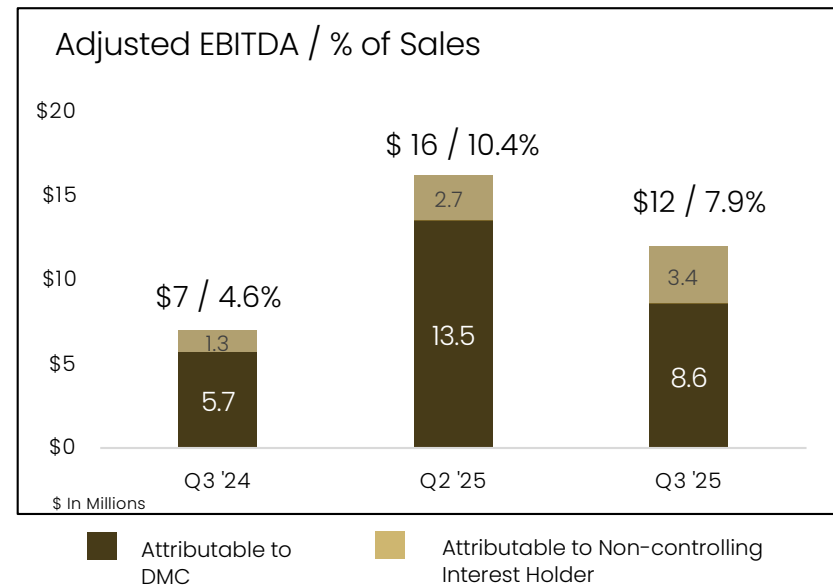
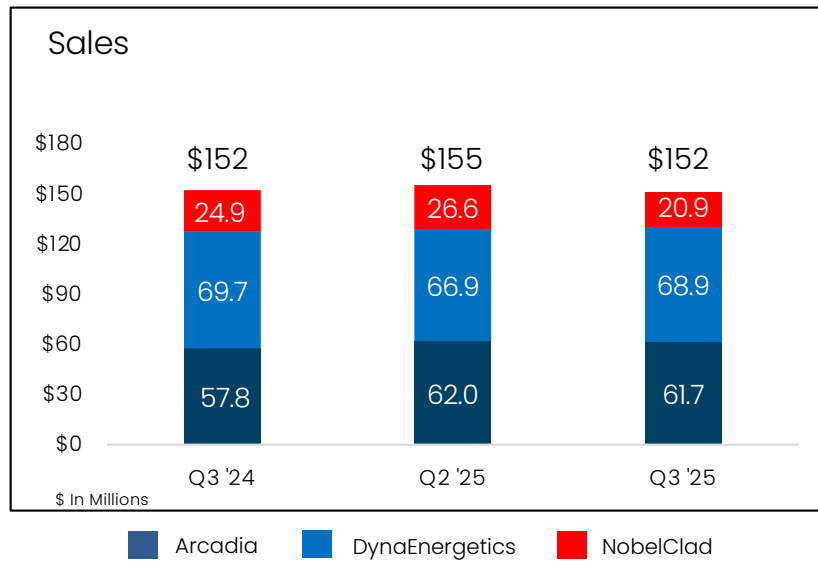
- Consolidated sales were \$151.5 million, down 3% sequentially and 1% vs Q3 '24
  - YoY decline reflects impact of tariff-related slowdown in bookings at NobelClad during first half of 2025, and lower pricing and softer demand in DynaEnergetics' primary North American market
- Net loss attributable to DMC was \$3.1 million, while total net loss was \$2.1 million
- Adjusted net loss attributable to DMC\* was \$1.6 million, or \$(0.08), per diluted share
- Adjusted EBITDA attributable to DMC\* was \$8.6 million
- Adjusted EBITDA, inclusive of Arcadia NCI\*, was \$12.0 million, or 7.9% of sales
- Net debt reduced to \$30.1 million, down 47% from beginning of the year
- Record order at NobelClad drives backlog recovery



\*Non-GAAP measure. See explanation on page 2.



## DMC Q3 2025 FINANCIAL HIGHLIGHTS



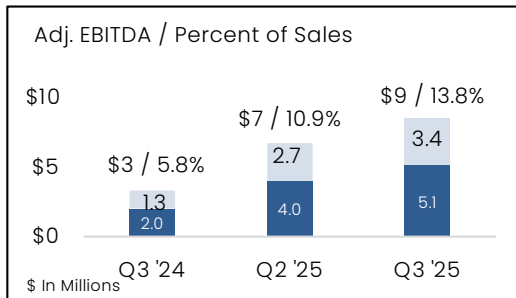
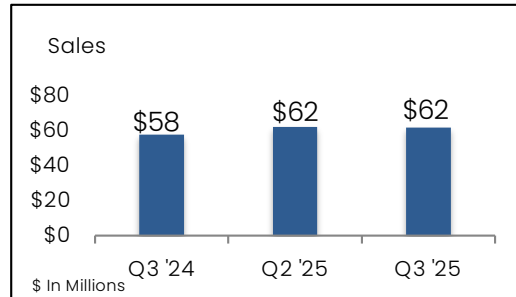
- Q3 consolidated gross margin was 21.7%, versus 19.8% in Q3 2024 and 23.6% in Q2 2025
- Q3 SG&A of \$26.0 million down 8% vs. Q3 2024 and down 1% sequentially

