Methode Electronics, Inc.

2025 J.P. Morgan Automotive Conference

Jon DeGaynor, President and CEO

August 12, 2025

Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect, when made, our current views with respect to current events and financial performance. Such forward-looking statements are subject to many risks, uncertainties and factors relating to our operations and business environment, which may cause our actual results to be materially different from any future results, expressed or implied, by such forward-looking statements. All statements that address future operating, financial or business performance or our strategies or expectations are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “may,” “might,” “will,” “should,” “expects,” “plans,” “intends,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “potential,” “outlook” or “continue,” and other comparable terminology. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following:

- Dependence on the automotive, commercial vehicle, and construction industries;
- Timing, quality and cost of new program launches;
- Changes in electric vehicle (“EV”) demand;
- Investment in programs prior to the recognition of revenue;
- Impact from production delays or cancelled orders;
- Changes in global trade policies, including tariffs;
- Failure to attract and retain qualified personnel;
- Impact from inflation;
- Dependence on the availability and price of materials;
- Dependence on a small number of large customers;
- Dependence on our supply chain;
- Risks related to conducting global operations;
- Effects of potential catastrophic events or other business interruptions;
- Ability to withstand pricing pressures, including price reductions;
- Ability to compete effectively;
- Our lengthy sales cycle;
- Potential work stoppages;
- Ability to successfully benefit from acquisitions and divestitures;
- Ability to manage our debt levels;
- Ability to comply with restrictions and covenants under our credit agreement;
- Interest rate changes and variable rate instruments;
- Timing and magnitude of costs associated with restructuring activities;
- Recognition of goodwill and other intangible asset impairment charges;
- Risks associated with inventory;
- Ability to remediate a material weakness in our internal control over financial reporting;
- Currency fluctuations;
- Income tax rate fluctuations;
- Judgments related to accounting for tax positions;
- Risks associated with litigation and government inquiries;
- Risks associated with warranty claims;
- Impact of changing government regulations;
- Changing requirements by stakeholders on environmental or social matters;
- Effects of IT disruptions or cybersecurity incidents;
- Ability to innovate and keep pace with technological changes; and
- Ability to protect our intellectual property.

Additional details and factors are discussed under the caption “Risk Factors” in our periodic reports filed with the Securities and Exchange Commission. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect us. Any forward-looking statements made by us speak only as of the date on which they are made. We are under no obligation to, and expressly disclaim any obligation to, update or alter our forward-looking statements, whether as a result of new information, subsequent events or otherwise.

Non-GAAP Financial Measures



To supplement the company's financial statements presented in accordance with generally accepted accounting principles in the United States (“GAAP”), Methode uses Adjusted Net Income (Loss), Adjusted Diluted Earnings (Loss) Per Share, Adjusted Pre-Tax Income (Loss), Adjusted Income (Loss) from Operations, EBITDA, Adjusted EBITDA, Net Debt and Free Cash Flow as non-GAAP measures. Reconciliation to the nearest GAAP measures of all non-GAAP measures included in this presentation can be found at the end of this presentation. Methode's definitions of these non-GAAP measures may differ from similarly titled measures used by others. These non-GAAP measures should be considered supplemental to, and not a substitute for, financial information prepared in accordance with GAAP. The company believes that these non-GAAP measures are useful because they (i) provide both management and investors meaningful supplemental information regarding financial performance by excluding certain expenses and benefits that may not be indicative of recurring core business operating results, (ii) permit investors to view Methode's performance using the same tools that management uses to evaluate its past performance, reportable business segments and prospects for future performance, (iii) are commonly used by other companies in our industry and provide a comparison for investors to the company’s performance versus its competitors and (iv) otherwise provide supplemental information that may be useful to investors in evaluating Methode.

