



RCM Technologies, Inc.
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P R E S S R E L E A S E

RCM TECHNOLOGIES, INC. ANNOUNCES SECOND QUARTER RESULTS

Pennsauken, NJ – August 6, 2025 -- RCM Technologies, Inc. (NasdaqGM: RCMT), a premier provider of solutions designed to enhance the operational performance of its customers through the deployment of advanced engineering, specialty health care, and information technology services, today announced financial results for the thirteen and twenty-six weeks ended June 28, 2025.

RCM Technologies reported revenue of \$78.2 million for the thirteen weeks ended June 28, 2025 (the current quarter), an increase of 13.0% compared to \$69.2 million for the thirteen weeks ended June 29, 2024 (the comparable prior quarter). Gross profit was \$22.3 million for the current quarter, an 11.4% increase compared to \$20.0 million for the comparable prior quarter. The Company experienced GAAP net income of \$3.8 million, or \$0.50 per diluted share, for the current quarter compared to \$3.8 million, or \$0.47 per diluted share, for the comparable prior quarter. The Company experienced adjusted EBITDA (non-GAAP) of \$8.1 million for the current quarter, as compared to \$7.2 million for the comparable prior quarter. The Company experienced \$0.69 of adjusted net income per diluted share (non-GAAP) for the current quarter as compared to \$0.57 for the comparable prior quarter, an increase of 21.1%.

RCM Technologies reported revenue of \$162.6 million for the twenty-six weeks ended June 28, 2025 (the current period), an increase of 15.3% compared to \$141.1 million for the twenty-six weeks ended June 29, 2024 (the comparable prior-year period). Gross profit was \$44.3 million for the current period, a 9.6% increase compared to \$40.4 million for the comparable prior-year period. The Company experienced GAAP net income of \$8.0 million, or \$1.04 per diluted share, for the current period compared to \$7.7 million, or \$0.95 per diluted share, for the comparable prior-year period. The Company experienced adjusted EBITDA (non-GAAP) of \$15.9 million for the current period, as compared to \$14.0 million for the comparable prior-year period. The Company experienced \$1.32 of adjusted net income per diluted share (non-GAAP) for the current period as compared to \$1.11 for the comparable prior-year period, an increase of 18.9%.

Bradley Vizi, Executive Chairman of RCM Technologies, commented, “The second quarter exhibited consistent growth across all three segments demonstrating the resilience of the model as we build towards an expected strong second half of the year.”

Kevin Miller, Chief Financial Officer of RCM Technologies, commented, “Momentum within Engineering continues to build as we unlock the next leg of growth in the business.”

Conference Call

On Thursday, August 7, 2025, RCM Technologies will host a conference call to discuss these results. The call will begin at 11:30 a.m. Eastern Time. The dial-in number is (888) 272-8703.

About RCM

RCM Technologies (NasdaqGM: RCMT) is a business and technology solutions provider with world-class talent in key market segments. We help design, build, and enable the Industries of Tomorrow, Today. Operating at the intersection of resources, critical infrastructure and modernization of industries, RCM is a provider of services in Health Care, Engineering, Aerospace & Defense, Process & Industrial, Life Sciences and Data & Solutions. www.rcmt.com.

The statements contained in this release that are not purely historical are forward-looking statements within the Private Securities Litigation Reform Act of 1995. They are subject to various risks, uncertainties, and other factors that could cause the Company's actual results, performance, or achievements to differ materially from those expressed or implied by such forward-looking statements. These statements often include words such as "may," "will," "expect," "anticipate," "continue," "estimate," "project," "intend," "believe," "plan," "seek," "could," "can," "should," "are confident" or similar expressions. In addition, statements that are not historical should also be considered forward-looking statements. These statements are based on assumptions that we have made in light of our experience in the industry, and our perceptions of historical trends, current conditions, expected future developments, and other factors we believe are appropriate in these circumstances. Forward-looking statements include, but are not limited to, those relating to demand for the Company's services, expectations regarding our future revenues and other financial results, such as cash flows, our pipeline, and potential project wins, and our expectations for investment and growth in our business. Such statements are based on current expectations that involve several known and unknown risks, uncertainties, and other factors, which may cause actual events to be materially different from those expressed or implied by such forward-looking statements. Risk, uncertainties, and other factors may emerge from time to time that could cause the Company's actual results to differ from those indicated by the forward-looking statements. Investors are directed to consider such risks, uncertainties, and other factors described in documents filed by the Company with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. The Company assumes no obligation (and expressly disclaims any such obligation) to update any forward-looking statements contained in this release as a result of new information or future events or developments, except as may be required by law.

