



# Investor Presentation – August 2024

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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This presentation contains “forward-looking statements” within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. We intend the forward-looking statements throughout this presentation to be covered by the safe harbor provisions for forward-looking statements. Statements contained in this report which are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from projected results. These statements can sometimes be identified by our use of forward-looking words such as “may,” “believe,” “plan,” “anticipate,” “estimate,” “expect,” “intend,” and other phrases of similar meaning. The forward-looking information is based on information available as of the date of this presentation and on numerous assumptions and developments that are not within our control. Although we believe that our expectations as expressed in these forward-looking statements are reasonable, we cannot assure you that our expectations will turn out to be correct.

Factors that could cause actual results to differ materially include, but are not limited to, those factors referenced in our Annual Report on Form 10-K for the year ended December 31, 2023 and such things as the following: economic recessions or depressions; the ability to obtain new contracts at attractive prices; the size and timing of customer orders and shipments; product pricing and margins; our ability to realize sales from our backlog; fluctuations in customer demand; fluctuations in foreign currencies; competitive factors; the timely completion of contracts; the timing and size of expenditures; the timely receipt of government approvals and permits; the price and availability of metal and other raw material; fluctuations in tariffs or quotas; changes in laws and regulations, both domestic and foreign, impacting our business and the business of the end-market users we serve; the adequacy of local labor supplies at our facilities; current or future limits on manufacturing capacity at our various operations; our ability to successfully integrate acquired businesses; the impact of pending or future litigation or regulatory matters; the availability and cost of funds; our ability to access our borrowing capacity under our credit facility; and changes in global economic conditions.

Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s analysis only as of the date hereof. We undertake no obligation to publicly release the results of any revision to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.



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ABOUT DMC

- DMC Global owns and operates three innovative, asset-light manufacturing businesses that provide highly engineered products and differentiated solutions
- Our businesses have established leadership positions in their respective industries and are led by experienced, strategically focused management teams
- We support our businesses with resources and capital allocation expertise to help advance their operating strategies and generate the greatest returns
- Our businesses capitalize on their product and service differentiation to grow market share, expand profit margins, increase cash flow and enhance shareholder value



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SELECT DATA

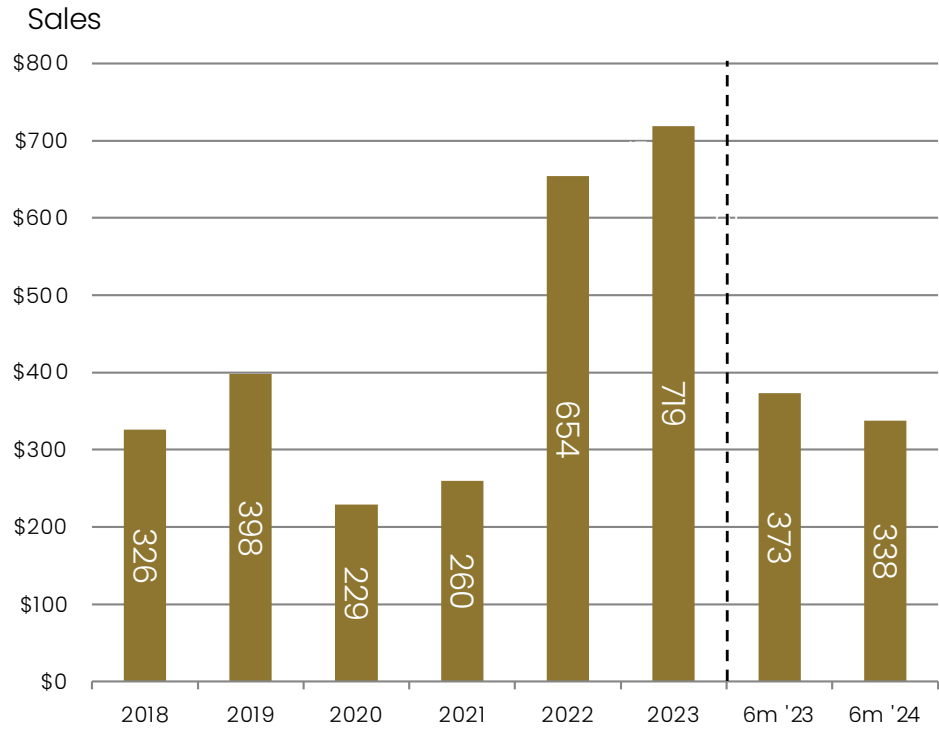
Symbol (Nasdaq GS):	BOOM
52-week price range:	\$11.12 – \$27.16
Market capitalization:	\$259 Million
Shares outstanding:	20.0 Million
Approximate float:	19.4 Million
Fiscal year:	December 31
Sales (ttm):	\$684.2 Million
Adjusted EBITDA (ttm)*	\$80.3 Million <sup>1</sup>
Total Adjusted EBITDA (ttm)	\$96.7 Million