Key Messages

- Transformation focused on improving execution then growth – "**Earning the Right**"
- Q4 Free cash flow of **$26M,** highest level since FY23
- Record **$80M+** in FY25 power product sales in data centers; Similar or greater sales expected in FY26
- Reset of EV sales in FY26 due to **NA** market slowdown mainly driven by Stellantis; Expected return to growth in FY27
- Transformation progressing with priorities unchanged; Timeline extended given market conditions
- FY26 Guidance represents **100%+** increase in EBITDA despite ~$100M lower sales

Progress Being Made Despite Unplanned Events & Market Turbulence

Methode at a Glance

A leading global supplier of custom-engineered solutions for user interface, lighting system, and power distribution applications in the transportation, construction equipment, and cloud computing end markets.

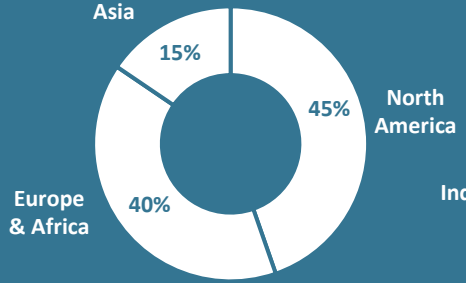
Established 1946
Headquartered in Chicago, IL

NYSE: MEI

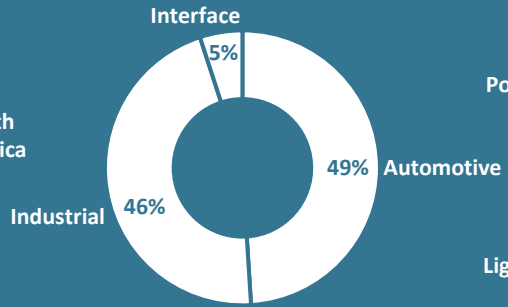
~6,500 Employees

FY 2025 SALES
$1.05B

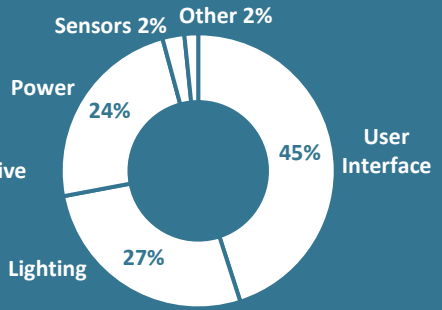
BY GEOGRAPHY



BY REPORTING SEGMENTS



BY SOLUTIONS



Tier 1 Technology Supplier

Global Manufacturing Footprint



Cost-Efficient Global Footprint – "Make Where We Sell"

Solutions, Products & Customers

	% of Sales		
User Interface	45%	• Center Consoles • Overhead Consoles	• Switch Modules • Remote Controls
Lighting	27%	• Ambient Lighting • Forward & Fog Lights • Rear Stop Lights	• Signal Lights • Warning Lights • Work Lights
Power Distribution	24%	• Battery Disconnects • Busbars	• Connectors • Lead Frames
Sensors	2%	• Current • Force & Load	• Position • Torque
Digital Data	2%	• 1G Transceivers • 10G Transceivers	• G.hn Modules • Micro-DPUs