Tables to Follow

RCM Technologies, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)
(In Thousands, Except Share and Per Share Amounts)

| | Thirteen Weeks Ended | |
|---|-----------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 |
| Revenue | \$78,166 | \$69,164 |
| Cost of services | 55,889 | 49,163 |
| Gross profit | 22,277 | 20,001 |
| Selling, general and administrative | 15,275 | 13,545 |
| Depreciation and amortization of property and equipment | 401 | 332 |
| Amortization of acquired intangible assets | - | 46 |
| Potential stock issuance and financial transactions | - | 259 |
| Operating income | 6,601 | 5,819 |
| Other expense, net | 929 | 574 |
| Income before income taxes | 5,672 | 5,245 |
| Income tax expense | 1,887 | 1,483 |
| Net income | \$3,785 | \$3,762 |
| | | |
| Diluted net earnings per share data | \$0.50 | \$0.47 |
| Diluted weighted average shares outstanding | 7,537,787 | 7,955,943 |

| | Twenty-Six Weeks Ended | |
|---|-------------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 |
| Revenue | \$162,639 | \$141,103 |
| Cost of services | 118,384 | 100,735 |
| Gross profit | 44,255 | 40,368 |
| Selling, general and administrative | 30,246 | 27,744 |
| Depreciation and amortization of property and equipment | 825 | 619 |
| Amortization of acquired intangible assets | - | 91 |
| Potential stock issuance and financial transactions | - | 259 |
| Operating income | 13,184 | 11,655 |
| Other expense, net | 1,627 | 1,000 |
| Income before income taxes | 11,557 | 10,655 |
| Income tax expense | 3,586 | 2,941 |
| Net income | \$7,971 | \$7,714 |
| | | |
| Diluted net earnings per share data | \$1.04 | \$0.95 |
| Diluted weighted average shares outstanding | 7,650,272 | 8,078,049 |

RCM Technologies, Inc.
Supplemental Operating Results on a Non-GAAP Basis
(Unaudited)
(In Thousands, Except Per Share Amounts)

The following non-GAAP measures, which adjust for the categories of expenses described below, are non-GAAP financial measures. Our management believes that these non-GAAP financial measures (“Adjusted operating income,” “EBITDA,” “Adjusted EBITDA,” “Adjusted net income” and “Adjusted diluted net earnings per share”) are useful information for investors, shareholders, and other stakeholders of our Company in gauging our results of operations on an ongoing basis and to enhance investors’ overall understanding of our current financial performance and period-to-period comparisons. Adjusted operating income, EBITDA, Adjusted EBITDA, Adjusted net income and Adjusted diluted net earnings per share should not be considered alternatives to operating income or net income, as the case may be, as an indicator of performance. In addition, Adjusted operating income, EBITDA, Adjusted EBITDA, Adjusted net income and Adjusted diluted net earnings per share do not take into account changes in certain assets and liabilities and interest and income taxes that can affect cash flows. We do not intend the presentation of these non-GAAP measures to be considered in isolation or as a substitute for results prepared in accordance with GAAP. These non-GAAP measures should be read-only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

The following unaudited table presents the Company’s GAAP operating income and GAAP net income and the corresponding adjustments used to calculate Adjusted operating income, EBITDA, Adjusted EBITDA, Adjusted net income and Adjusted diluted net earnings per share for the thirteen and twenty-six weeks ended June 28, 2025 and June 29, 2024.

| | Thirteen Weeks Ended | | Twenty-Six Weeks Ended | |
|---|-----------------------------|--------------------------|-------------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| GAAP operating income | \$6,601 | \$5,819 | \$13,184 | \$11,655 |
| Adjustments | | | | |
| Potential stock issuance and financing transactions | - | 259 | - | 259 |
| Equity compensation | 1,133 | 752 | 1,906 | 1,387 |
| Adjusted operating income (non-GAAP) | \$7,734 | \$6,830 | \$15,090 | \$13,301 |
| GAAP net income | \$3,785 | \$3,762 | \$7,971 | \$7,714 |
| Income tax expense | 1,887 | 1,483 | 3,586 | 2,941 |
| Interest expense, net | 650 | 581 | 1,301 | 1,059 |
| Depreciation of property and equipment | 401 | 332 | 825 | 619 |
| Amortization of acquired intangible assets | - | 46 | - | 91 |
| EBITDA (non-GAAP) | \$6,723 | \$6,204 | \$13,683 | \$12,424 |
| Adjustments | | | | |
| Potential stock issuance and financing transactions | - | 259 | - | 259 |
| Loss (gain) on foreign currency transactions | 279 | (7) | 326 | (59) |
| Equity compensation | 1,133 | 752 | 1,906 | 1,387 |
| Adjusted EBITDA (non-GAAP) | \$8,135 | \$7,208 | \$15,915 | \$14,011 |