- Sequential adjusted EBITDA decline largely attributable to lower pricing and tariff-related cost increases at DynaEnergetics, and reduced activity levels at NobelClad, due in part to tariffs



## THIRD QUARTER 2025 BUSINESS-LEVEL FINANCIAL PERFORMANCE

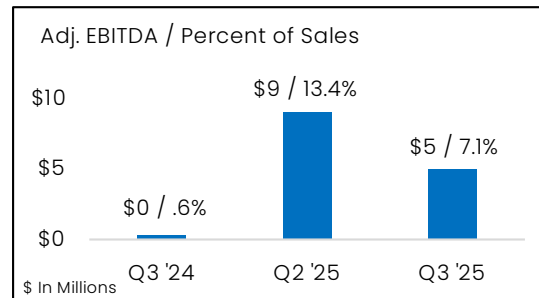
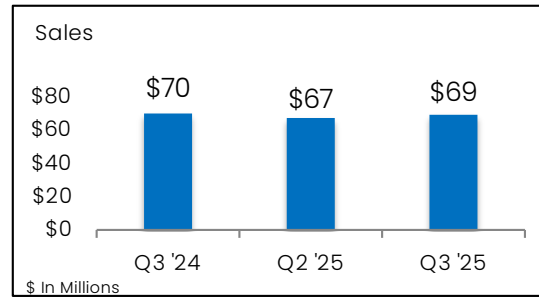
### Arcadia



- Adj. EBITDA margin improvement in YoY and QoQ periods reflects improved operating performance

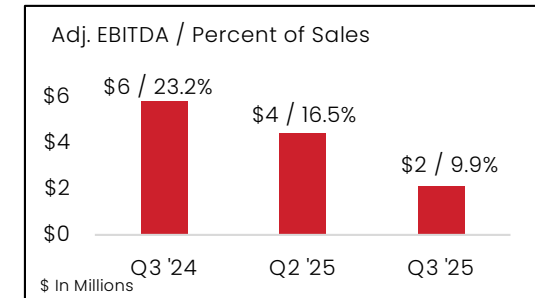
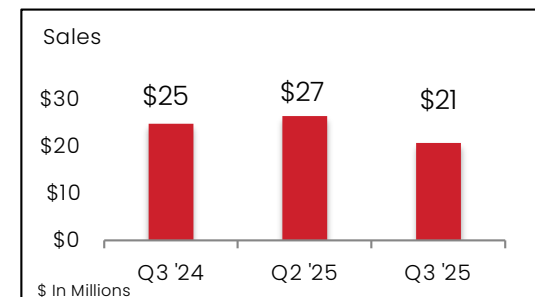
 Attributable to Non-controlling Interest Holder  
 Attributable to DMC

### DynaEnergetics



- QoQ contraction of adj. EBITDA margin reflects lower product pricing and tariff-related cost increases in core U.S. market
- Q3 2024 adjusted EBITDA impacted by approximately \$5 million in receivable and inventory charges

