

# ARXIS

First Quarter 2026  
Earnings Presentation

May 28, 2026



# Forward-Looking Statements & Non-GAAP Financial Measures

This presentation (the “Presentation”) includes statements that are forward-looking statements within the meaning of applicable securities laws. All statements other than statements of historical facts are forward-looking statements. Forward-looking statements may be identified by the use of words such as “may,” “might,” “will,” “would,” “could,” “should,” “forecast,” “intend,” “seek,” “target,” “anticipate,” “believe,” “expect,” “estimate,” “plan,” “outlook,” and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to, the following: the concentration of our business on the aerospace and defense industries; the unique business risks of supplying products to companies contracting with the U.S. government; the significant competition that we face; our industry’s rapid change; any decline or lower-than-anticipated growth of the markets into which we sell our products and services; cost overruns; the availability and pricing of certain components and raw materials from suppliers; inflation; our products may not operate as intended; our decentralized organizational structure; our indebtedness and the restrictive covenants under the agreements governing our indebtedness; our ability to comply with the extensive governmental regulation to which we are subject; our ability to maintain our government or industry approvals; product liability lawsuits and product recalls; and our ability to obtain, maintain, protect and enforce our intellectual property and proprietary rights on which our business depends. Investors should not rely on these forward-looking statements. Any forward-looking statements presented herein are made only as of the date of this Presentation, and Arxis, Inc. (the “Company”) does not undertake any obligation to update or revise any forward-looking statements, except as required by law. Additional information regarding these and other risks and uncertainties that could cause actual results to differ materially from the Company’s expectations is included in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2026. Except as required by law, we do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise. This presentation is a high-level summary of our fiscal Q1 financial results. For more information, refer to our press release dated May 27, 2026, and filings with the SEC.

## Non-GAAP Financial Measures Disclosure

This presentation, and today’s conference call remarks, contain non-Generally Accepted Accounting Principles (GAAP) financial measures (as defined by SEC Regulation G), such as “Adjusted EBITDA” and “Adjusted EBITDA margin” which should be considered supplemental to, not a substitute for, or superior to, the financial measure calculated in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures. For reconciliations of the non-GAAP measures included herein to the most directly comparable GAAP measures, see the Appendix to this Presentation. While management believes that these non-GAAP financial measures may be useful in evaluating the financial performance of Arxis, this information should be considered supplemental and is not a substitute for financial information prepared in accordance with GAAP.

Management recognizes that these non-GAAP financial measures have limitations, including that they may be calculated differently by other companies or may be used under different circumstances or for different purposes, thereby affecting their comparability from company to company. To compensate for these and the other limitations discussed below, management does not consider these measures in isolation from or as alternatives to the comparable financial measures determined in accordance with U.S. GAAP. Readers should review the reconciliations below and should not rely on any single financial measure to evaluate our business. The reasons we use these non-GAAP financial measures and the reconciliations to their most directly comparable U.S. GAAP financial measures follow. Unless otherwise noted, tables are presented in U.S. dollars in thousands. Certain columns and rows within tables may not add due to the use of rounded numbers. Percentages presented in this report are calculated from the underlying numbers in thousands.

# Arxis Update

## Record Q1 2026 Results<sup>1</sup>

- Record sales of **\$459M**, up **21%** year-over-year
- Adjusted EBITDA of **\$175M**, up **31%** year-over-year
- Adjusted EBITDA margin expanded **290 bps** to **38.2%**

## Initiating FY2026 Guidance

- **18%** year-over-year revenue growth at midpoint
- **27%** year-over-year Adjusted EBITDA growth at midpoint

## Differentiated M&A Engine

- Strength of Arxis-Arcline partnership
- Continued growth in M&A pipeline
- Post-IPO balance sheet provides runway for M&A



Arxis is a Next-Generation Industrial Compounder

<sup>(1)</sup> Additional detail on non-GAAP financial measures, including reconciliations, is provided in the appendix.