Value-Added Solutions for World-Class OEMs

Solutions, Products & Customers

	% of Sales			
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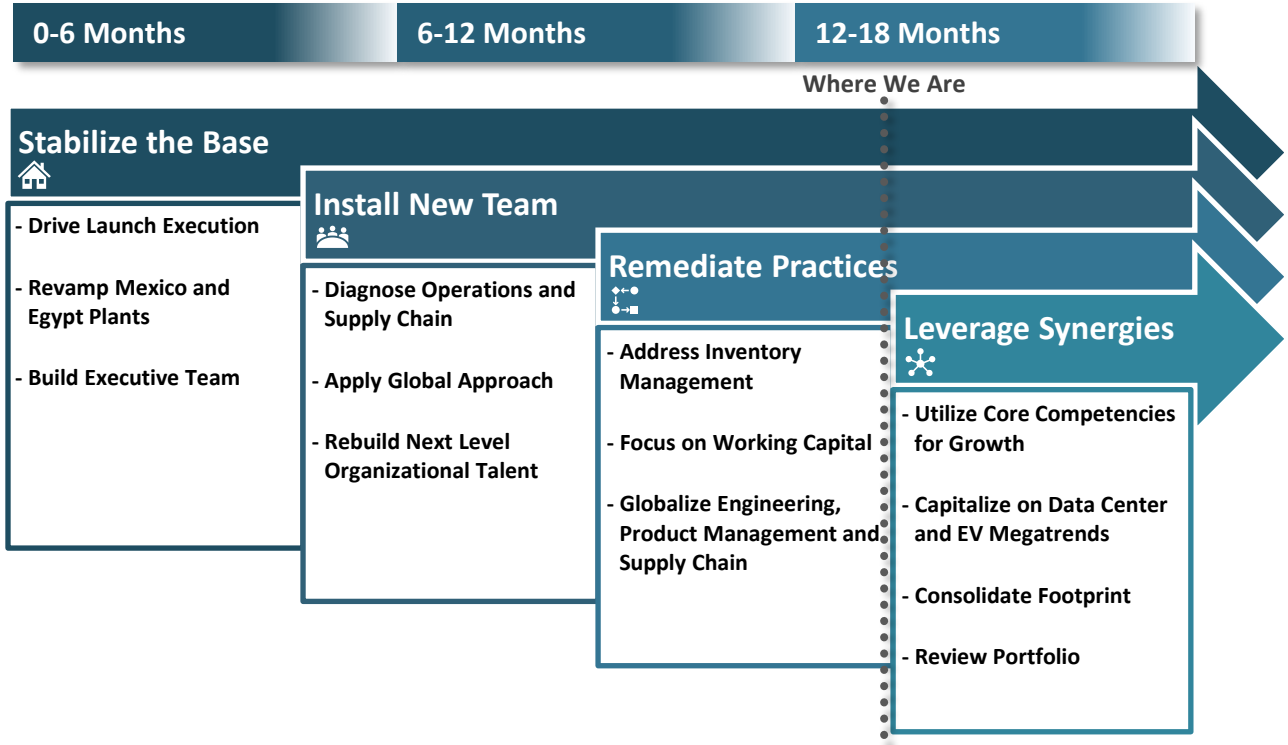
Growth Engines

3. Industrial Lighting

1. Data Centers
2. Vehicle Electrification

Power and Lighting Positioned to Drive Growth

Reflection on First Year and the Road Ahead in FY26



Building Foundation to Drive Consistent Execution

Transformation Roadmap and Accomplishments

Reset Performance



Improved Focus on Fundamental Operational Metrics & Levers

Improved:
- GM% 100 bps Y/Y*
- SG&A $9M Y/Y**
- Tooling Recovery $12M Y/Y

Reduced:
- A/R ($22M) Y/Y
- Freight ($11M) Y/Y
- Scrap ($2M) Y/Y
- Headcount by 548 Y/Y

Executed:
- Customer Pricing Actions
- Supplier Cost Reductions
- Material Sourcing Actions

Build & Grow Capabilities



New Executive Leadership at CEO, CFO, CPO, CSO, CHRO & SVP

New Next Level Leadership in Mexico and Egypt Operations and Supply Chain Organization

Selectively Utilizing Outside Consulting Resources

Improved Rigor & Discipline in:
- Program Launches
- Procurement
- Engineering
- Finance

Shift Our Culture



Working and Collaborating as "One Methode"