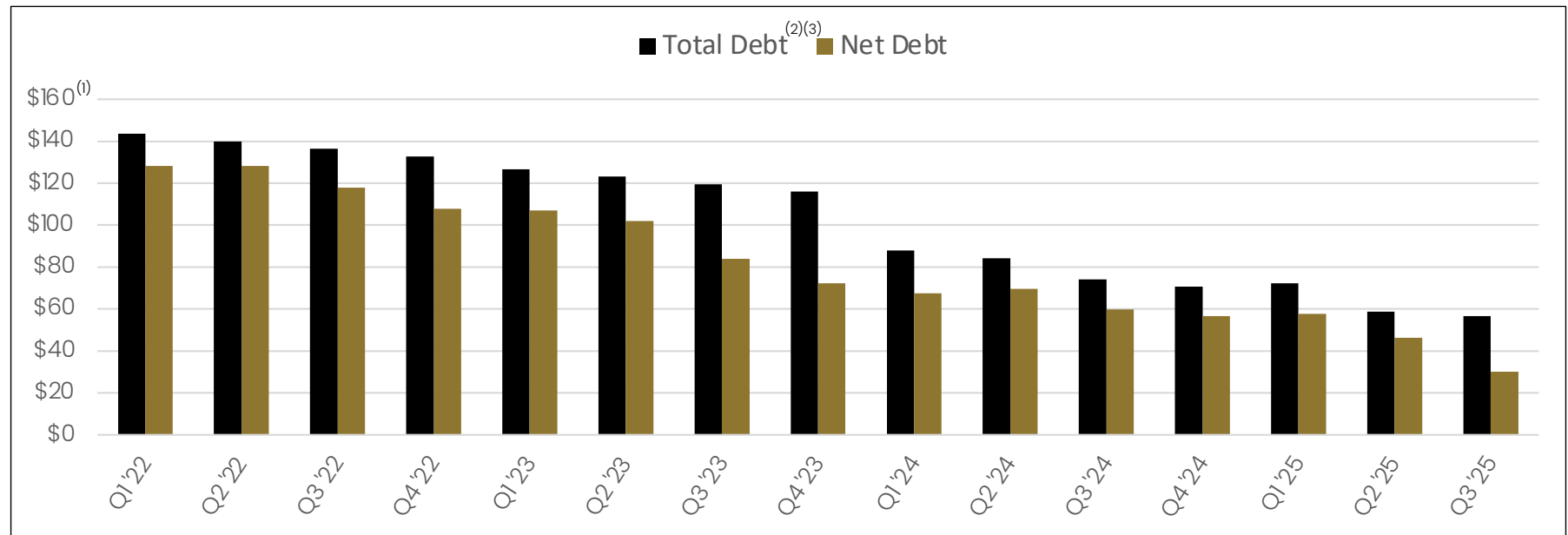
### NobelClad



- YoY and QoQ sales decreases reflects lower bookings due in part to tariffs
- Adj. EBITDA margin contraction in YoY and QoQ periods due to reduced manufacturing cost absorption from lower sales and a less favorable product mix



## DELEVERAGING PROGRESS



<sup>(1)</sup> Amounts in millions

<sup>(2)</sup> Net of deferred financing costs

<sup>(3)</sup> Total debt does not include a potential \$162.2 million (net of a bridge loan) obligation to the holder of the 40% non-controlling interest (NCI) in Arcadia Products. This obligation is associated with a put/call option on the NCI, whereby the call option is exercisable by DMC at any time, and the put option is exercisable no earlier than September 6, 2026. The call option must be settled with 100% cash and the put obligation may be settled with 100% cash, or 20% cash and 80% preferred stock.



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GUIDANCE FOR FOURTH QUARTER 2025

| Measure                             | Expected Range  |
|-------------------------------------|-----------------|
| DMC Consolidated Sales              | \$140M - \$150M |
| Adjusted EBITDA attributable to DMC | \$5M - \$8M     |

Note: DMC's guidance is heavily influenced by macroeconomic concerns, volatility and visibility issues created by current tariff policies and the current level of energy prices. It is subject to change either upward or downward as greater clarity emerges.





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## KEY OBJECTIVES FOR 2025

- Continue to strengthen balance sheet and capital structure
- Adjust cost structure to match market realities
- Strengthen Arcadia's core commercial operations in western and southwestern U.S. regions
- Right-size Arcadia's high-end residential product offerings to align with potential new opportunities
- Continue to focus on margin-improvement and revenue diversification initiatives at DynaEnergetics
- Focus on rebuilding order backlog at NobelClad



THE TAZI RANCH HOME NEAR LARKSPUR, COLORADO FEATURES THERMAL STEEL WINDOWS AND DOORS FROM ARCADIA CUSTOM

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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – NET DEBT AND FREE-CASH FLOW

| (\$000's)                                                              | Q3 2025  |
|------------------------------------------------------------------------|----------|
| Long-term debt                                                         | \$53,409 |
| Current portion of long-term debt                                      | 3,125    |
| Less: Cash and cash equivalents                                        | (26,412) |
| Total net debt                                                         | \$30,122 |
|                                                                        |          |
| Net cash provided by operating activities                              | \$18,606 |
| Less: Acquisition of property, plant and equipment                     | (4,243)  |
| Plus: Proceeds from property, plant and equipment reimbursements/sales | 1,914    |
| Total free-cash flow                                                   | \$16,277 |



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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – CONSOLIDATED ADJUSTED EBITDA

