



# Q3 2025 EARNINGS UPDATE

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November 6, 2025

# SAFE HARBOR STATEMENT

This presentation contains certain items, such as earnings before interest, taxes, depreciation and amortization (EBITDA), Adjusted EBITDA, Adjusted EBITDA Margins, Adjusted Diluted EPS, Free Cash Flow and net debt, as well certain income and expense items on a per share basis, that could be considered ‘non-GAAP’ financial measures under SEC rules. We think such items provide useful information to investors regarding the Company’s operational performance.

This presentation also may contain statements, estimates, or projections that constitute “forward-looking statements” as defined under U.S. federal securities laws. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Company’s historical experience and our present expectations or projections as expressed or implied by the forward-looking statements in this presentation.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. Viewers are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update them publicly in light of new information or future events.

Certain additional disclosures regarding our use of “non-GAAP” items (including reconciliations to GAAP measures) and forward-looking statements are set forth in our SEC filings, including our most recent annual and quarterly reports.

Please refer item 7 in the Annual Report on Form 10-K for the concise reconciliation of our non-GAAP measures. Our use of such items in this presentation is subject to those additional disclosures, which we urge you to read.

# STRATEGIC ACTIONS

## Reviewing Strategic Alternatives for Structures Assembly Business

### CH-53K

- \$147 million pre-tax loss reserve and adjustment on the CH-53K program, recognizes full loss over the next 8 years
- Exploring exiting the structures assembly business, including the CH-53K
  - Engaging with customer to discuss potential solutions and contract modifications
  - Evaluating potential sale of the Amelia Earhart Production site in Salt Lake City

### GULFSTREAM

- Reached definitive agreement with Gulfstream to complete the current contract at the end of 2025



#### RATIONALE

- Complex structures assembly work does not align with the strategic priority of 3D woven technology and engineered advanced composite components
- The CH-53K contracts are long-term fixed price arrangements with complex supply chains – higher risk
- Despite actions to address the business challenge, we recognize that without modifications to the contracts there is no path to profitability



#### BENEFITS

- Substantially de-risk portfolio from future charges
- Focus on remaining programs that are all performing well and carry attractive margin profiles

# STRATEGIC OVERVIEW

Two unique end markets from one shared expertise in weaving technology

## MACHINE CLOTHING

Global leader in paper machine fabrics and process belts

Leading position in engineered fabrics supporting a range of industrial applications

Proprietary technology for complex applications with 700+ patents

Long-term stability trending with GDP

Strong free cash flow generator

## ENGINEERED COMPOSITES

Long-term growth engine

Grew organically from weaving and composites manufacturing capabilities

Industrialized and Proprietary 3D weaving technology - LEAP and GE9X

Differentiated capabilities in 3D weaving and infusion offer disruptive alternative to titanium components

High-temp capabilities attractive to hypersonic, conventional missiles and engine OEM

# FINANCIAL SNAPSHOT

Strong balance sheet and cash flow supports disciplined capital allocation

Balanced capital allocation strategy directed toward organic growth through CAPEX and consistent R&D investment, along with return of cash to shareholders.

Complementary business segments optimize capital generation and investment:

- Steady, predictable high cash generation in Machine Clothing
- High growth opportunities with 3D woven and advanced composites technologies in AEC

**For the trailing 12 months ended September 30, 2025**

**\$68M**

CAPEX Spend

**8%**

Outstanding Shares Repurchased

**\$47M**

R&D Spend

**1.7x**

Net Leverage Ratio as of 3Q25

**\$204M**

Cash Returned to Shareholders

**\$89M**

Free Cash Flow

# MACHINE CLOTHING END MARKETS

Global stability with softness in Asia

## GEOGRAPHY

### AMERICAS

*STABLE*

Growth in Tissue partly impacted by industry consolidation largely impacting packaging and corrugator segments.

### EUROPE

*STABLE*

Recovery continued through third quarter but starting to moderate.

### ASIA

*WEAK*

Overall demand at low level due to overcapacity in the supply chain.

## PAPER GRADE

### TISSUE

Bright spot globally with planned new investments supporting growing demand.

### PACKAGING

Long-term secular trends remain in-tact; near-term industry consolidation negatively impacting demand.

### PUBLICATION

Declining trend continues across all regions.

### PULP

Remains stable amidst weakening US Dollar and tariffs.

### ENGINEERED FABRIC

Remains stable with some softening in Corrugator and Fiber Cement.

Long-term stability driven by growing middle class, continued growth in e-commerce, sustainability and renewable paper products

# ENGINEERED COMPOSITES END MARKETS

Broad portfolio performing; portfolio reshaping to enhance profitability

## COMMERCIAL

### AEROSPACE

*GROWING*

LEAP deliveries increasing with customer demand.