RCM Technologies, Inc.
Supplemental Operating Results on a Non-GAAP Basis (Continued)
(Unaudited)
(In Thousands)

| | Thirteen Weeks Ended | | Twenty-Six Weeks Ended | |
|---|-----------------------------|--------------------------|-------------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 | June 28, 2025 | June 29, 2024 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| GAAP net income | \$3,785 | \$3,762 | \$7,971 | \$7,714 |
| Adjustments | | | | |
| Potential stock issuance and financing transactions | - | 259 | - | 259 |
| Loss (gain) on foreign currency transactions | 279 | (7) | 326 | (59) |
| Equity compensation | 1,133 | 752 | 1,906 | 1,387 |
| Tax impact from normalized rate | (26) | (204) | (137) | (364) |
| Adjusted net income (non-GAAP) | \$5,171 | \$4,562 | \$10,066 | \$8,937 |
| GAAP diluted net earnings per share | \$0.50 | \$0.47 | \$1.04 | \$0.95 |
| Adjustments | | | | |
| Potential stock issuance and financing transactions | - | \$0.03 | - | \$0.03 |
| Loss (gain) on foreign currency transactions | \$0.04 | - | \$0.05 | - |
| Equity compensation | \$0.15 | \$0.09 | \$0.25 | \$0.17 |
| Tax impact from normalized rate | - | (\$0.02) | (\$0.02) | (\$0.04) |
| Adjusted diluted net earnings per share (non-GAAP) | \$0.69 | \$0.57 | \$1.32 | \$1.11 |

RCM Technologies, Inc.
Summary of Selected Income Statement Data
(Unaudited)
(In Thousands)

Thirteen Weeks Ended June 28, 2025

| | Specialty Health Care | Engineering | Life Sciences, Data and Solutions | Consolidated |
|---------------------|--------------------------|-------------|--------------------------------------|--------------|
| Revenue | \$42,822 | \$26,521 | \$8,823 | \$78,166 |
| Cost of services | 30,545 | 20,031 | 5,313 | 55,889 |
| Gross profit | \$12,277 | \$6,490 | \$3,510 | \$22,277 |
| Gross profit margin | 28.7% | 24.5% | 39.8% | 28.5% |

Thirteen Weeks Ended June 29, 2024

| | Specialty Health Care | Engineering | Life Sciences, Data and Solutions | Consolidated |
|---------------------|--------------------------|-------------|--------------------------------------|--------------|
| Revenue | \$36,932 | \$22,508 | \$9,724 | \$69,164 |
| Cost of services | 26,293 | 16,542 | 6,328 | 49,163 |
| Gross profit | \$10,639 | \$5,966 | \$3,396 | \$20,001 |
| Gross profit margin | 28.8% | 26.5% | 34.9% | 28.9% |

Twenty-Six Weeks Ended June 28, 2025

| | Specialty Health Care | Engineering | Life Sciences, Data and Solutions | Consolidated |
|---------------------|--------------------------|-------------|--------------------------------------|--------------|
| Revenue | \$86,105 | \$58,663 | \$17,871 | \$162,639 |
| Cost of services | 61,624 | 45,989 | 10,771 | 118,384 |
| Gross profit | \$24,481 | \$12,674 | \$7,100 | \$44,255 |
| Gross profit margin | 28.4% | 21.6% | 39.7% | 27.2% |

Twenty-Six Weeks Ended June 29, 2024

| | Specialty Health Care | Engineering | Life Sciences, Data and Solutions | Consolidated |
|---------------------|--------------------------|-------------|--------------------------------------|--------------|
| Revenue | \$75,114 | \$46,013 | \$19,976 | \$141,103 |
| Cost of services | 53,409 | 34,540 | 12,786 | 100,735 |
| Gross profit | \$21,705 | \$11,473 | \$7,190 | \$40,368 |
| Gross profit margin | 28.9% | 24.9% | 36.0% | 28.6% |

