



Methode Electronics Earnings Presentation

Third Quarter Fiscal 2026

March 6, 2026

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;
- Production delays or cancelled orders;
- Changes in global trade policies, including tariffs;
- Failure to attract and retain qualified personnel;
- 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;
- 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.

Financial Summary

**Fiscal
3Q'26**

\$234M
Net Sales

\$7.3M
Adjusted EBITDA*

\$10.1M
Free Cash Flow*

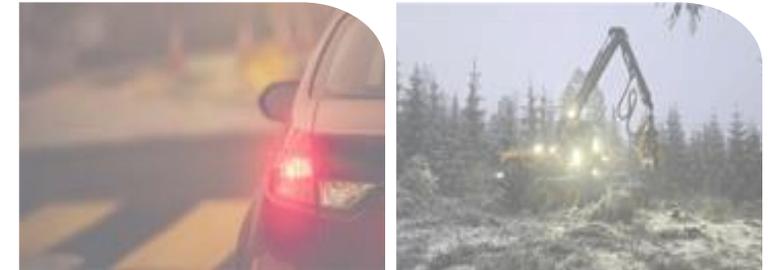


**Fiscal
YTD'26****

\$721M
Net Sales

\$40.6M
Adjusted EBITDA*

\$16.5M
Free Cash Flow*



Highlights

- Industrial sales up 9.5% for the quarter, driven by off-road lighting and data center applications
- Continued our transformation journey as we:
 - Made additional progress in Mexico operations transformation
 - Subsequent to quarter end, closed on sale of dataMate, purchase price of \$16M
 - Finalized sale agreement for Harwood Heights, IL facility



Progressing transformation initiatives while managing near-term volatility

Transformation Update



Building a solid foundation to drive consistent execution

Portfolio Optimization: Sale of dataMate business

Business Overview	<ul style="list-style-type: none">• Supplier of copper transceivers to enterprise networking and telecom customers within the Interface segment• Focused on data-over-copper and single pair powered ethernet solutions
Strategic Rationale	<ul style="list-style-type: none">• Aligns resources with data center and AI infrastructure demand• Sharpens emphasis on power solutions platform• Prioritizes high-density power delivery and distribution products
Deal Terms / Timing	<ul style="list-style-type: none">• Sold to Bel Fuse Inc.• Closed on March 5, 2026• \$16M purchase price
Use of Proceeds	<ul style="list-style-type: none">• Supports ongoing debt reduction and working capital needs

Furthering our **transformation journey** as we:

- **Refine** our organization
- **Align** our portfolio
- **Improve** our business structure