<sup>1</sup> Excludes 40% noncontrolling interest in Arcadia

\*Non-GAAP financial measure

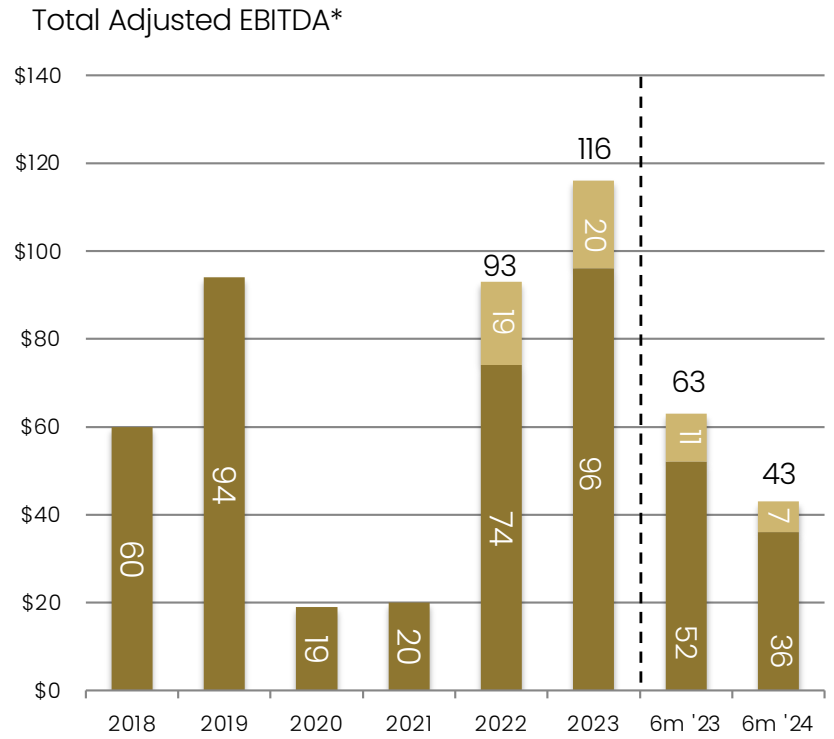


DMC PERFORMANCE



\$ in millions

\*Non-GAAP financial measure

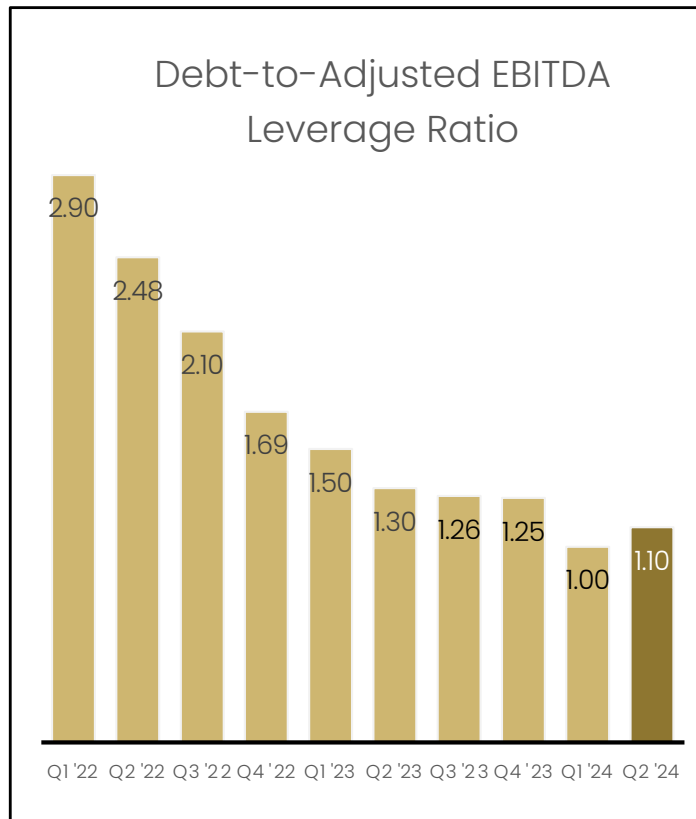


■ Attributable to DMC

■ Attributable to Non-controlling Interest Holder



IMPROVING FINANCIAL STRENGTH



Note: Maximum covenant leverage ratio = 3.00

Liquidity Summary	June 30, 2024 <sup>(1)</sup>
Cash and Cash Equivalents	\$15
Unused Credit Capacity <sup>(2)</sup>	\$213
<b>Total</b>	<b>\$228</b>
Total Outstanding Debt <sup>(3)</sup>	\$84
Net Debt	\$70
<b>Net Debt Leverage Ratio</b>	<b>0.92x</b>

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

<sup>(2)</sup> Includes \$163 million of revolving loan availability and \$50 million of delayed draw term loan availability

<sup>(3)</sup> Net of deferred financing costs



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## DMC LEADERSHIP



**MICHAEL KUTA**  
President, CEO & Director

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Joined DMC as CFO in 2014 and was named CEO in 2023

Expertise in integrating mergers and acquisitions, managing capital structure, debt and equity financing, building and developing financial teams, providing financial and operational leadership

Industry experience includes industrial, energy and petrochemical sectors

Held financial leadership positions at Berkshire Hathaway's Lubrizol Corporation, Lincoln Electric and Eaton Corporation



**ERIC WALTER**  
CFO

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Joined DMC in 2023

30+ years of experience leading finance organizations

Former CFO of Jacobs' \$9B People & Places Solutions business

Created Jacobs' financial planning and analysis organizations, led global finance team of more than 800 employees

Previously served as Vice President and Corporate Controller of Veritiv



**MICHELLE SHEPSTON**  
EVP & CLO

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Joined DMC in 2016

Expertise in mergers & acquisitions, equity and debt offerings, corporate governance, compliance and oversight of HR and Environment, Social and Governance (ESG) strategy

Broad industry experience includes energy, energy products and services, industrials and natural resources

Spent 16 years with Denver-based Davis Graham & Stubbs LLP, where she was a partner and practiced with the Corporate Finance and Acquisitions Group



**GEOFF HIGH**  
VP, IR & Corp. Comm.

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Joined DMC in 2014

Expertise in institutional, analyst and retail shareholder relations; IR strategy development and implementation; ESG and global corporate communications

Industry experience includes energy, energy products & services, building products and industrials

Joined DMC after 21 years with Pfeiffer High Investor Relations, Inc., where he was partner and led the DMC Global account for 10 years



**JEFF FITHIAN**  
CIO

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Joined DMC in 2014

Expertise in IT strategy, digital transformation, security and risk management, and ERP Systems

20+ years of industry experience in industrial manufacturing, consumer products and high tech

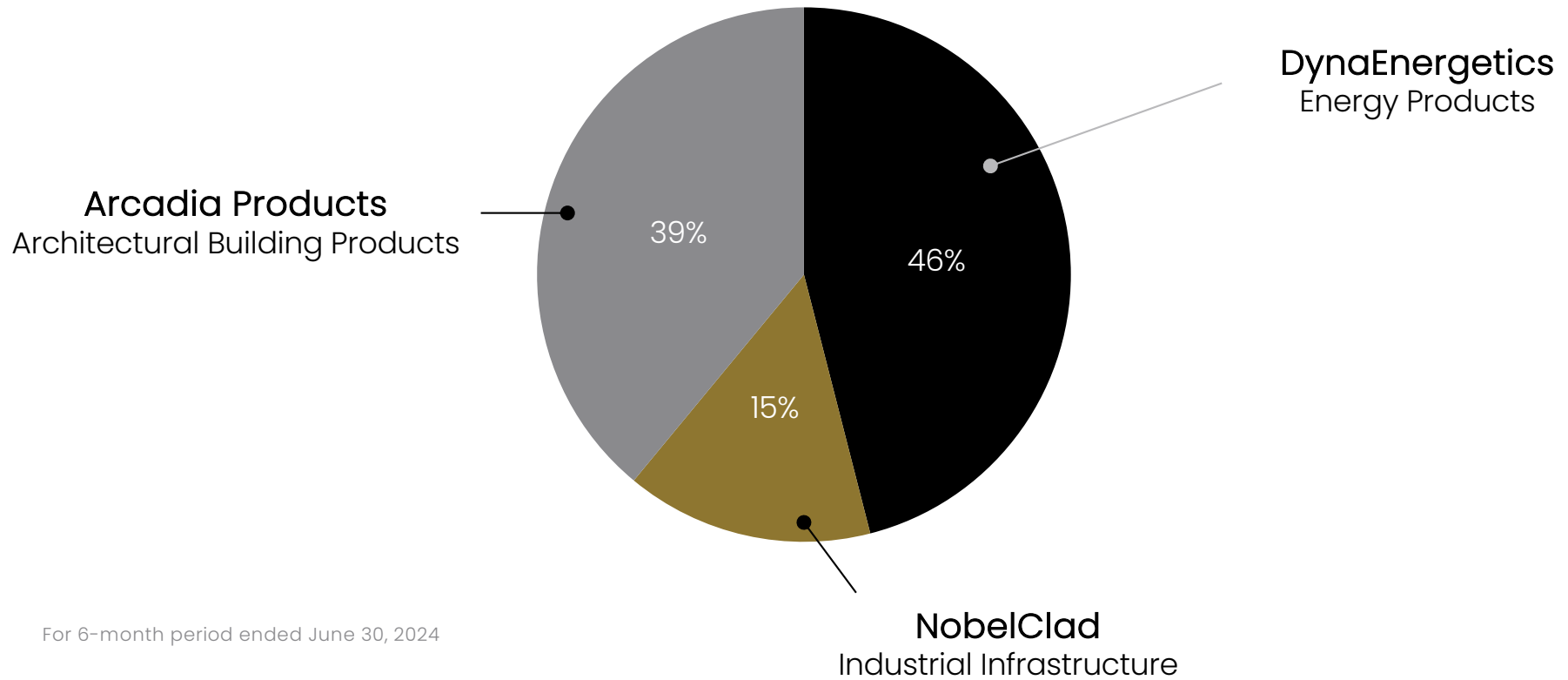
Former VP of IT at Kärcher North America, the largest subsidiary of a \$3B global provider of cleaning products and systems

