Methode Electronics, Inc.

2025 Sidoti Small Cap Conference

Jon DeGaynor, President and CEO

September 18, 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 is **On Track**
- Continued **Growth in Power Products** Sales including Data Centers
- Income from Operations up **$9M in Q1**, Driven by Significant S&A Reductions and Ongoing Operational Improvements
- **Three Straight Quarters** of Strong Free Cash Flow and Net Debt Reduction
- Fiscal 2026 **Guidance Affirmed**

Outstanding Methode Team Effort

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.

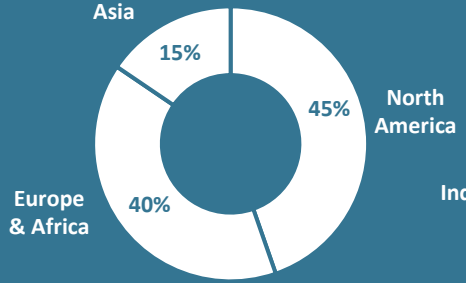
Established 1946
Headquartered in Chicago, IL

NYSE: MEI

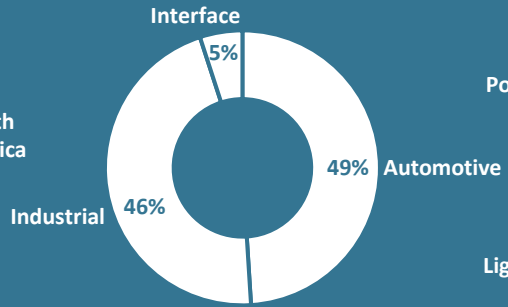
~6,500 Employees

FY 2025 SALES
$1.05B

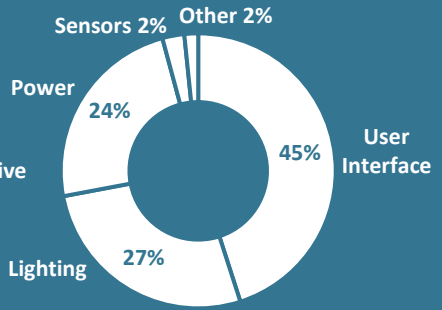
BY GEOGRAPHY



BY REPORTING SEGMENTS



BY SOLUTIONS



Tier 1 Technology Supplier

Global Manufacturing Footprint



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

Power Solutions Enterprise

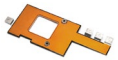
- Methode Leveraging **60+** Years of Power Distribution Expertise and Experience
- Recent Growth Driven by Electric Vehicles (EVs), Data Centers and Mil/Aero
  - *Supplied Busbars on EV for the Past **10+** Years*
  - *Supplied Busbars for Data Centers for the Past **15+** Years*
  - *Supplied Busbars for Mil/Aero for Past **25+** Years*

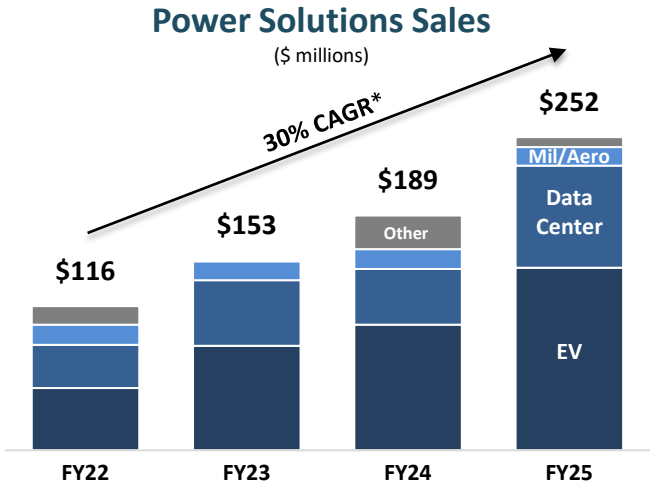


- **Sales CAGR of 30% since Fiscal 2022**
- Products Expected to Drive Further Growth:
  - *High-Voltage Busbars for Data Centers* →
  - *Interconnect Boards for EVs* →
  - *Advanced Power Products for Mil/Aero Applications* →