Power Solutions Offerings

Highlights

Experience

Leveraging 60+ years of power distribution engineering expertise

End Markets

Recent results driven by EVs, data centers and mil/aero applications

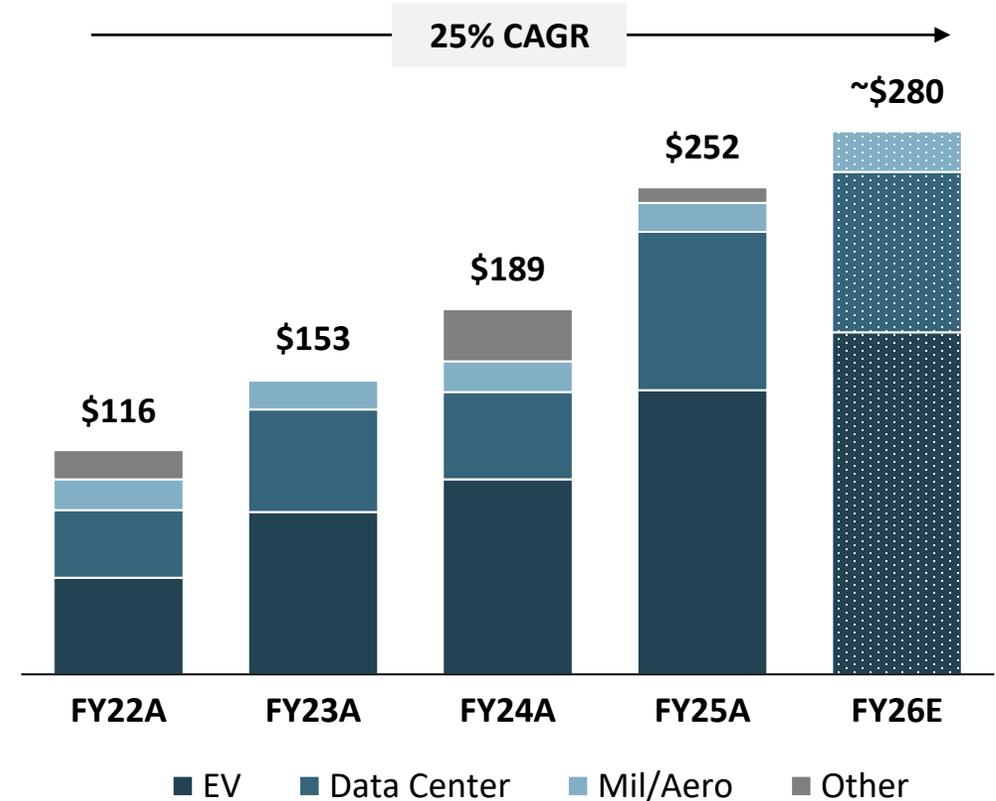
Products

Expect growth in 800-volt busbars, interconnects, and advanced power products

Customers

Partnering with customers to speed up delivery of product with programs such as vendor managed inventory (VMI)

Net Sales (\$ Millions)



Selectively investing in the data center business for long-term growth

Operational and Strategic Priorities

Foundational Actions

- **Harmonizing operating practices and processes** across businesses and geographies with intensive business reviews at our manufacturing facilities
- **Driving operating excellence and continuous improvement** with 11 manufacturing site visits to Egypt, Malta, and Mexico conducted in the first nine months of fiscal 2026

Refine Organization

- **Topgrading of leadership** substantially completed across the organization
- **Working as “One Methode”** by aligning leadership and strengthening the execution focus within the company culture

Align Portfolio

- **Completed sale of dataMate** after quarter-end refining focus on key growth areas
- **Aligning portfolio with megatrends**, including data centers and vehicle electrification
- **Driving a disciplined approach to long-term growth investments**, particularly power solutions offerings

Business Structure

- **Relocated corporate headquarters** to Southfield, Michigan
- Finalized agreement for the **sale of Harwood Heights, IL facility**



Site visit to Methode Malta facility



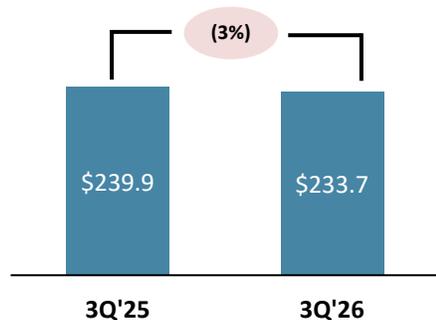
Company owned headquarters in Michigan

Increased intensity and urgency to drive financial and operational improvement

Fiscal 3Q 2026 Financial Review

Reported Financials (\$M, except EPS)

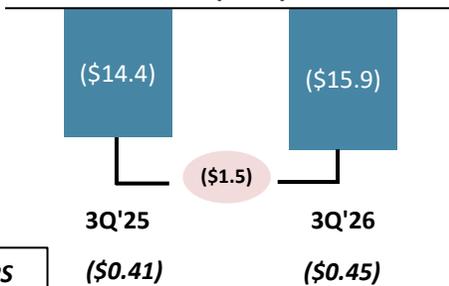
Net Sales



Commentary

- Lower volumes Y/Y in Automotive segment due to reduction in Electric Vehicle volumes
- Higher industrial sales volumes for off-road equipment lighting and power products
- Lower sales volumes of touch panels for appliances in Interface segment
- Positively impacted by positive foreign currency translation

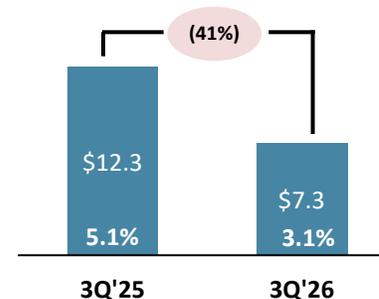
Net Income (Loss) and EPS



- Net Loss increased Y/Y due to lower sales volumes and mix

Adjusted Financials* (\$M, except EPS)