Prior IT leadership roles with Sun Microsystems, Corporate Express, and Storage Technology Corporation



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SALES BY BUSINESS AND END MARKET



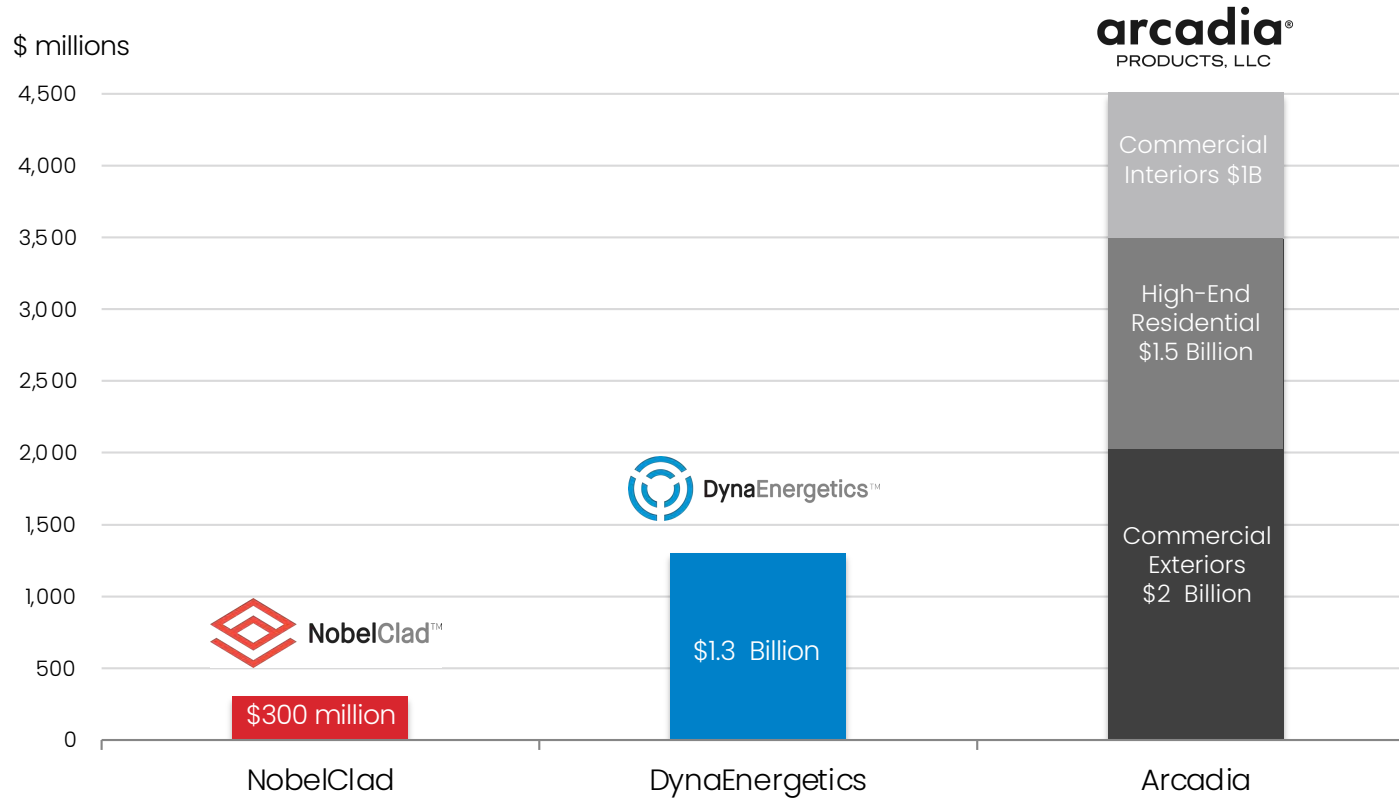
For 6-month period ended June 30, 2024

DMC Investor Presentation





MARKET SIZE OVERVIEW





**arcadia**<sup>®</sup>  
PRODUCTS, LLC

ARCADIA COMMERCIAL FRAMING SYSTEMS USED IN (w)RAPPER TOWER, CULVER CITY, CA Photo by Mike Reber, SCG

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## ARCADIA PRODUCTS OVERVIEW

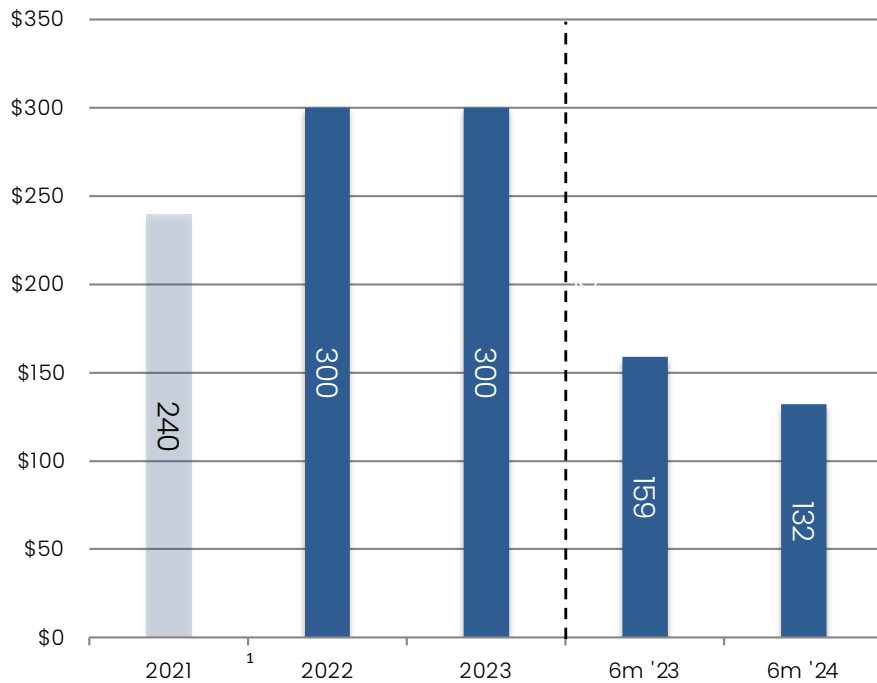
Arcadia Products is a leading supplier of architectural building products, which include exterior and interior framing systems, windows, curtain walls and interior partitions for the commercial buildings market; and highly engineered exterior and interior windows and doors for the ultra-high-end residential market

- Differentiated business model resulting in solid margin profile in up and down markets
- Well positioned in strongest growth segments of commercial glazing markets
- Leading position in western and southwestern U.S. commercial markets
- Growth strategy focused on increasing manufacturing capacity, growing presence in targeted geographic markets and increasing share of ultra-high-end residential market
- Highly loyal customer base consisting of glazing contractors, general contractors, commercial and residential architects and building owners
- Reputation for outstanding customer service, short lead times and product customization
- Serves diverse collection of commercial and residential end markets