| (\$000's)                                                                | Q3 2025 | Q2 2025 | Q2 2024   |
|--------------------------------------------------------------------------|---------|---------|-----------|
| Net (loss) income                                                        | (2,070) | 321     | (159,416) |
| Interest expense, net                                                    | 1,632   | 1,811   | 2,113     |
| Income tax provision                                                     | 714     | 1,419   | 7,848     |
| Depreciation                                                             | 3,733   | 3,707   | 3,444     |
| Amortization of purchased intangible assets                              | 4,764   | 4,763   | 5,278     |
| EBITDA                                                                   | 8,773   | 12,021  | (140,733) |
| Stock-based compensation                                                 | 1,360   | 1,417   | 1,671     |
| Goodwill impairment                                                      | –       | –       | 141,725   |
| Strategic review and related expenses                                    | 303     | 775     | 1,763     |
| Restructuring expenses and asset impairments                             | 1,202   | 1,149   | 2,069     |
| Executive transition costs                                               | –       | 520     | –         |
| Other expense, net                                                       | 334     | 346     | 520       |
| Adjusted EBITDA                                                          | 11,972  | 16,228  | 7,015     |
| Less: Adjusted EBITDA attributable to redeemable noncontrolling interest | (3,408) | (2,690) | (1,344)   |
| Adjusted EBITDA attributable to DMC Global Inc.                          | 8,564   | 13,538  | 5,671     |





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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – ARCADIA ADJUSTED EBITDA

| (\$000's)                                                                | Q3 2025 | Q2 2025 | Q3 2024   |
|--------------------------------------------------------------------------|---------|---------|-----------|
| Operating income (loss), as reported                                     | 2,585   | 516     | (145,122) |
| Adjustments                                                              |         |         |           |
| Depreciation                                                             | 1,020   | 1,016   | 914       |
| Amortization of purchased intangible assets                              | 4,764   | 4,763   | 5,278     |
| Stock-based compensation                                                 | 18      | 238     | 315       |
| Goodwill impairment                                                      | –       | –       | 141,725   |
| Restructuring expenses and asset impairments                             | 132     | 192     | 248       |
| Adjusted EBITDA                                                          | 8,519   | 6,725   | 3,358     |
| Less: Adjusted EBITDA attributable to redeemable noncontrolling interest | (3,408) | (2,690) | (1,344)   |
| Adjusted EBITDA attributable to DMC Global Inc.                          | 5,111   | 4,035   | 2,104     |



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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – DYNAENERGETICS ADJUSTED EBITDA

| (\$000's)                                    | Q3 2025 | Q2 2025 | Q3 2024 |
|----------------------------------------------|---------|---------|---------|
| Operating income (loss), as reported         | 2,989   | 6,411   | (3,049) |
| Adjustments                                  |         |         |         |
| Depreciation                                 | 1,821   | 1,822   | 1,642   |
| Restructuring expenses and asset impairments | 57      | 746     | 1,821   |
| Adjusted EBITDA                              | 4,867   | 8,979   | 414     |



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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – NOBELCLAD ADJUSTED EBITDA

| (\$000's)                                    | Q3 2025 | Q2 2025 | Q3 2024 |
|----------------------------------------------|---------|---------|---------|
| Operating income, as reported                | 249     | 3,407   | 4,969   |
| Adjustments                                  |         |         |         |
| Depreciation                                 | 813     | 781     | 807     |
| Restructuring expenses and asset impairments | 1,013   | 211     | –       |
| Adjusted EBITDA                              | 2,075   | 4,399   | 5,776   |



## RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – DILUTED EPS FROM CONTINUING OPERATIONS

| (\$MM except per share amounts)                          | Amount   | Per Share <sup>(1)</sup> |  | Amount  | Per Share <sup>(2)</sup> |  | Amount     | Per Share <sup>(3)</sup> |
|----------------------------------------------------------|----------|--------------------------|--|---------|--------------------------|--|------------|--------------------------|
|                                                          | Q3 2025  |                          |  | Q2 2025 |                          |  | Q3 2024    |                          |
| Net (loss) income attributable to DMC Global Inc.        | \$ (3.1) | \$ (0.16)                |  | \$ 0.1  | \$ —                     |  | \$ (101.3) | \$ (5.14)                |
| Strategic review and related expenses, net of tax        | \$ 0.3   | \$ 0.02                  |  | \$ 0.8  | \$ 0.04                  |  | \$ 1.3     | \$ 0.07                  |
| Restructuring expenses and asset impairments, net of tax | \$ 1.1   | \$ 0.06                  |  | \$ 1.1  | \$ 0.05                  |  | \$ 1.5     | \$ 0.07                  |
| CEO transition expenses, net of tax                      | —        | —                        |  | \$ 0.5  | \$ 0.03                  |  | —          | —                        |
| Goodwill impairment, net of tax                          | —        | —                        |  | —       | —                        |  | \$ 85.0    | \$ 4.31                  |
| Establishment of income tax valuation allowance          | —        | —                        |  | —       | —                        |  | \$ 3.9     | \$ 0.20                  |
| As adjusted                                              | \$ (1.6) | \$ (0.08)                |  | \$ 2.5  | \$ 0.12                  |  | \$ (9.6)   | \$ (0.49)                |

(1) Calculated using diluted weighted average shares outstanding of 19,930,699

(2) Calculated using diluted weighted average shares outstanding of 20,134,760

(3) Calculated using diluted weighted average shares outstanding of 19,706,587