Leveraging Global Best Practices

Driving Numeracy and Cost Consciousness

Instilling Sense of Urgency at All Levels

Develop & Execute New Strategy



Deploying Proactive Portfolio Management Approach

Growth Focus on:
- Megatrends
- Higher Value Solutions
- Adjacent Markets

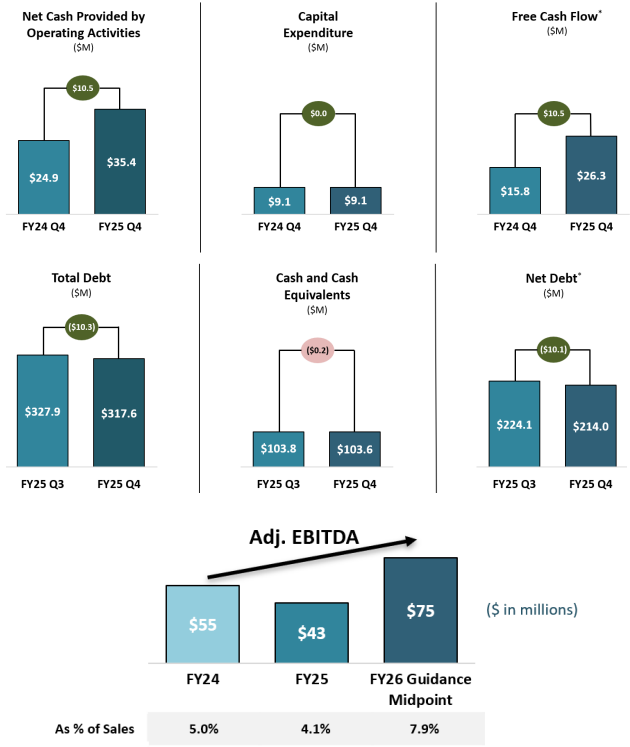
Initial Priorities:
- Non-Transportation Power
- Industrial Lighting
- Footprint Consolidation

Earning the "Right" with Customers, Employees, and Shareholders

** Excluding inventory adjustment and FX*
*** Excluding Goodwill, AlixPartners & CEO consulting fees*

Key Financial Highlights

- Sales of **$1.05 Billion** in FY25
- Adj. EBITDA* of **$43 Million** in FY25
- Free Cash Flow of **$26 Million** in FY25 Q4
- Debt and Net Debt Reduced **$10 Million** from FY25 Q3 to Q4
- Company **in compliance** with **all** credit facility covenants at the end of FY25
- Awards of **$1.0+ Billion** in Annual Sales FY22-FY25
- In FY25 Q4 earnings call, company provided FY26 guidance of **$70M to $80M** in EBITDA*



Solid Financial Footing Despite Portfolio Evolution & Market Headwinds

** See Appendix for reconciliation to GAAP*

How We Continue to “Earn the Right”

Fiscal 2026 Improvement Priorities

- Continue Foundational Actions
  - Execute Program Launches
  - Drive Operational Execution
  - Accelerate Lower-Level Team Rebuilding
- Refine Organization to Harmonize with Market Opportunities
  - Plant and SG&A Rightsizing
  - Footprint Consolidation
- Address Business Structure and Capital Discipline
  - Board Size Reduction
  - Headquarters Relocation
  - Dividend Adjustment
  - Portfolio Review
- Align Portfolio & Product Development with Megatrends to Drive Growth
  - Data Centers
  - Vehicle Electrification
  - Industrial Lighting



Foundational Actions of FY25 Position FY26 for Success

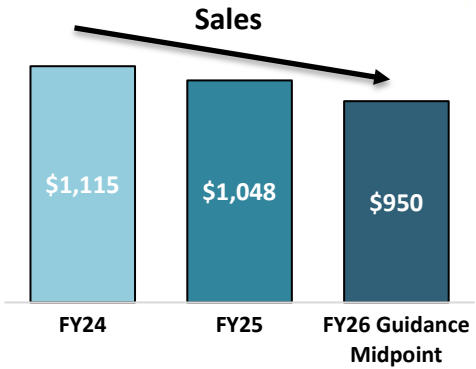
Guidance

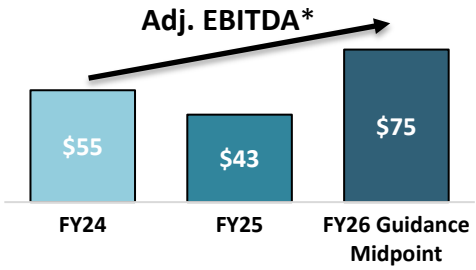
Fiscal 2026 Full Year Guidance

- Net sales range of $900 million to $1,000 million
  - FY25 was a 53-week fiscal year, and FY26 is a 52-week fiscal year
- EBITDA range of $70 million to $80 million
  - Second half of fiscal year expected to be higher than the first half