# Premier Supplier of Proprietary Engineered Components

## Common Business Model Attributes Across Arxis



**Custom, Highly-Engineered Solutions**



**Design Into Mission-Critical Applications**

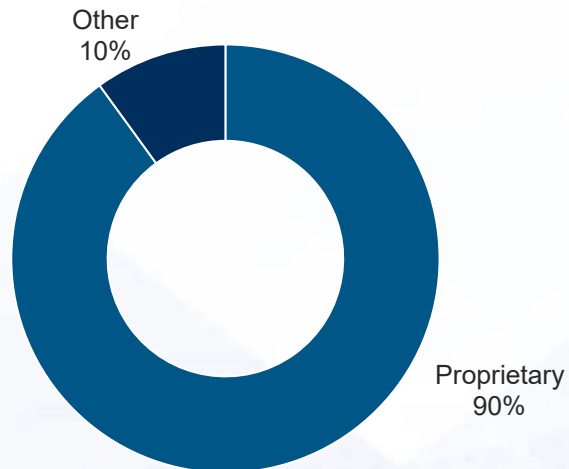


**Outsized Value-to-Cost Ratio**

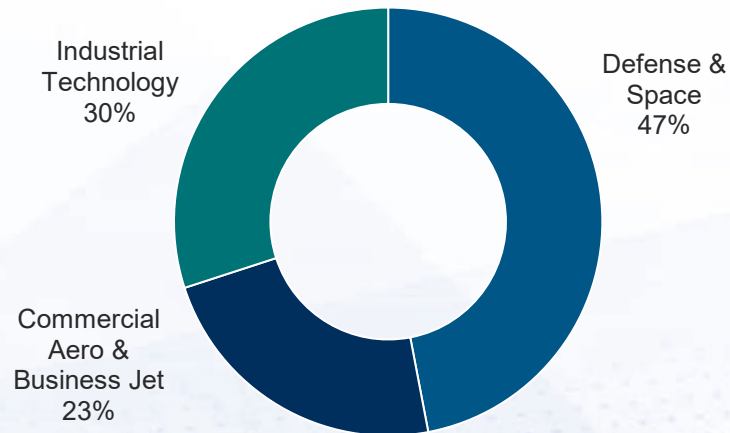


**Cutting-Edge Performance at the Extreme**

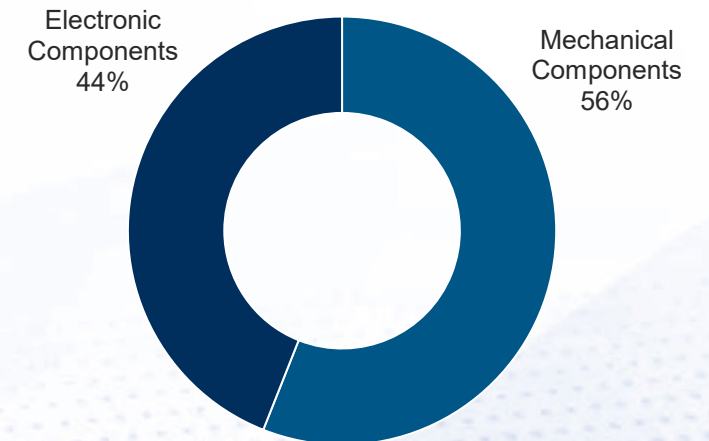
## Product IP<sup>1, 2</sup>



## End Market Mix<sup>1</sup>



## Segment Breakdown<sup>1</sup>



(1) For the fiscal year ended December 31, 2025.

(2) Defined as products that are uniquely designed, developed, and owned by Arxis, often protected by patents, trade secrets, or exclusive manufacturing processes.

# A Differentiated Model for Long-Term Growth

# ARXIS



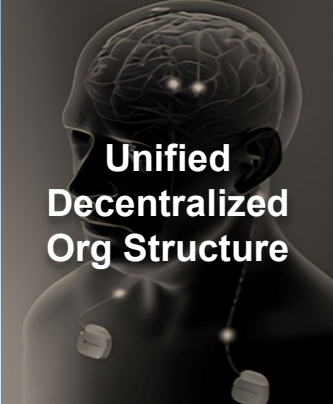
High Growth and Diverse End Markets

Tailwinds



World-Class Engineering and R&D Capabilities

Differentiation



Unified Decentralized Org Structure

Arxis EDGE



New Business Machine

Arxis EDGE



Repeatable M&A Engine

# The Arxis-Arcline Partnership

## A Synergistic Combination of Operational and Capital Allocation Capabilities

### ARXIS Operational Excellence

- Leadership with decades of operating experience
- Proprietary engineered products experts
- Engineering-led culture
- Decentralized operating model
- Unique new business generation engine
- Unmatched integration execution