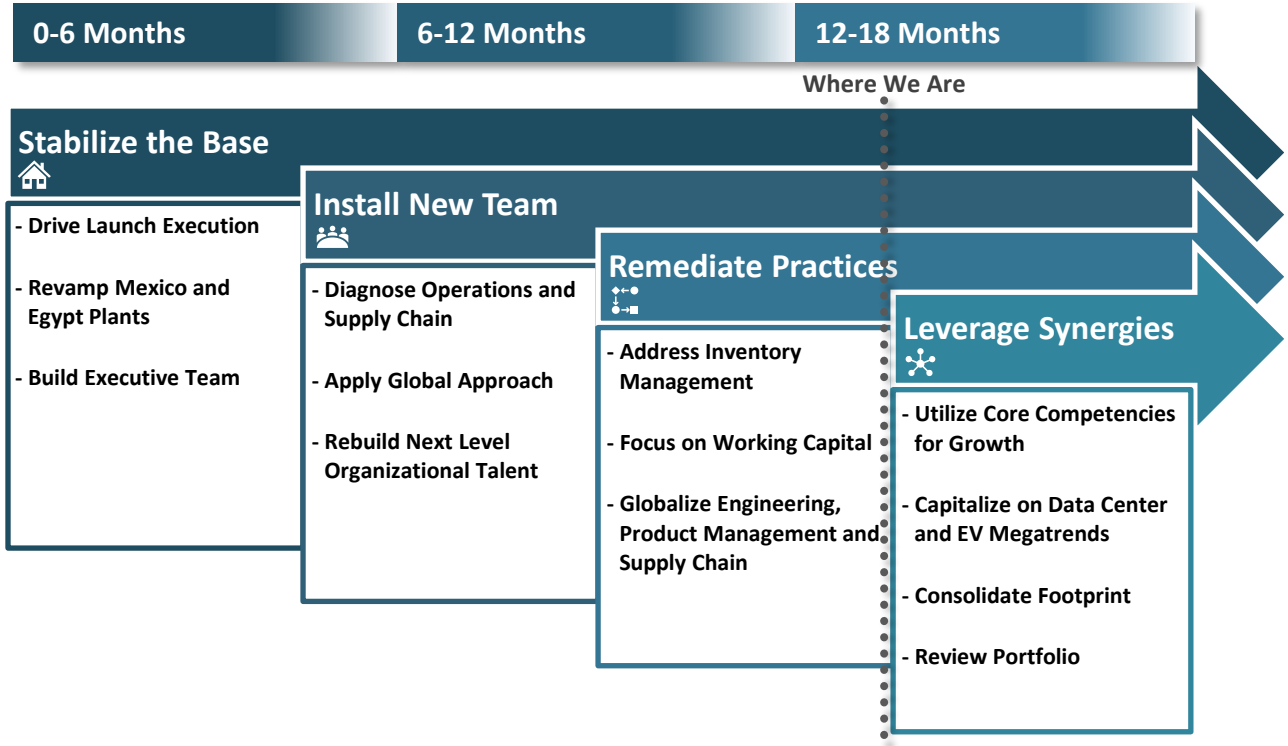




Investing in Power Solutions Growth Engine

** Compounded Annual Growth Rate*

Transformation Update



Continuing to Build Foundation to Drive Consistent Execution

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

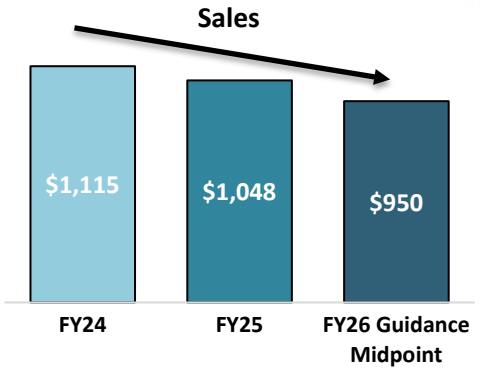
Guidance

Fiscal 2026 Full Year Guidance Affirmed

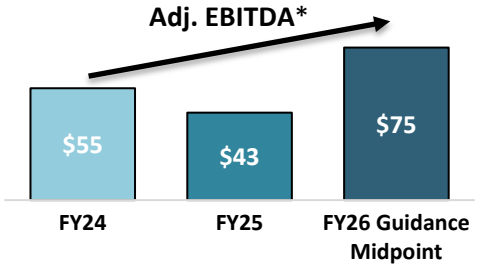
- Net sales range of $900 million to $1,000 million
  - FY25 was a 53-week fiscal year, and FY26 is a 52-week fiscal year
- EBITDA range of $70 million to $80 million
  - Second half of fiscal year expected to be higher than the first half
- Free cash flow expected to be positive for FY26

Fiscal 2026 Guidance Assumptions

- Current market outlook based on third party forecasts & 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, of which $10 - $15 million is for valuation allowance on deferred tax assets



($ in millions)



($ in millions)

	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*

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.