Fiscal 2026 Guidance Assumptions

- Current market outlook based on third party forecasts and customer projections
- Current U.S. tariff policy
- Depreciation and Amortization of $58 - $63 million
- CapEx of $24 - $29 million
- Interest Expense $21 - $23 million
- Tax Expense of $17 - $21 million





	FY24	FY25	FY26 Guidance Midpoint
As % of Sales	5.0%	4.1%	7.9%

Guidance is subject to change due to a variety of factors including tariffs, the successful launch of multiple new programs, the ultimate take rates on EV programs, success and timing of cost recovery actions, inflation, global economic instability, supply chain disruptions, transformation and restructuring efforts, potential impairments, any acquisitions or divestitures, and legal matters.

** See Appendix for reconciliation to GAAP*

Summary

- Transformation focused on improving execution then growth – “Earning the Right”
- Q4 Free cash flow of **$26M**, highest level since FY23
- Record **$80M+** in FY25 power product sales in data centers; Similar or greater sales expected in FY26
- **FY26 Guidance represents 100%+ increase in EBITDA despite ~$100M lower sales**

Thank You

Appendix

METHODE ELECTRONICS, INC. AND SUBSIDIARIES
RECONCILIATION OF NON-GAAP MEASURES (unaudited)
(in millions)

	Three Months Ended		Fiscal Year Ended	
	May 3, 2025 (13 Weeks)	April 27, 2024 (13 Weeks)	May 3, 2025 (53 Weeks)	April 27, 2024 (52 Weeks)
EBITDA:				
Net loss	$ (28.3)	$ (57.3)	$ (62.6)	$ (123.3)
Income tax expense (benefit)	(2.1)	(5.8)	12.5	(4.8)
Interest expense, net	5.5	4.5	22.0	16.7
Amortization of intangibles	5.8	6.0	23.4	24.0
Depreciation	10.2	8.6	35.1	33.9
EBITDA	(8.9)	(44.0)	30.4	(53.5)
Goodwill impairment	—	49.4	—	105.9
Acquisition costs	—	—	—	0.5
Acquisition-related costs - purchase accounting adjustments related to inventory	—	—	—	0.5
Transformation costs *	—	—	8.7	—
Partial write-off of unamortized debt issuance costs	—	—	1.2	—
Restructuring costs and asset impairment charges	2.0	2.3	2.7	3.7
Net gain on sale of non-core assets	(0.2)	(2.4)	(0.5)	(1.8)
Adjusted EBITDA	$ (7.1)	$ 5.3	$ 42.5	$ 55.3

* Represents professional fees related to the Company's cost reduction initiative.

Refreshed Executive Management Team



CEO

Jon DeGaynor

- Started 7/15/24
- 35-Year Career
- Former CEO at *Stoneridge*



CPO

John Erwin

- Started 7/17/24
- 35-Year Career
- Formerly at *Guardian & GM*



CFO

Laura Kowalchik

- Started 10/1/24
- 30-Year Career
- Former CFO at *CPI & Dayco*



VP China & EMEA OPS

Sadek El Idrissi

- Promoted 11/27/24
- 18 Years at Methode
- Leading Manufacturing Standardization