### ARCLINE Capital Allocation Capabilities

- Leadership with decades of private equity experience
- 60+ person team focused on capital allocation
- Expansive M&A sourcing infrastructure
- Specialized industrial domain experts
- Deep diligence capabilities
- Corporate governance discipline

Shared Objectives and Aligned Incentives

# Our Long-Term Growth Algorithm

ARXIS

**HSD+**

Organic Revenue  
Growth %

**50%**

Incremental  
Margin

**LDD+**

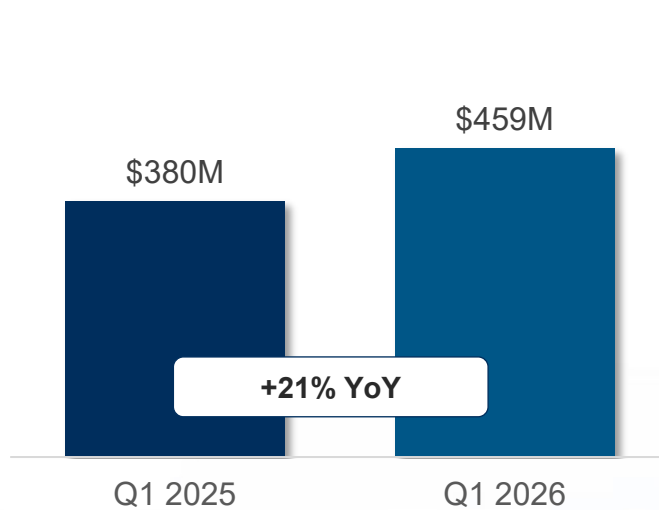
Organic EBITDA  
Growth %



**M&A**

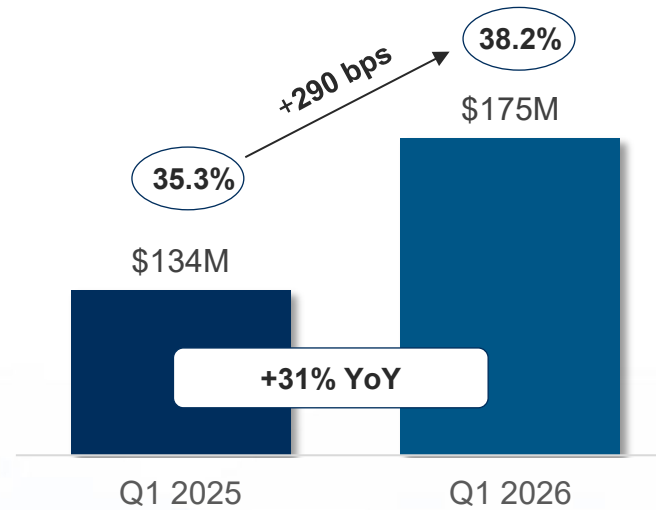
# Q1 2026 Financial Results

## Revenue



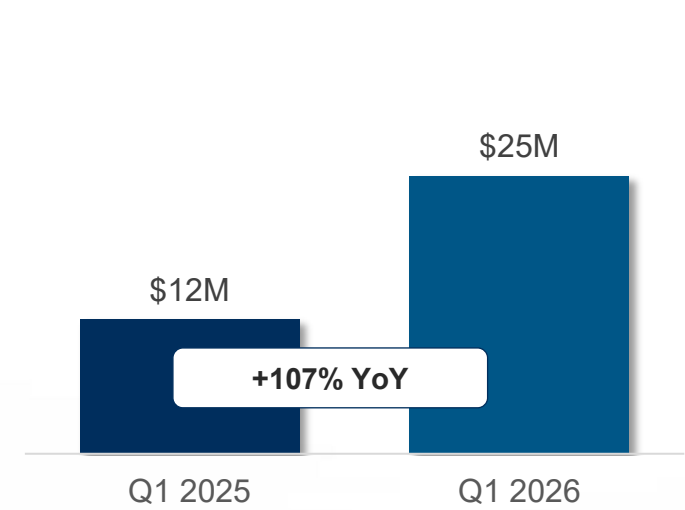
- Revenue increased **+21%** year-over-year
  - 17%** organic growth<sup>2</sup>
  - 4%** contribution from acquisitions
- Double digit growth across all three end markets