BETA certification underway and production ramping.

Bell 525 successfully completing development efforts.

Early development of next-generation aircraft technologies underway.

### ENGINES

*GROWING*

New OEM opportunities driven by relationships and capabilities.

### ADVANCED AIR MOBILITY

*EMERGING*

Benefits of 3D Woven solutions garnering interest across industry.

## DEFENSE

### AEROSPACE

*STABLE*

F-35 program at rate.

Focusing new business development on components and technology.

### CONVENTIONAL MISSILES

*GROWING*

JASSM and LRASM programs.

New program win; Technology breadth and new CMC capabilities generating Solid Rocket Motor & motor case opportunities.

### HYPERSONIC MISSILES

*EMERGING*

US government funding continues to accelerate development. Engagement with multiple OEMs increasing.

Titanium Replacement Opportunities In Work Across Industries

Core Business Strong / Growth Driven by Differentiated Technologies

# Q3 CONSOLIDATED FINANCIALS

(Millions USD, except per share data)	Q3 2025	Q3 2024
Total Revenue*	\$261.4	\$298.4
Adjusted** EBITDA	\$56.2	\$66.9
Adjusted** EBITDA Margin	18.3%	21.5%
Adjusted** Diluted Earnings Per Share	\$0.71	\$1.12

Includes tax benefit of \$0.24

- \* Revenue includes unfavorable long-term program accounting impacts of \$46.0 million and \$13.3 million in Q3 2025 and Q3 2024, respectively, for the CH-53K program.
- \*\* For comparison, 2024 Adjusted EBITDA and Diluted EPS are presented to exclude the unfavorable impact of CH-53K and other adjustments in the prior period. For a full reconciliation of GAAP to non-GAAP results, please refer to the appendix as well as the tables and Basis of Presentation included in the earnings release dated November 5, 2025.

# Q3 MACHINE CLOTHING FINANCIALS

(Millions USD)	Q3 2025	Q3 2024
Revenue	\$175.0	\$183.0
Adjusted* EBITDA	\$54.2	\$60.8
Adjusted* EBITDA Margin	31.0%	33.2%

\* For a full reconciliation of GAAP to non-GAAP results, please refer to the appendix as well as the tables and Basis of Presentation included in the earnings release dated November 5, 2025.

# Q3 ENGINEERED COMPOSITES FINANCIALS

(Millions USD)	Q3 2025	Q3 2024
Revenue*	\$86.5	\$115.4
Adjusted** EBITDA	\$12.8	\$13.3
Adjusted** EBITDA Margin	9.6%	10.3%

\* Revenue includes unfavorable long-term program accounting impacts of \$46.0 million and \$13.3 million in Q3 2025 and Q3 2024, respectively, for the CH-53K program.

\*\* For comparison, 2024 Adjusted EBITDA and Diluted EPS are presented to exclude the unfavorable impact of CH-53K and other adjustments in the prior period. For a full reconciliation of GAAP to non-GAAP results, please refer to the appendix as well as the tables and Basis of Presentation included in the earnings release dated November 5, 2025.

# Q3 CASH FLOW AND BALANCE SHEET

(Millions USD)	Q3 2025	YTD
Free Cash Flow	\$25.7	\$30.0
R&D Spend	\$11.5	\$35.9
Capex	\$18.3	\$48.8
Share Repurchase	\$50.5	\$171.0

# GUIDANCE

Withdrawing full-year guidance; Q4 2025 broadly consistent with recent trends

- Full-year guidance withdrawn pending outcome of strategic review of Structures business.
- The Company intends to reintroduce full-year 2026 guidance when it reports fourth-quarter results.

## Underlying trends persist into Q4

### Machine Clothing

- Americas stable
- Moderate pace of recovery in Europe
- Continued weakness in China

### Engineered Composites

- Higher LEAP production volume
- Lower margin Structures assembly work continues to weigh on profitability