SVP Global Auto

Lars Ullrich

- Started 12/2/24
- 20-Year Career
- Formerly at *Infineon & Bosch*



CHRO

Karen Keegans

- Started 2/3/25
- 30-Year Career
- Former CHRO at *Rockwell & Pentair*



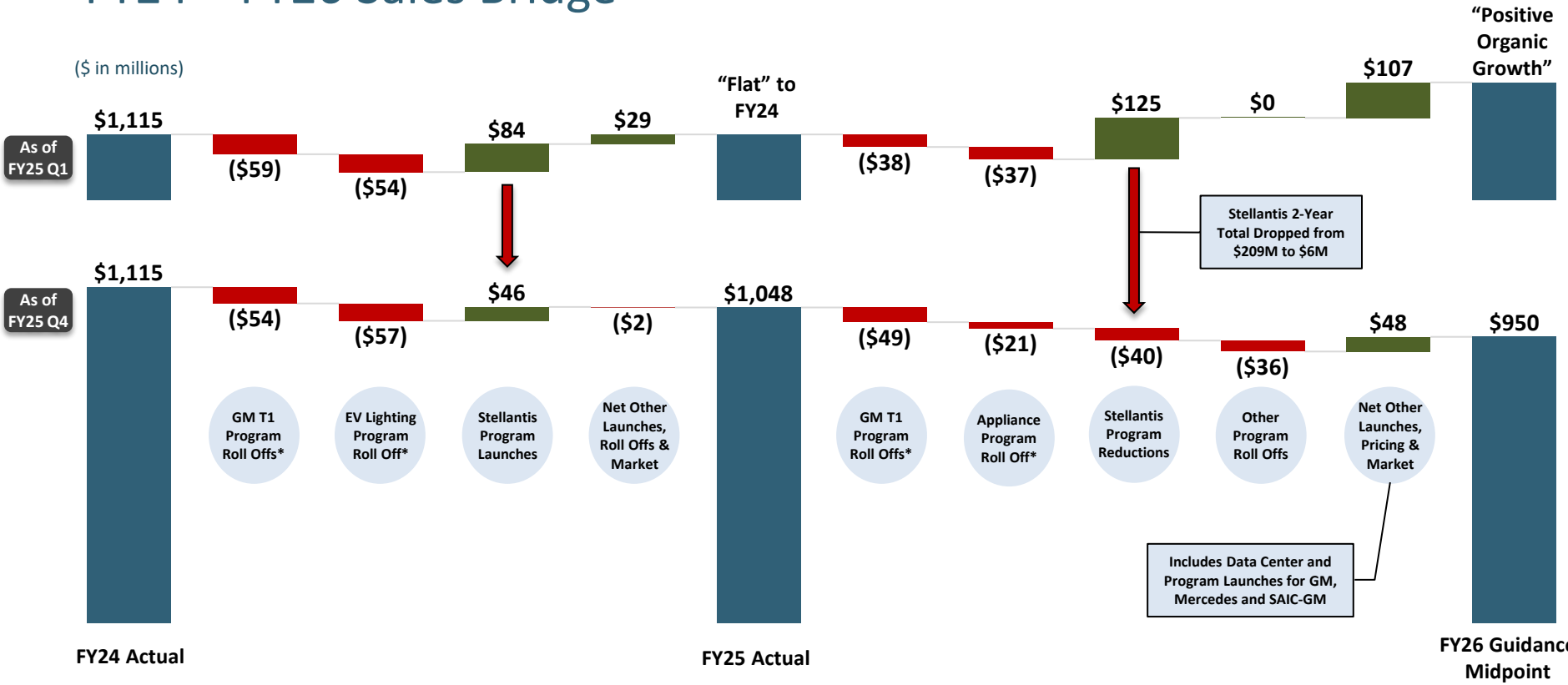
CSO

Brad Corrodi

- Starting 3/10/25
- 30-Year Career
- Formerly at *Stoneridge & Booz Allen*

Highly Experienced New Leadership

FY24 – FY26 Sales Bridge



Soft EV Market Resetting Outlook; New Mix Improves Customer Diversity

** Previously disclosed end-of-life program roll offs*