



PLP First Quarter 2025 Earnings Presentation

May 1, 2025



FORWARD LOOKING STATEMENTS AND NON-GAAP MEASURES

Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements regarding Preformed Line Products Company's (the "Company", "we" "us" or "our") and our management's beliefs and expectations. Any forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. As a general matter, forward-looking statements are those focused upon future plans, objectives or performance (as opposed to historical items) and include statements of anticipated events or trends and expectations and beliefs relating to matters not historical in nature. Use of words such "anticipates," "believes," "may," "should," "will," "would," "could," "plans," "projects," "expects," "estimates," "predicts," "targets," "forecasts," "intends," "contemplates," and similar words may identify forward-looking statements. Such forward-looking statements are subject to uncertainties and factors relating to the Company's operations and business environment, all of which are difficult to predict and many of which are beyond our control. Such uncertainties and factors could cause our actual results to differ materially from those matters expressed in or implied by such forward-looking statements, and include, without limitation, the following: (1) the overall demand for cable anchoring and control hardware for electrical transmission and distribution lines on a worldwide basis, which has a slow growth rate in mature markets and may grow slowly or experience prolonged delay in developing regions despite expanding power needs; (2) the impact of global political and economic conditions on our ongoing profitability and future growth opportunities in our core markets, which may experience continued or further instability, such as due to inflation and rising interest rates, tariffs, social unrest, acts of war, military conflict, international hostilities or the perception that hostilities may be imminent, terrorism, changes in diplomatic and trade relationships and public health concerns; (3) the ability of our customers to raise funds needed to build the infrastructure projects their customers require; (4) technological developments that affect longer-term trends for communication lines, such as wireless communication; (5) the decreasing demand for products supporting copper-based infrastructure due to the introduction of products using new technologies or adoption of new industry standards; (6) our success at continuing to develop proprietary technology and maintaining high quality products and customer service to meet or exceed new industry performance standards and individual customer expectations; (7) our success in strengthening and retaining customer relationships, growing sales and expanding geographically; (8) our success in supporting the renewable energy sector; (9) the growth of autonomous technologies and artificial intelligence; (10) the extent to which we are successful at expanding our product line or production facilities into new areas or implementing efficiency measures at existing facilities; (11) the effects of fluctuation in currency exchange rates, together with non-currency risks of investing in and conducting significant operations in foreign countries, including those relating to political, social, economic and regulatory factors; (12) our ability to identify, complete, obtain funding for and integrate acquisitions for profitable growth; (13) the potential impact of consolidation, deregulation and bankruptcy among our suppliers, competitors and customers and of any legal or regulatory claims; (14) competition and customer price pressure on our products; (15) the cost, availability and quality of raw materials required for the manufacture of products and any tariffs that may be associated with the purchase of these products and impacts of any disruption to our supply chain; (16) strikes, labor disruptions and other fluctuations in labor costs; (17) changes in significant government regulations affecting tax, environmental compliance or other litigation matters; (18) security breaches or other disruptions to our information technology structure; (19) the frequency and intensity of severe weather; (20) the telecommunications market's continued deployment of Fiber-to-the-Premises; (21) the impact of any failure to timely implement and maintain adequate financial, information technology and management processes and controls and procedures; and (22) additional factors described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the U.S. Securities and Exchange Commission.

In light of these risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement that we make in this presentation speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

Non-GAAP Financial Measures

In addition to the results provided in accordance with GAAP, this presentation includes certain non-GAAP measures, which present operating results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with GAAP and include: (i) free cash flow (or FCF) and (ii) free cash flow conversion (or FCF conversion).

We believe that these are useful as supplemental measures in assessing the operating performance of our business. These permit investors to assess the operating performance of our business relative to our performance based on GAAP results and relative to other companies within our industry by isolating the effects of certain items that may vary from period to period without correlation to core operating performance or that vary widely among similar companies. However, our inclusion of these adjusted measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items or that the items for which we have made adjustments are unusual or infrequent or will not recur. These non-GAAP financial measures are not intended to replace GAAP financial measures, and they are not necessarily standardized or comparable to similarly titled measures used by other companies.