RCM Technologies, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)
(In Thousands, Except Share Amounts)

| | June 28, 2025 | December 28, 2024 |
|--|------------------|----------------------|
| | (Unaudited) | |
| Current assets: | | |
| Cash and cash equivalents | \$5,472 | \$4,729 |
| Accounts receivable and contract assets, net of provision for credit losses of \$1,541 at June 28, 2025 and \$1,570 at December 28, 2024 | 83,749 | 77,960 |
| Transit accounts receivable | 7,500 | 7,315 |
| Prepaid expenses and other current assets | 3,988 | 7,034 |
| Total current assets | 100,709 | 97,038 |
| Property and equipment, net | 7,433 | 7,368 |
| Other assets: | | |
| Deposits | 259 | 230 |
| Deferred tax assets, foreign | 135 | 120 |
| Goodwill | 22,147 | 22,147 |
| Operating right of use asset | 4,903 | 5,174 |
| Total other assets | 27,444 | 27,671 |
| Total assets | \$135,586 | \$132,077 |
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$9,762 | \$13,369 |
| Transit accounts payable | 22,385 | 23,870 |
| Accrued payroll and related costs | 10,369 | 9,929 |
| Finance lease payable | 715 | 698 |
| Income taxes payable | 788 | 346 |
| Operating lease liability | 1,116 | 1,046 |
| Contingent consideration from acquisitions | 212 | 212 |
| Deferred revenue | 9,143 | 4,163 |
| Total current liabilities | 54,490 | 53,633 |
| Deferred income taxes, net, domestic | 4,526 | 4,526 |
| Finance lease payable, net of current position | 750 | 1,112 |
| Operating lease liability, net of current position | 4,019 | 4,355 |
| Borrowings under line of credit | 34,015 | 34,967 |
| Total liabilities | 97,800 | 98,593 |
| Contingencies (note 15) | | |
| Stockholders' equity: | | |
| Preferred stock, \$1.00 par value; 5,000,000 shares authorized; no shares issued or outstanding | - | - |
| Common stock, \$0.05 par value; 40,000,000 shares authorized; 17,928,284 shares issued and 7,390,385 shares outstanding at June 28, 2025 and 17,838,372 shares issued and 7,602,113 shares outstanding at December 28, 2024 | 896 | 890 |
| Additional paid-in capital | 120,088 | 118,845 |
| Accumulated other comprehensive loss | (2,723) | (2,920) |
| Retained earnings (accumulated deficit) | 2,033 | (5,938) |
| Treasury stock, 10,537,899 shares at June 28, 2025 and 10,236,259 shares at December 28, 2024 | (82,508) | (77,393) |
| Total stockholders' equity | 37,786 | 33,484 |
| Total liabilities and stockholders' equity | \$135,586 | \$132,077 |

RCM Technologies, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In Thousands)

| | Thirteen Weeks Ended | |
|--|-----------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 |
| Net income | \$3,785 | \$3,762 |
| Adjustments to reconcile net income to cash used in operating activities | 1,796 | 1,442 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable and contract assets | (15,322) | 6,628 |
| Prepaid expenses and other current assets | 1,253 | (916) |
| Net of transit accounts receivable and payable | 2,722 | (527) |
| Accounts payable and accrued expenses | (4,739) | (660) |
| Accrued payroll and related costs | (2,236) | (2,462) |
| Operating lease liabilities | (294) | (154) |
| Income taxes payable | 501 | (638) |
| Deferred revenue | 4,681 | (836) |
| Deposits | (25) | 86 |
| Total adjustments | (11,663) | 1,963 |
| Net cash (used in) provided by operating activities | (\$7,878) | \$5,725 |
| Net cash used in investing activities | (473) | (398) |
| Net cash provided by (used in) financing activities | 8,491 | (3,796) |
| Effect of exchange rate changes on cash and cash equivalents | 151 | (150) |
| Increase in cash and cash equivalents | \$291 | \$1,381 |

| | Twenty-Six Weeks Ended | |
|--|-------------------------------|--------------------------|
| | June 28, 2025 | June 29, 2024 |
| Net income | \$7,971 | \$7,714 |
| Adjustments to reconcile net income to cash used in operating activities | 3,255 | 2,692 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable and contract assets | (5,764) | 3,826 |
| Prepaid expenses and other current assets | 3,040 | (796) |
| Net of transit accounts receivable and payable | (1,671) | (746) |
| Accounts payable and accrued expenses | (3,381) | 685 |
| Accrued payroll and related costs | 429 | (1,486) |
| Operating lease liabilities | (535) | (458) |
| Income taxes payable | 430 | (187) |
| Deferred revenue | 5,037 | 797 |
| Deposits | (29) | 110 |
| Total adjustments | 811 | 4,437 |
| Net cash provided by operating activities | \$8,782 | \$12,151 |
| Net cash used in investing activities | (900) | (1,067) |
| Net cash used in financing activities | (7,092) | (13,510) |
| Effect of exchange rate changes on cash and cash equivalents | (47) | (378) |
| Increase (decrease) in cash and cash equivalents | \$743 | (\$2,804) |