ARCADIA PRODUCTS PERFORMANCE

Sales

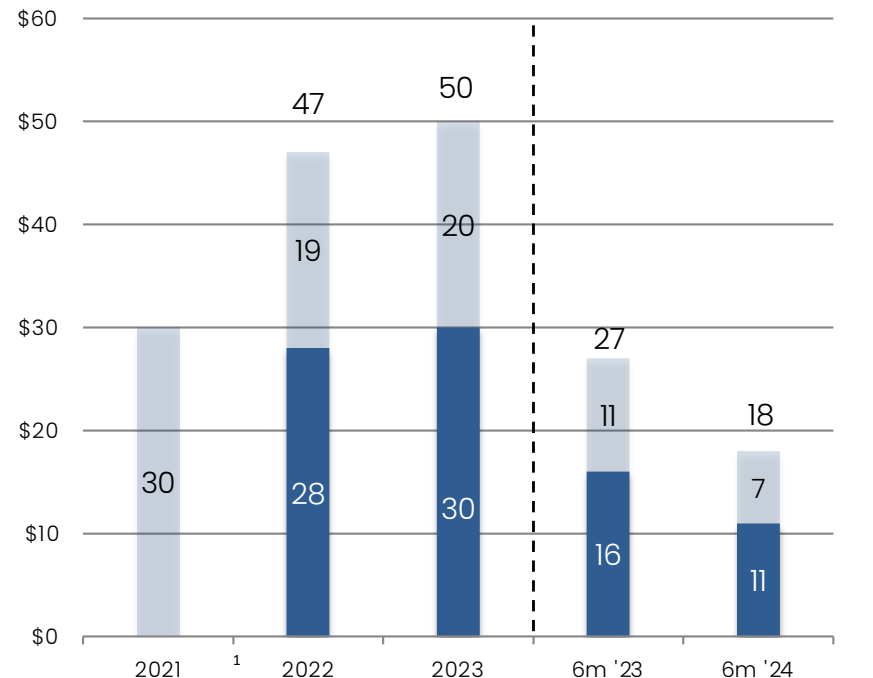


\$ in millions

<sup>1</sup>Pro forma \*Non-GAAP financial measure

Note: DMC acquired a 60% controlling interest in Arcadia on December 23, 2021. DMC consolidates 100% of Arcadia's sales, however 40% of Arcadia's Adjusted EBITDA is attributable to the non-controlling interest holder.

Total Adjusted EBITDA\*

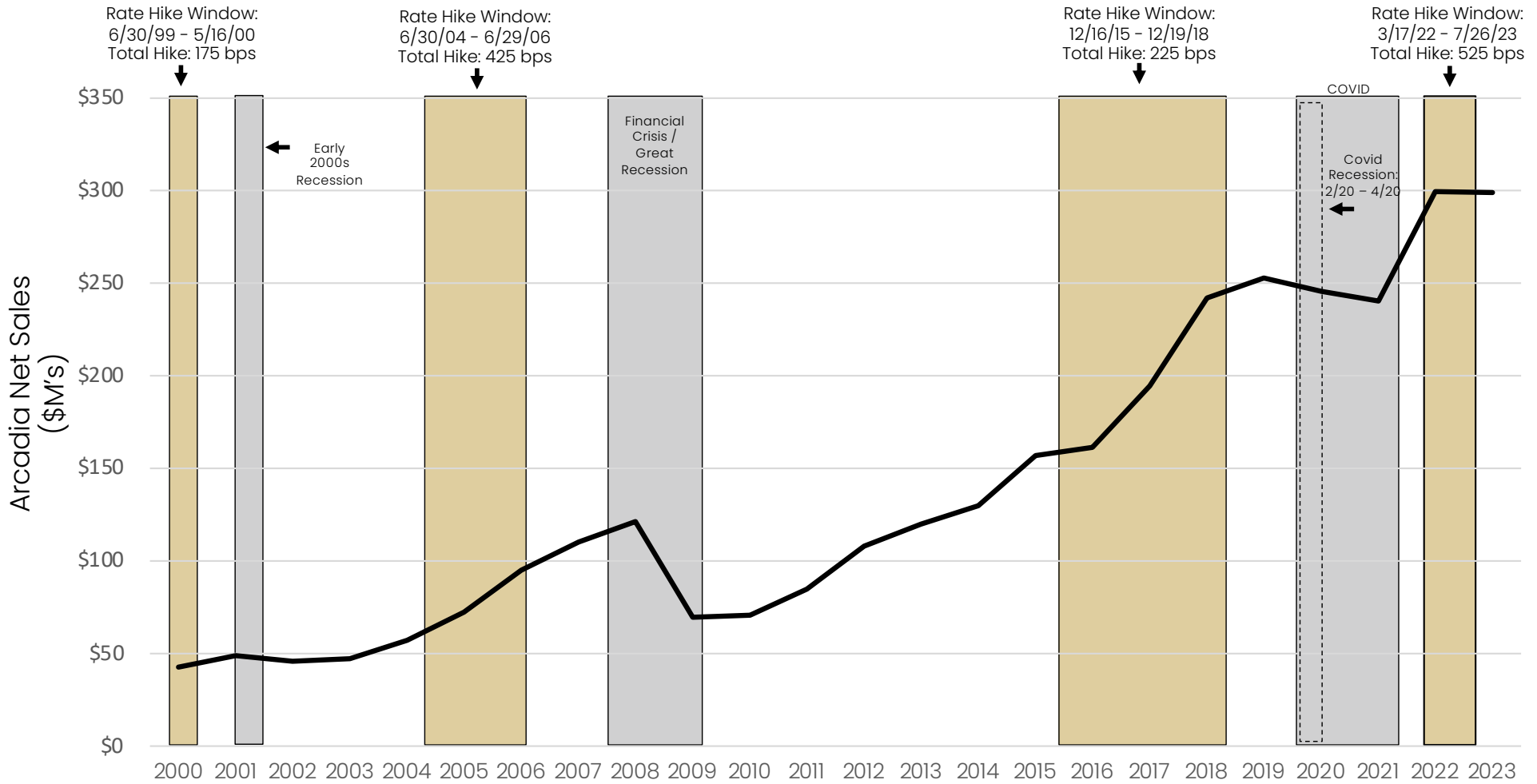


■ Attributable to DMC

■ Attributable to Non-controlling Interest Holder



ARCADIA HISTORICAL SALES VS. INTEREST RATE HIKES & RECESSIONS



Source: US Bank, Company Financials

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ONE COMPANY SERVING THREE DISTINCT MARKETS

### Arcadia (Commercial Exteriors)



- Architectural framing systems
- Curtain and window walls
- Entrances
- Sun control

### Wilson Partitions (Commercial Interiors)



- Door framing systems
- Aluminum doors
- Sliding systems
- Glazing systems

### Arcadia Custom (High-end Residential)



- Thermally broken steel and aluminum windows and doors
- Custom wood windows and doors