Focused on positioning for stronger long-term growth



# QUESTION AND ANSWER

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# APPENDIX

## GAAP to non-GAAP reconciliation

Three months ended September 30, 2025

(in thousands)	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
<b>Net revenues (GAAP)</b>	\$ 174,950	\$ 86,484	\$ —	\$ 261,434
CH-53K revenue impact	—	46,007	—	46,007
<b>Adjusted net revenues (non-GAAP)</b>	\$ 174,950	\$ 132,491	\$ —	\$ 307,441
<b>Gross profit/(loss) (GAAP)</b>	\$ 82,070	\$ (132,008)	\$ —	\$ (49,938)
CH-53K loss contract reserve and program adjustments	—	147,269	—	147,269
<b>Adjusted gross profit/(loss) (non-GAAP)</b>	\$ 82,070	\$ 15,261	\$ —	\$ 97,331
<b>Adjusted gross profit/(loss) margin (non-GAAP)</b>	46.9 %	11.5 %	— %	31.7 %
<b>Net income/(loss) (GAAP)</b>	\$ 43,103	\$ (148,012)	\$ 7,271	\$ (97,638)
Interest expense/(income), net	—	—	5,897	5,897
Income tax expense	—	—	(24,419)	(24,419)
Depreciation and amortization expense	8,604	13,479	355	22,438
<b>EBITDA (non-GAAP)</b>	<b>51,707</b>	<b>(134,533)</b>	<b>(10,896)</b>	<b>(93,722)</b>
Restructuring costs and other	1,960	113	1,124	3,197
CH-53K loss contract reserve and program adjustments	—	147,269	—	147,269
Foreign currency revaluation (gains)/losses	541	92	(1,054)	(421)
Other transition expenses	—	—	—	—
Pre-tax loss/(income) attributable to noncontrolling interest	2	(160)	—	(158)
<b>Adjusted EBITDA (non-GAAP)</b>	\$ <b>54,210</b>	\$ <b>12,781</b>	\$ <b>(10,826)</b>	\$ <b>56,165</b>
<b>Adjusted EBITDA margin (Adjusted EBITDA divided by Adjusted net revenues)</b>	<b>31.0 %</b>	<b>9.6 %</b>	<b>—</b>	<b>18.3 %</b>

# APPENDIX

## GAAP to non-GAAP reconciliation

Three months ended September 30, 2024

(in thousands)	Machine Clothing	Albany Engineered Composites	Corporate expenses and other	Total Company
<b>Net revenues (GAAP)</b>	\$ 183,033	\$ 115,353	\$ —	\$ 298,386
CH-53K revenue impact	—	13,311	—	13,311
<b>Adjusted net revenues (non-GAAP)</b>	\$ 183,033	\$ 128,664	\$ —	\$ 311,697
<b>Gross profit/(loss) (GAAP)</b>	\$ 88,921	\$ 1,463	\$ —	\$ 90,384
CH-53K loss contract reserve and program adjustments	—	13,311	—	13,311
<b>Adjusted gross profit/(loss) (non-GAAP)</b>	\$ 88,921	\$ 14,774	\$ —	\$ 103,695
<b>Adjusted gross profit/(loss) margin (non-GAAP)</b>	48.6 %	11.5 %	— %	33.3 %
<b>Net income/(loss) (GAAP)</b>	\$ 47,624	\$ (14,296)	\$ (15,106)	\$ 18,222
Interest expense/(income), net	—	—	2,411	2,411
Income tax expense	—	—	1,282	1,282
Depreciation and amortization expense	8,429	13,596	285	22,310
<b>EBITDA (non-GAAP)</b>	<b>56,053</b>	<b>(700)</b>	<b>(11,128)</b>	<b>44,225</b>
Restructuring costs and other	2,976	34	31	3,041
CH-53K loss contract reserve and program adjustments	—	13,311	—	13,311
Foreign currency revaluation (gains)/losses	1,435	(348)	1,793	2,880
Other transition expenses	—	993	(509)	484
Strategic/integration costs	410	—	2,559	2,969
Pre-tax (income) attributable to noncontrolling interest	(41)	(8)	—	(49)
<b>Adjusted EBITDA (non-GAAP)</b>	\$ <b>60,833</b>	\$ <b>13,282</b>	\$ <b>(7,254)</b>	\$ <b>66,861</b>
<b>Adjusted EBITDA margin (Adjusted EBITDA divided by Adjusted net revenues) (non-GAAP)</b>	33.2 %	10.3 %	—	21.5 %

# APPENDIX

## GAAP to non-GAAP reconciliation

Per share amounts (Diluted)	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Earnings per share attributable to Company shareholders - Basic (GAAP)	\$ (3.37)	\$ 0.58	\$ (2.38)	\$ 2.24
Effect of dilutive stock-based compensation plans	—	(0.01)	—	(0.01)
Earnings per share attributable to Company shareholders - Diluted (GAAP)	\$ (3.37)	\$ 0.57	\$ (2.38)	\$ 2.23
Adjustments, after tax:				
CH-53K loss contract reserve and program adjustments	4.00	0.32	4.34	0.33
Restructuring costs and other	0.09	0.09	0.19	0.20
Foreign currency revaluation (gains)/losses	(0.01)	0.06	0.37	(0.01)
Other transition expenses	—	0.01	(0.01)	0.05
Strategic/integration costs	—	0.07	0.02	0.12
Adjusted earnings per share attributable to Company shareholders - Diluted (non-GAAP)	\$ 0.71	\$ 1.12	\$ 2.53	\$ 2.92