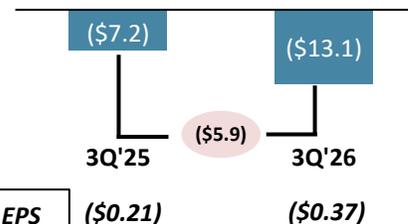
Adjusted EBITDA



Commentary

- Adjusted EBITDA down Y/Y due to lower sales volumes and mix

Adjusted Net Income (Loss) and Adjusted EPS

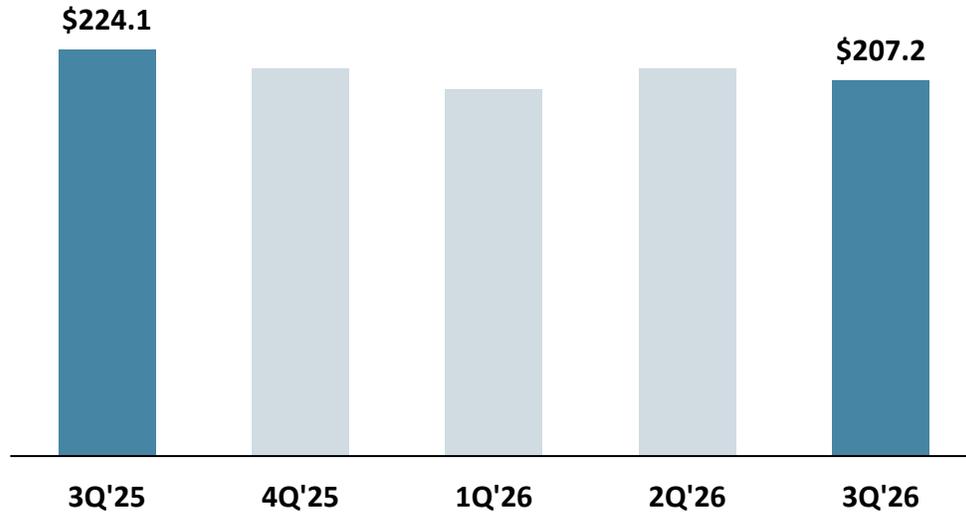


- Adjusted Net Loss increased Y/Y due to lower sales volumes and mix
- Reflecting lower adjustments compared to the prior fiscal year period

Executing transformation strategy while managing near-term volatility; long-term vision intact

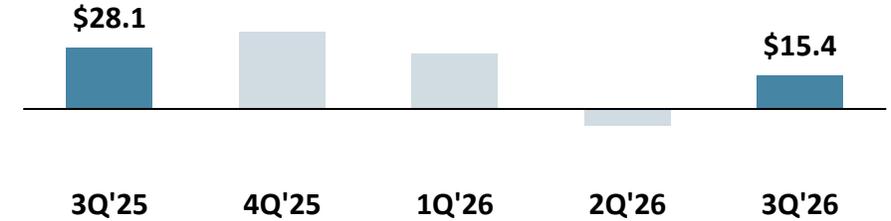
Disciplined Capital Allocation Strategy

Net Debt (\$M)*⁽¹⁾

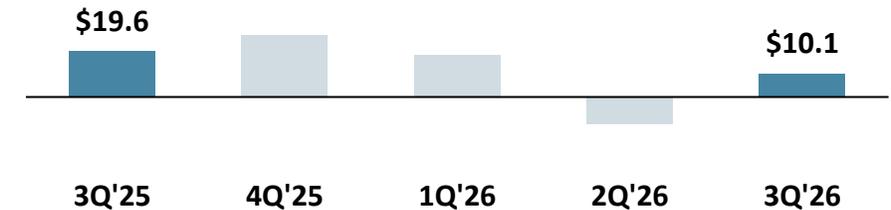


Reduced net debt by \$16.9M or 8% year-over-year

Operating Cash Flow (\$M)



Free Cash Flow (\$M)*



Generated +\$16.5M of free cash flow in YTD'26

Focused on robust free cash flow generation to support further net leverage reduction

Fiscal 2026 Guidance

\$ Millions	Fiscal 2025 Actuals	Fiscal 2026 Current Guidance
Net sales	\$1,048	\$950-1,000
Interest expense	\$22	\$21-23
Tax expense	\$13	\$17-21
D&A	\$59	\$58-63
Adjusted EBITDA*	\$43	\$58-62
Capital expenditures	\$42	\$24-29

FY26 Guidance Commentary

- Dynamic operating environment could impact results
- Does not include sale proceeds from dataMate or Harwood Heights
- Does not include potential customer recoveries
- Net sales reflects ~\$30M FX favorable impact
- Interest expense reflects borrowings at similar levels and rates
- Tax expense includes \$10 to \$15M for valuation allowance on deferred tax assets
- Continue to tightly manage capital expenditures
- Continue to expect positive free cash flow

* Refer to the appendix for GAAP to non-GAAP reconciliation

** Fiscal 2026 contains 52 weeks; Fiscal 2025 contained 53 weeks

***Guidance is subject to change due to a variety of factors including tariffs, geopolitical instability such as conflicts in the Middle East, 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.

****Due to the inherent difficulty of forecasting the timing and amount of certain items that would impact net income, such as foreign currency gains and losses, we are unable to reasonably estimate net income, the GAAP financial measure most directly comparable to Adjusted EBITDA. Accordingly, we are unable to provide a reconciliation of Adjusted EBITDA to net income with respect to the guidance provided.

Key Takeaways



Continued progress on strategic transformation while managing near-term volatility



Industrial segment momentum, especially data center power solutions



Automotive segment pressured in North American market; EMEA remains steady



Aggressively driving free cash flow and net debt reduction for fiscal 2026

Steadily advancing our transformation journey, while executing value-creating actions to drive long-term shareholder returns



Thank You

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.