APPROXIMATE SALES CONTRIBUTION BY DIVISION

### Arcadia

Commercial Service Centers



### Arcadia Custom

Ultra-High-End Residential



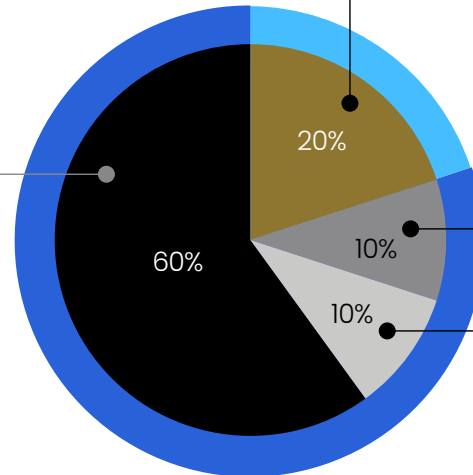
### Arcadia

Commercial Projects



### Wilson Partitions

Commercial Interiors



- Commercial
- Residential

arcadia®  
PRODUCTS, LLC



## ARCADIA PRODUCTS' DUAL COMMERCIAL MODELS



### Service Centers

- Arcadia Products operates a hub-and-spoke model that includes centralized manufacturing and 15 service centers in high-growth markets throughout the Western and Southwestern U.S.
- Diverse customer base includes builders and independent glass and glazing contractors who typically place dozens of orders annually
- Product quality and availability, short lead times and excellent customer service result in a 90% customer retention rate



### Projects

- Arcadia Products works closely with architects and commercial builders to create innovative interior and exterior architectural framing systems
- Markets include hotels and casinos, airports, schools and campuses, civic buildings, healthcare facilities and military installations
- Several of Arcadia Products' end markets are non-cyclical or counter cyclical to the broader economy

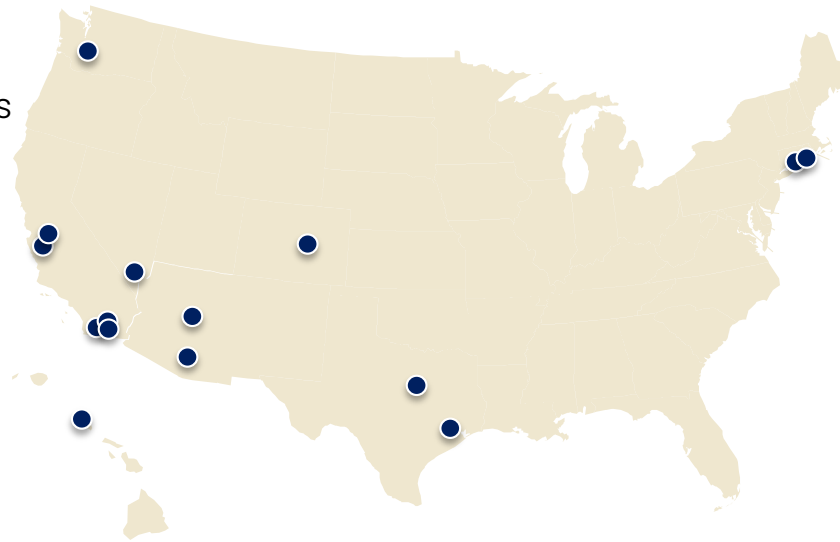




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ARCADIA PRODUCT'S NATIONAL PRESENCE

- Arcadia Products facilities



### Manufacturing

Manufactures architectural framing solutions

- Efficient manufacturing base allows for cost-effective supply of products to regional locations
- Capable of seamlessly flexing footprint to fulfill larger, specialized and customized orders on as-needed basis

### Finishing

In-house painting and anodizing

- Offers custom paint and anodized finishes across full suite of products
- Seamless integration into value chain allows for capture of incremental margin and ensures delivery of high-quality products

### Regional Service Centers

Local service centers with onsite fabrication

- Network of strategically located service centers drives speed to market and caters to individualized needs of local customers
- Serves as downstream, regional distribution for manufacturing hubs





DynaEnergetics™



DYNAENERGETICS MANUFACTURING CAMPUS – BLUM, TX

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## DYNAENERGETICS OVERVIEW

- DynaEnergetics is a leading provider of well-completion solutions to the global oil and gas industry
- Primary offering is well perforating systems for the unconventional oil and gas sector, where DynaEnergetics led a transition from field-assembled components to fully integrated systems delivered directly to location, improving efficiencies, reducing working capital and personnel requirements, and lowering costs
- DynaEnergetics' DynaStage™ perforating systems are recognized as the safest, most efficient and most reliable in the unconventional oil and gas sector
- Vertically integrated manufacturing enables product innovation and provides customers with a single-source supplier
- Unmatched global reach in serving a worldwide network of oil and gas service companies



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DYNAENERGETICS' PRODUCTS ESSENTIAL IN WELL COMPLETION PROCESS

Step 1: Drilling



Step 2: Completion



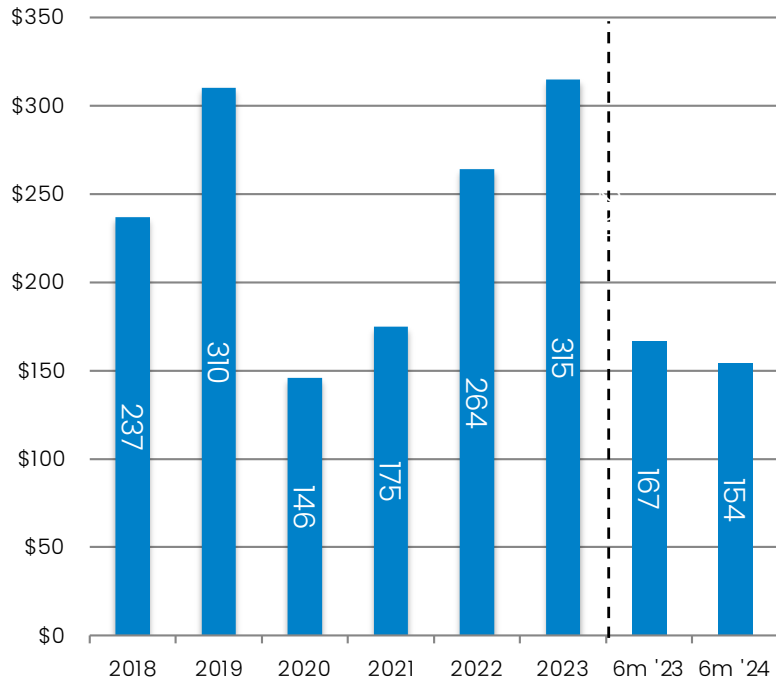
Step 3: Production



- During the drilling process, metal pipe is inserted into the wellbore and encased in cement
- Before hydrocarbons can flow into the well and up to the surface, the well must be completed
- Perforating is key step in the completion process. Shaped charges installed in a perforating system fire plasma jets through the drill pipe and surrounding cement, and into the formation
- The resulting tunnels in the formation enable oil and gas to flow back through the perforations and into the well
- Perforating is also required before a well can be hydraulically fractured, and enables fluid and proppant to flow through the perforations and into the formation