## Adjusted EBITDA<sup>1</sup>



- Continued operational improvements
- Pricing and volume leverage
- 50%+ incremental EBITDA margins

## Free Cash Flow<sup>1</sup>



- Record Q1 operating performance drove increased A/R and inventory of ~\$29M
- Approximately \$50M of timing-related items expected to normalize over FY2026

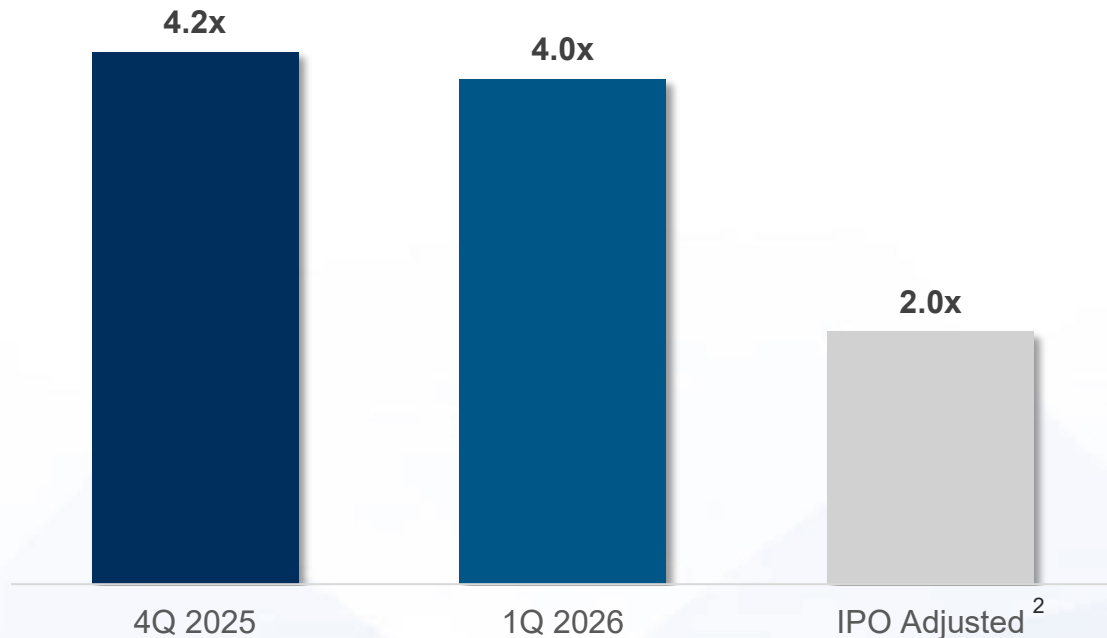
**Record First Quarter Revenue, Adjusted EBITDA, and Adjusted EBITDA Margin**

(1) Additional detail on non-GAAP financial measures, including reconciliations, is provided in the appendix.

(2) Includes 1% favorable FX impact.

# Capital Structure Update

## Net Leverage<sup>1</sup> (Net Debt / Adj. EBITDA<sup>1</sup>)



## Strong balance sheet and liquidity to execute on M&A and growth initiatives:

- \$1.1 billion total available liquidity post-IPO
  - \$514M cash on hand<sup>3</sup>
  - \$400M undrawn revolver (2030 maturity)
  - \$200M DDTL<sup>5</sup> (2032 maturity)

## Net Leverage<sup>1</sup>:

- As part of April IPO, Arxis raised ~\$1,221M of net proceeds
  - \$946M pre-paid Term Loan B (2032 maturity)
  - \$275M of additional cash on balance sheet
  - Annual interest expense savings of ~\$70M<sup>4</sup>

(1) Additional detail on non-GAAP financial measures, including reconciliations, is provided in the appendix.

(2) "IPO Adjusted" gives effect to the net proceeds from the Company's IPO and the use of proceeds for debt reduction as described in the Prospectus filed pursuant to Rule 424(b)(4) with the U.S. Securities and Exchange Commission on April 16, 2026.