Q1 2025 Summary

Net sales of \$148.5 million, up 5% from Q1 2024 with strong energy and communication sales

Pre-Tax income of \$13.7 million, an increase of 15% vs the prior year

Diluted EPS of \$2.33, up 20% vs the prior year

Year-over-year sales growth is evident in both the domestic and international markets

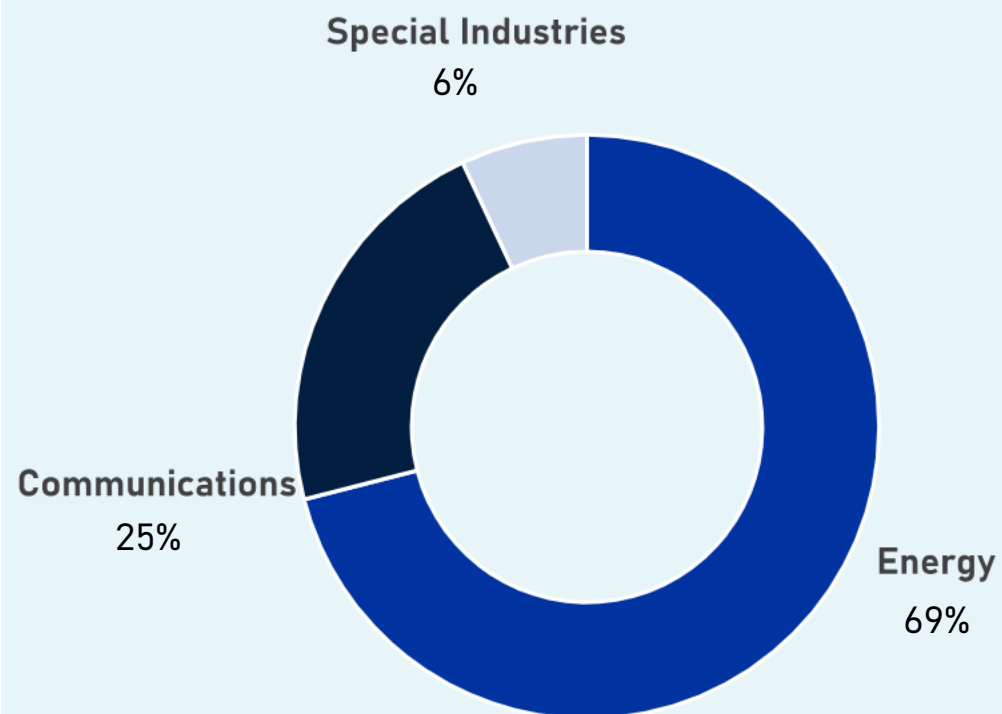
PLP is strategically well-positioned to manage through tariff and trade matters due to our U.S. manufacturing presence

PLP is evaluating targeted adjustments to pricing to maintain profit margins as raw materials costs are expected to increase