DYNAENERGETICS' PERFORMANCE

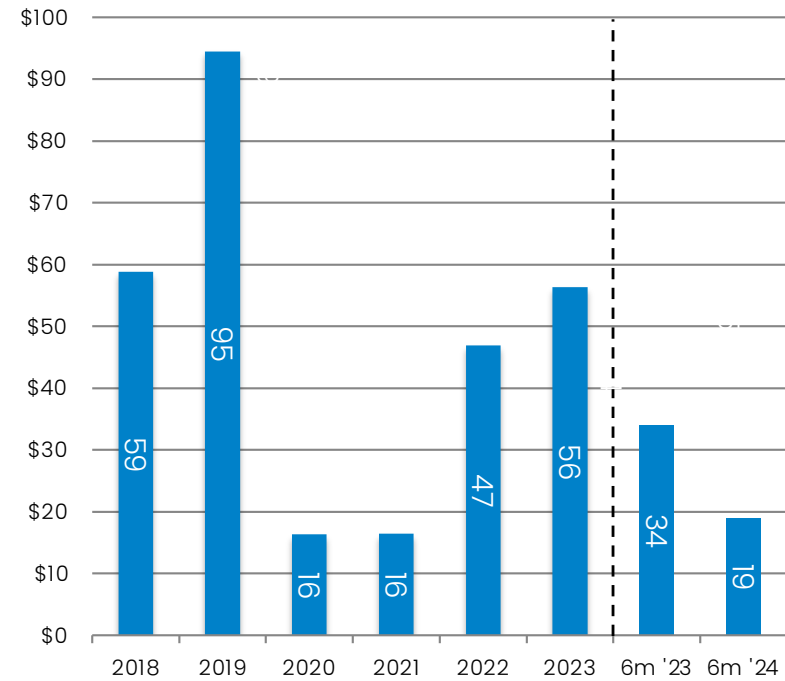
Sales



\$ in millions

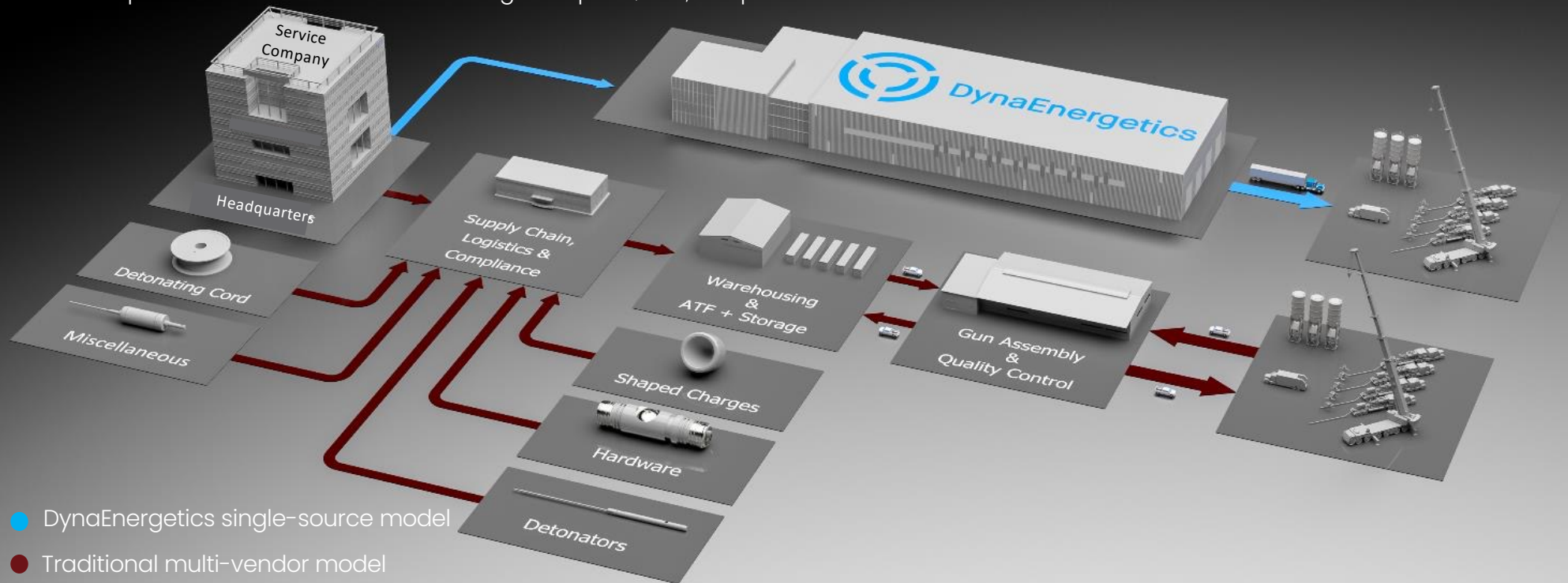
\*Non-GAAP financial measure

Adjusted EBITDA\*



## A BETTER BUSINESS MODEL

- DynaEnergetics is a single-source provider of completion solutions, simplifying the supply chain and logistics
- Operators can achieve cost savings of up to \$250,000 per well



DYNASTAGE FACTORY-ASSEMBLED, PERFORMANCE-ASSURED™ PERFORATING SYSTEM VS. TRADITIONAL PERFORATING GUN & COMPONENTS

DynaEnergetics' DynaStage Perforating System

Traditional Perforating Gun & Components



IS2 Top-Fire Wireless Detonator



Resistorized detonator

Addressable switch

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CAPACITY IN PLACE

Four manufacturing, R&D, and customer training centers – two in Texas, two in Germany

Six automated IS2 assembly lines in Troisdorf, Germany

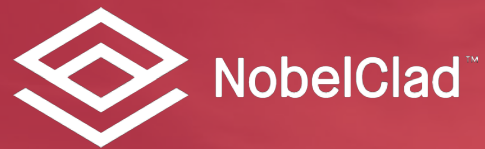
Four shaped charge manufacturing lines in Texas and Germany

Fifty CNC machines for TSA and gun manufacturing in Texas and Germany

14 DynaStage assembly lines in Texas







NOBELCLAD MANUFACTURING CAMPUS – LIEBENSCHIED, GERMANY

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## NOBELCLAD OVERVIEW

NobelClad is a leading global supplier of composite metal solutions for use in industrial processing infrastructure and transportation assets

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Primary product offering is explosion welded clad metal plates