(3) Represents the Company's reported cash and cash equivalents balance as of March 31, 2026, adjusted for excess net cash proceeds from the IPO after debt repayments.

(4) Interest expense savings compared to full year 2025; Interest expense excludes loss on debt extinguishment

(5) DDTL is Delayed Draw Term Loan

# Full Year 2026 Guidance Framework

## 2026 Guidance

### Revenue

**\$1,860M to \$1,880M**

18% reported year-over-year growth at midpoint  
15% organic<sup>2</sup> year-over-year growth at midpoint

### Adjusted EBITDA<sup>1</sup>

**\$720M to \$730M**

38.8% margin at midpoint  
27% year-over-year growth at midpoint

## 2026 Arxis Assumed Growth by End Market<sup>2</sup>

Defense &  
Space



**+Mid-teens  
growth**

Commercial  
Aerospace



**+Mid-teens  
growth**

Industrial  
Technology



**+Mid-teens  
growth**

(1) Arxis has not reconciled its full year 2026 guidance related to Adjusted EBITDA and Adjusted EBITDA margins to its most directly comparable forward-looking GAAP financial measure because such information is not available, and management cannot reliably predict all of the necessary components of such GAAP measure without unreasonable effort or expense.

(2) Management organic revenue growth estimate, includes industry volume, new business volume and price realization.

# Additional 2026 Inputs

## 2026 Guidance

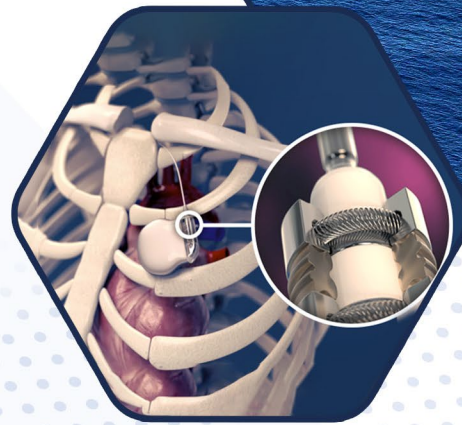
<u>Capital Expenditures</u>	\$63M
<u>Interest Expense<sup>1</sup></u>	\$135M
<u>Effective Tax Rate</u>	25.0%
<u>Depreciation &amp; Amortization</u>	\$206M
<u>Share-Based Compensation Expense</u>	\$155M
<u>Convertible Common Stock Compensation Expense</u>	\$18M
<u>TRA Expense</u>	\$16M
<u>Common Shares Outstanding</u>	410M shares <sup>2</sup>

(1) Interest expense excludes impact of Loss on Debt Extinguishment from April debt repayment

(2) As of May 1, 2026; does not include potentially dilutive shares for the Company's convertible common stock and outstanding restricted stock awards (RSAs) and restricted stock units (RSUs).

# ARXIS

## Appendix



# Non-GAAP reconciliations

## **Adjusted EBITDA and Adjusted EBITDA Margin % (non-GAAP)**

Adjusted EBITDA is defined as net income (loss), adjusted for: (i) interest expense, net; (ii) income tax expense (benefit); (iii) depreciation and amortization; (iv) acquisition and integration costs; (v) restructuring costs; (vi) transaction and other deal related expenses; (vii) share-based compensation expense. Management defines Adjusted EBITDA Margin as Adjusted EBITDA divided by Revenue. We believe that Adjusted EBITDA and Adjusted EBITDA margin are important metrics for management and investors as they remove the impact of items that we do not believe are indicative of our core operating results or the overall health of our company and allows for consistent comparison of our operating results over time and relative to our peers.

## **Free Cash Flow (non-GAAP)**

Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures. We believe this measure allows management and investors to evaluate the capacity of our operations to generate cash that is available to service debt and make strategic investments and acquisitions.

## **Net Leverage (non-GAAP)**

Net Leverage is defined as net debt divided by Adjusted EBITDA for the trailing twelve-month period. Net debt is calculated as total debt, less cash and cash equivalents. We believe this measure allows us to evaluate our capital structure, indebtedness, and ability to service debt.