Appendix

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

	Three Months Ended		Nine Months Ended	
	January 31, 2026 (13 Weeks)	February 1, 2025 (13 Weeks)	January 31, 2026 (39 Weeks)	February 1, 2025 (40 Weeks)
EBITDA:				
Net loss	\$ (15.9)	\$ (14.4)	\$ (36.1)	\$ (34.3)
Income tax expense	2.8	6.2	12.7	14.6
Interest expense, net	5.4	5.5	17.0	16.5
Amortization of intangibles	5.8	5.8	17.4	17.6
Depreciation	8.8	8.3	27.1	24.9
EBITDA	6.9	11.4	38.1	39.3
Transformation costs *	—	0.9	—	7.9
Partial write-off of unamortized debt issuance costs	—	—	0.6	1.2
Restructuring costs and asset impairment charges	0.4	—	2.4	0.7
Net gain on sale of non-core assets	—	—	(0.5)	(0.3)
Adjusted EBITDA	\$ 7.3	\$ 12.3	\$ 40.6	\$ 48.8
Adjusted EBITDA as a % of net sales	3.1%	5.1%	5.6%	6.2%
	Three Months Ended		Nine Months Ended	
	January 31, 2026 (13 Weeks)	February 1, 2025 (13 Weeks)	January 31, 2026 (39 Weeks)	February 1, 2025 (40 Weeks)
Free Cash Flow:				
Net cash provided (used) by operating activities	\$ 15.4	\$ 28.1	\$ 33.1	\$ (9.0)
Purchases of property, plant and equipment	(5.3)	(8.5)	(16.6)	(32.5)
Free cash flow	\$ 10.1	\$ 19.6	\$ 16.5	\$ (41.5)
	January 31, 2026		May 3, 2025	
Net Debt:				
Short-term debt		\$ 0.2	\$ 0.2	
Long-term debt		340.7	317.4	
Total debt		340.9	317.6	
Less: cash and cash equivalents		(133.7)	(103.6)	
Net debt		\$ 207.2	\$ 214.0	



Appendix

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

	Three Months Ended							
	January 31, 2026 (13 Weeks)				February 1, 2025 (13 Weeks)			
	Income (loss) from operations	Pre-tax income (loss)	Net income (loss)	Diluted income (loss) per share	Income (loss) from operations	Pre-tax income (loss)	Net income (loss)	Diluted income (loss) per share
U.S. GAAP (as reported)	\$ (6.1)	\$ (13.1)	\$ (15.9)	\$ (0.45)	\$ (2.2)	\$ (8.2)	\$ (14.4)	\$ (0.41)
Transformation costs	—	—	—	\$ —	0.9	0.9	0.7	\$ 0.02
Restructuring costs and asset impairment charges	0.4	0.4	0.4	\$ 0.01	—	—	—	\$ —
Net gain on sale of non-core assets	—	—	—	\$ —	—	—	—	\$ —
Valuation allowance on deferred tax assets	—	—	2.4	\$ 0.07	—	—	6.5	\$ 0.18
Non-U.S. GAAP (adjusted)	<u>\$ (5.7)</u>	<u>\$ (12.7)</u>	<u>\$ (13.1)</u>	<u>\$ (0.37)</u>	<u>\$ (1.3)</u>	<u>\$ (7.3)</u>	<u>\$ (7.2)</u>	<u>\$ (0.21)</u>

	Nine Months Ended							
	January 31, 2026 (39 Weeks)				February 1, 2025 (40 Weeks)			
	Income (loss) from operations	Pre-tax income (loss)	Net income (loss)	Diluted income (loss) per share	Income (loss) from operations	Pre-tax income (loss)	Net income (loss)	Diluted income (loss) per share
U.S. GAAP (as reported)	\$ (2.1)	\$ (23.4)	\$ (36.1)	\$ (1.02)	\$ (0.3)	\$ (19.7)	\$ (34.3)	\$ (0.97)
Transformation costs	—	—	—	\$ —	7.9	7.9	6.1	\$ 0.17
Partial write-off of unamortized debt issuance costs	—	0.6	0.5	\$ 0.01	—	1.2	0.9	\$ 0.03
Restructuring costs and asset impairment charges	2.4	2.4	2.0	\$ 0.06	0.7	0.7	0.6	\$ 0.02
Net gain on sale of non-core assets	—	(0.5)	(0.4)	\$ (0.01)	—	(0.3)	(0.2)	\$ (0.01)
Valuation allowance on deferred tax assets	—	—	6.4	\$ 0.18	—	—	14.0	\$ 0.39
Non-U.S. GAAP (adjusted)	<u>\$ 0.3</u>	<u>\$ (20.9)</u>	<u>\$ (27.6)</u>	<u>\$ (0.78)</u>	<u>\$ 8.3</u>	<u>\$ (10.2)</u>	<u>\$ (12.9)</u>	<u>\$ (0.37)</u>