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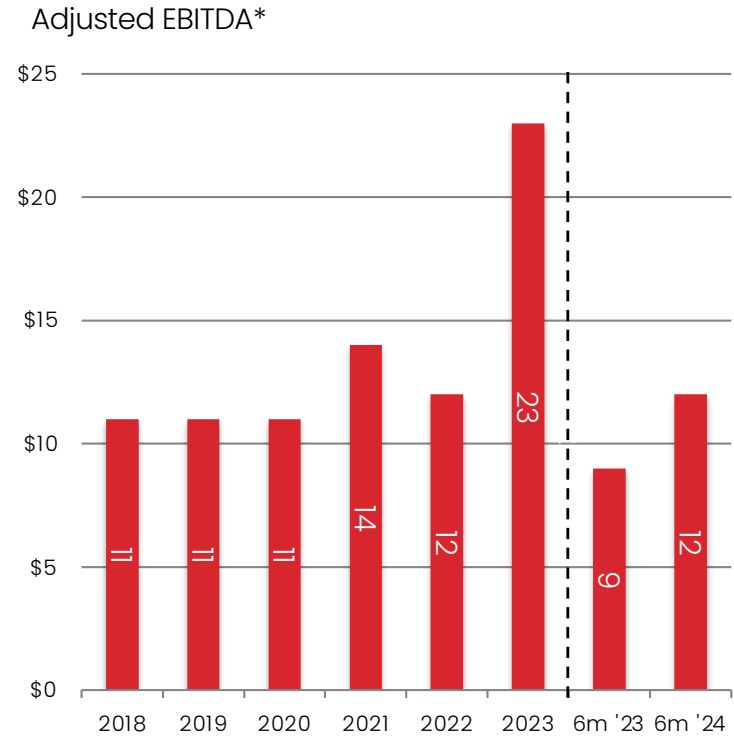
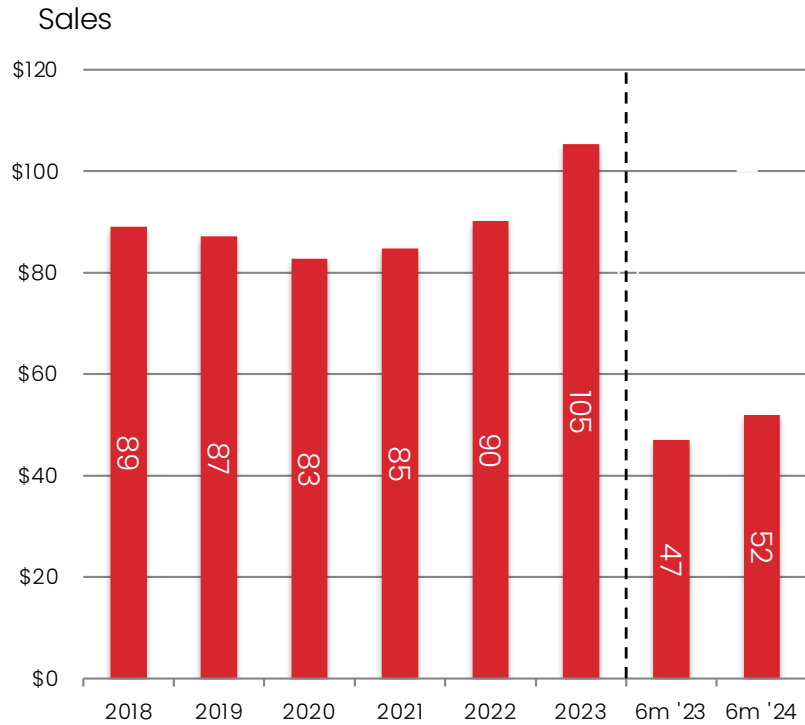
Competitive advantages include industry-leading application and market development teams, an international marketing organization and global manufacturing facilities

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High barriers to entry include mastery of advanced explosion-welding manufacturing process for large-scale production, global network of specialty metals suppliers and close working relationships with end-market customers



NOBELCLAD'S PERFORMANCE



\$ in millions

\*Non-GAAP financial measure

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INVESTMENTS IN APPLICATION DEVELOPMENT

Investments in product and application development creating growth opportunities in new and existing markets:

- Liquefied Natural Gas
- Hydrogen
- Transportation
- Petrochemical
- Clad pipe
- Concentrating solar power



DEMAND DRIVERS FOR COMPOSITE METALS



Global Infrastructure Investment



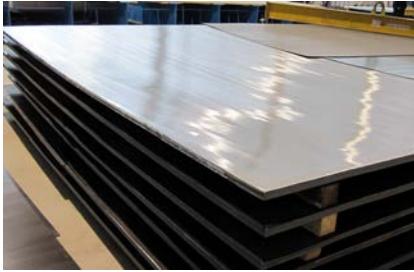
Corrosive Environments



Design Flexibility

NOBELCLAD PRODUCTS AND ASSOCIATED APPLICATIONS

Clad Product



Clad Plate



Clad Head



Tube Sheet



Structural Transition Joint

Application



Separation Towers



Pressure Vessels



Heat Exchangers



Deck/Hull Interface

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PRIMARY END MARKETS SERVED

- Chemical
- Oil and Gas
- Metals and Mining
- Marine
- Power Generation
- Alternative Energy
- Industrial Refrigeration
- Transportation
- Defense and Protection



*TITANIUM CLAD PRESSURE VESSELS – Image courtesy of Coek Engineering*

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CAPACITY IN PLACE

Manufacturing centers in Liebenscheid, Germany and Mt. Braddock, Penn. include 193,000 sq. ft. for production, R&D and training

Explosion welding shooting sites in Germany and Pennsylvania

Manufacturing assets include heat treatment furnaces, linear welding centers, digital X-Ray inspection systems, plasma and water-jet cutting units, rollers, 25 to 100-ton overhead cranes, levelers and automated ultra sonic testing





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# Performance Objectives and Investment Considerations



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## 2024 PERFORMANCE OBJECTIVES

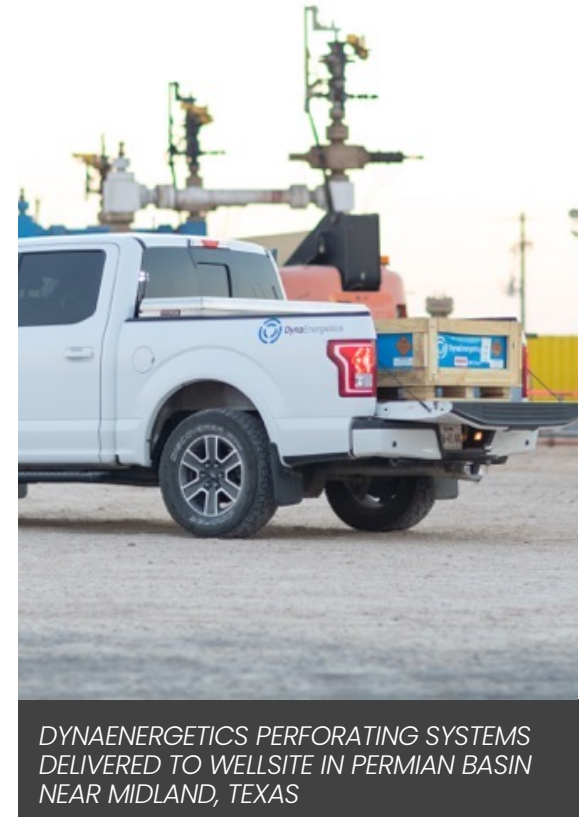
- Advance DMC's strategic-alternatives process to unlock shareholder value
- Execute on Arcadia's growth initiatives, including:
  - Strengthen organizational structure and improve finishing capabilities
  - Deployment of full product and service offering across all service-center locations
- Improve profitability at DynaEnergetics through cost reductions, automation and operational excellence initiatives
- Maintain operational excellence at NobelClad to effectively address strong order backlog and large project opportunities



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DMC INVESTMENT CONSIDERATIONS

- Executing strategy for unlocking shareholder value
- Three valuable businesses with leadership positions in critical industries
- Compelling valuation vs. peers in building products and energy products industries
- Strong financial position
- Experienced, execution-focused leadership teams



DMC management has closely aligned its interests with those of its stakeholders, and all decisions are made to maximize stakeholder value.