# Adjusted EBITDA and Margin Reconciliation

<i>(in thousands, except for percentages)</i>	Three Months Ended March 31,		Year Ended
	2026	2025	December 31, 2025
Net income (loss)	\$ 53,309	\$ (4,324)	\$ 45,989
Interest expense, net	43,958	68,260	220,316
Income tax expense (benefit)	15,703	(2,502)	16,325
Depreciation and amortization	51,528	48,994	200,111
Acquisition and integration costs <sup>(1)</sup>	722	18,749	23,313
Restructuring costs <sup>(2)</sup>	270	1,737	3,772
Transaction and other deal related expenses <sup>(3)</sup>	7,225	881	12,695
Share-based compensation expense <sup>(4)</sup>	2,480	2,330	27,259
Other non-recurring adjustments <sup>(5)</sup>	—	—	21,524
<b>Adjusted EBITDA</b>	<b>\$ 175,195</b>	<b>\$ 134,125</b>	<b>\$ 571,304</b>
Revenue	458,858	380,079	1,591,020
<b>Adjusted EBITDA Margin</b>	<b>38.2%</b>	<b>35.3%</b>	<b>35.9%</b>

<sup>(1)</sup> Represents costs incurred to integrate acquired businesses and product lines into our operations, facility relocation costs, rebranding, system implementation costs and employee expenses related to acquisitions. This also includes amortization expenses of inventory step-up recorded in connection with purchase accounting of acquired businesses.

<sup>(2)</sup> Represents severance, facility consolidation/closure costs and other charges associated with restructuring programs.

<sup>(3)</sup> Represents third-party transaction-related costs for acquisitions comprising deal fees, legal, financial and tax due diligence expenses and valuation costs that are required to be expensed as incurred.

<sup>(4)</sup> Represents the compensation expense under our share-based plans and deferred compensation plans.

<sup>(5)</sup> Represents other income and expense adjustments that are non-recurring, non-operational or not reflective of core performance, such as loss on disposal of assets, commercial commitments or legal settlements, income from transition services agreements and non-operational pension impacts.

# Free Cash Flow Reconciliation

	Three Months Ended March 31,	
	2026	2025
<i>(in thousands, except for percentages)</i>		
Net cash provided by (used in) operating activities	\$ 36,469	\$ 20,762
Less:		
Capital expenditures	(11,703)	(8,795)
<b>Free Cash Flow</b>	<b>\$ 24,766</b>	<b>\$ 11,967</b>

# Net Leverage Reconciliation

<i>(in thousands, except for percentages)</i>	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Total debt	\$ 2,652,495	\$ 2,633,312
Add: Unamortized deferred financing costs	27,225	28,159
Less: Cash and cash equivalents	<u>(238,918)</u>	<u>(250,303)</u>
Total net debt	\$ 2,440,802	\$ 2,411,168
Net income <sup>(1)</sup>	103,622	45,989
Adjusted EBITDA <sup>(2)</sup>	612,374	571,304
Total debt to net income (loss)	25.6x	57.3x
<b>Net Leverage</b>	<b>4.0x</b>	<b>4.2x</b>
<i>IPO impact:</i>		
Net proceeds from IPO	\$ 1,220,584	
Debt reduction from IPO proceeds	<u>(946,000)</u>	
Excess cash and cash equivalents from IPO proceeds	274,584	
IPO Adjusted net debt <sup>(3)</sup>	\$ 1,220,218	
<b>IPO Adjusted Net Leverage</b>	<b>2.0x</b>	

<sup>(1)</sup> Represents Net income for the trailing twelve-month period. Net income for the trailing twelve-month period ended March 31, 2026, is calculated as Net income for the year ended December 31, 2025, less Net income (loss) for the three months ended March 31, 2025, plus Net income for the three months ended March 31, 2026.

<sup>(2)</sup> Represents Adjusted EBITDA for the trailing twelve-month period. Adjusted EBITDA for the trailing twelve-month period ended March 31, 2026, is calculated as Adjusted EBITDA for the year ended December 31, 2025, less Adjusted EBITDA for the three months ended March 31, 2025, plus Adjusted EBITDA for the three months ended March 31, 2026.

<sup>(3)</sup> Calculated as total net debt less debt reduction from IPO proceeds plus additional cash and cash equivalents from IPO proceeds.