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DMC has adopted three tenets to guide superior share price performance:

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1. Maximize free cash flow through financial discipline
  2. Maximize return on invested capital by achieving operational excellence and making discerning investment decisions
  3. Invest in new technology, product and market development to drive sustained growth and increased profitability
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CONTACT INFORMATION

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Primary Contact

Geoff High  
Vice President of Investor Relations  
E [ghigh@dmcglobal.com](mailto:ghigh@dmcglobal.com)  
T 303-514-0656



RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS – DMC EBITDA AND ADJUSTED EBITDA

(\$MM except per share amounts)	2018	2019	2020	2021	2022	2023	6m '23	6m '24
Net income (loss)	\$30.5	\$34.0	\$(1.4)	\$(1.0)	\$13.8	\$34.8	\$19.7	\$8.6
Interest expense	\$1.6	\$1.6	\$0.7	\$0.3	\$6.2	\$9.5	\$4.8	\$4.6
Income tax provision (benefit)	\$4.1	\$22.7	\$(0.5)	\$(1.5)	\$9.4	\$15.1	\$9.1	\$4.4
Depreciation	\$6.6	\$8.3	\$9.6	\$11.3	\$14.3	\$13.8	\$6.8	\$6.9
Amortization	\$2.9	\$1.5	\$1.4	\$1.4	\$36.9	\$22.7	\$11.3	\$10.6
EBITDA	\$45.7	\$68.1	\$9.9	\$10.4	\$80.6	\$95.9	\$51.7	\$35.1
Strategic review expenses	—	—	—	—	—	—	—	\$4.2
CEO Transition Expenses	—	—	—	—	—	\$4.3	\$3.5	—
Restructuring	\$1.1	\$19.5	\$3.4	\$0.1	\$0.2	\$3.8	—	\$0.3
Amortization of acquisition-related inventory valuation step-up	—	—	—	—	\$0.4	—	—	—
Nonrecurring retirement expenses	—	—	—	—	\$1.1	—	—	—
Restructuring-related inventory write down	—	\$0.6	—	—	—	—	—	—
Restructuring-related accounts receivable write off	—	\$0.1	—	—	—	—	—	—
Acquisition expenses	—	—	—	\$1.6	—	—	—	—
Arcadia stub period expenses excluding depreciation & amortization	—	—	—	\$1.6	—	—	—	—
Goodwill impairment charges	\$8.0	—	—	—	—	—	—	—
Stock-based compensation	\$3.6	\$5.2	\$5.7	\$6.6	\$10.1	\$10.1	\$6.7	\$3.1
Other expense (income), net	\$1.2	\$0.2	\$0.2	(\$0.2)	\$0.6	\$1.8	\$0.7	\$0.7
Less: Adjusted EBITDA attributable to NCI	—	—	—	—	(\$18.8)	(\$19.8)	\$(10.8)	\$(7.3)
Adjusted EBITDA attributable to DMC	\$59.6	\$93.7	\$19.1	\$20.2	\$74.2	\$96.1	\$51.9	\$36.1

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS - ARCADIA EBITDA AND ADJUSTED EBITDA

(\$MM except per share amounts)	2021 Pro Forma	2022	2023	6m '23	6m '24
Operating income (loss), as reported	\$48.0	\$4.0	\$21.4	\$12.7	\$5.1
Depreciation	\$1.9	\$2.9	\$3.7	\$1.7	\$1.7
Amortization	—	\$36.3	\$22.6	\$11.3	\$10.6
Stock-based compensation	—	\$2.2	\$1.6	\$0.9	\$0.6
Restructuring expenses	—	—	—	—	\$0.3
CEO transition expenses	—	—	\$0.3	\$0.3	—
Nonrecurring retirement expenses	—	\$1.1	—	—	—
Amortization of acquisition-related inventory valuation step up	—	\$0.4	—	—	—
Adjusted EBITDA attributable to redeemable noncontrolling interest	\$(19.9)	\$(18.8)	\$(19.8)	\$(10.8)	\$(7.3)
Adjusted EBITDA attributable to DMC	\$30.0	\$28.2	\$29.8	\$16.2	\$11.0



RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS - DYNAENERGETICS EBITDA AND ADJUSTED EBITDA

(\$MM except per share amounts)	2018	2019	2020	2021	2022	2023	6m'23	6m'24
Operating income	\$44.5	\$68.8	\$6.2	\$8.2	\$39.0	\$46.4	\$30.9	\$15.9
Depreciation	\$3.8	\$5.2	\$6.2	\$7.6	\$7.6	\$6.8	\$3.5	\$3.4
Amortization	\$2.5	\$1.2	\$1.1	\$0.5	\$0.3	\$0.1	\$0.0	\$0.0
Restructuring	—	\$18.6	\$2.9	—	—	\$3.0	—	—
Restructuring related inventory write down	—	\$0.6	—	—	—	—	—	—
Restructuring related accounts receivable write off	—	\$0.1	—	—	—	—	—	—
Accrued anti-dumping duties & penalties	\$8.0	—	—	—	—	—	—	—
Adjusted EBITDA	\$58.8	\$94.5	\$16.3	\$16.4	\$46.9	\$56.3	\$34.4	\$19.3





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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASUREMENTS - NOBELCLAD EBITDA AND ADJUSTED EBITDA

(\$MM except per share amounts)	2018	2019	2020	2021	2022	2023	6m'23	6m '24
Operating income	\$6.5	\$7.2	\$6.9	\$9.9	\$8.0	\$19.4	\$7.3	\$10.0
Depreciation	\$2.8	\$2.7	\$3.1	\$3.3	\$3.4	\$2.9	\$1.4	\$1.6
Amortization	\$0.4	\$0.4	\$0.4	\$0.5	\$0.3	—	—	—
Restructuring	\$1.1	\$0.9	\$0.3	\$0.1	\$0.2	\$0.4	—	—
Adjusted EBITDA	\$10.8	\$11.2	\$10.7	\$13.7	\$11.9	\$22.8	\$8.8	\$11.6



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

(\$MM except per share amounts)	Amount	Per Share (1)	Amount	Per Share (2)	Amount	Per Share (3)	Amount	Per Share (4)
	2022		2023		6m 2023		6m 2024	
Net income attributable to DMC Global Inc.	\$12.2	\$0.63	\$26.2	\$1.35	\$14.6	\$0.75	\$6.6	\$0.33
Strategic review expenses, net of tax	—	—	—	—	—	—	\$3.1	\$0.16
CEO transition expenses, net of tax	—	—	\$6.3	\$0.32	\$5.7	\$0.29	—	—
Restructuring expenses and asset impairments, net of tax	—	—	\$2.8	\$0.14	—	—	\$0.1	\$0.01
Nonrecurring retirement expenses, net of tax	\$0.9	\$0.05	—	—	—	—	—	—
NobelClad restructuring expenses and asset impairments, net of tax	\$0.1	\$0.01	—	—	—	—	—	—
Amortization of acquisition-related inventory valuation step-up, net of tax	\$0.2	\$0.01	—	—	—	—	—	—
As adjusted	\$13.5	\$0.70	\$35.3	\$1.81	\$20.3	\$1.04	\$9.8	\$0.50

(1) Calculated using diluted weighted average shares outstanding of 19,369,165

(2) Calculated using diluted weighted average shares outstanding of 19,518,382

(3) Calculated using diluted weighted average shares outstanding of 19,485,863

(4) Calculated using diluted weighted average shares outstanding of 19,647,005