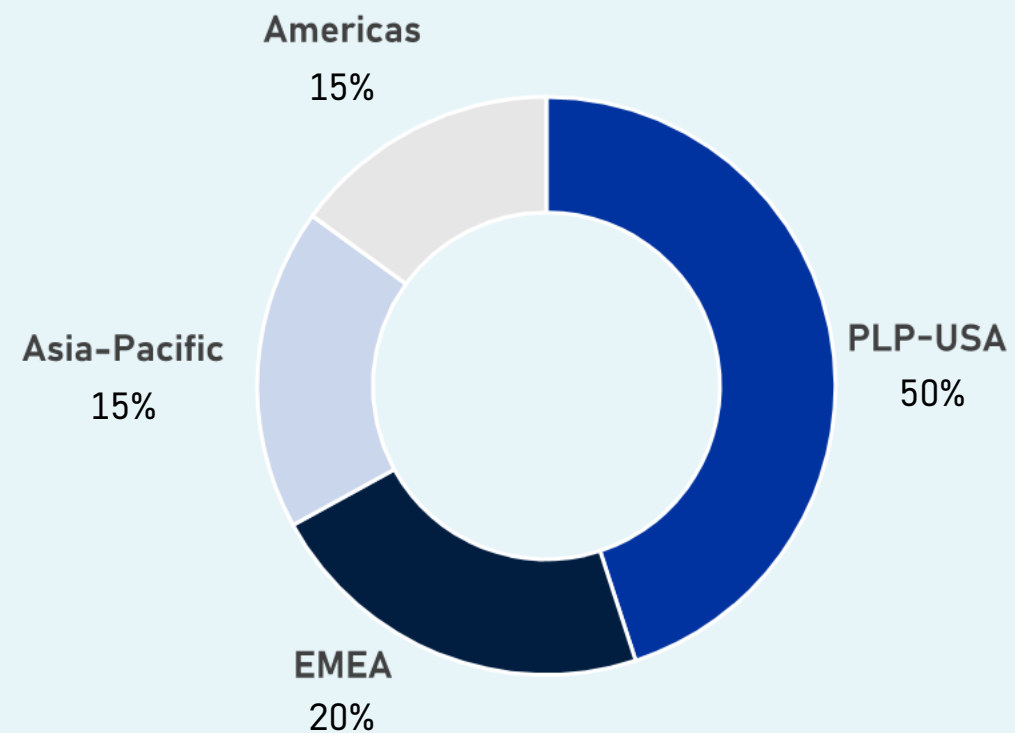
OPERATIONAL HIGHLIGHTS

Q1 2025 Sales

Key Markets



Sales Geographies



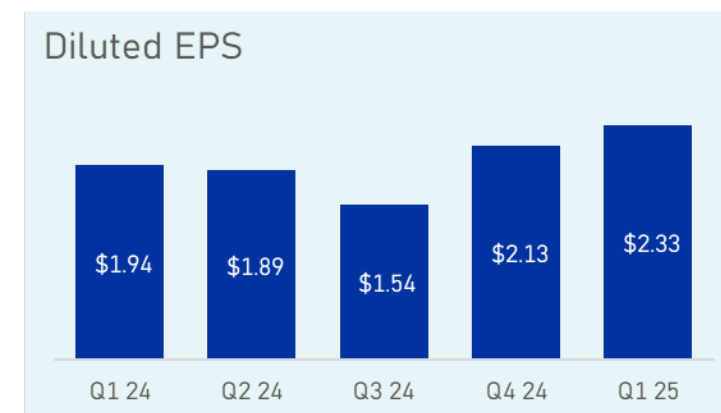
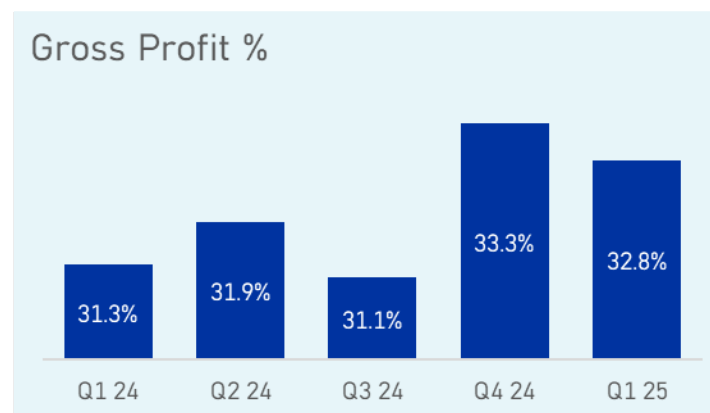
FINANCIAL HIGHLIGHTS

Q1 2025 HIGHLIGHTS

\$ Millions, except per share amounts

	Q1 2025	Q1 2024	YoY
Net Sales	\$148.5	\$140.9	5%
Gross Profit	\$48.7	\$44.1	10%
Gross Profit %	32.8%	31.3%	150 bps
Pre-Tax Income	\$13.7	\$11.9	15%
Pre-Tax Income %	9.2%	8.4%	80 bps
Diluted EPS	\$2.33	\$1.94	20%

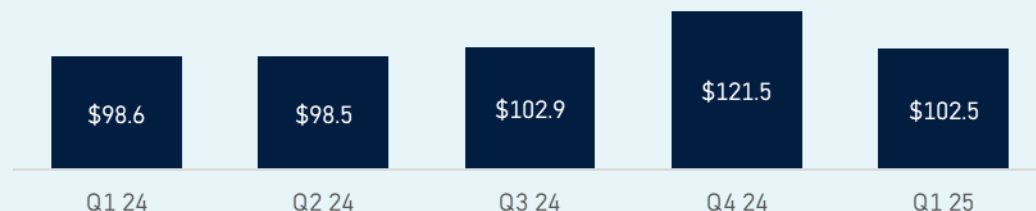
- Sales up 9% compared to prior year when excluding the impact from FX of \$4.4 million
 - Driven by USA (up 5%) and Americas (up 39%)
- 150 bps YoY increase in gross profit margin due to favorable product mix and enhanced fixed cost leverage
- Continue to monitor discretionary spending



DISAGGREGATED REVENUE

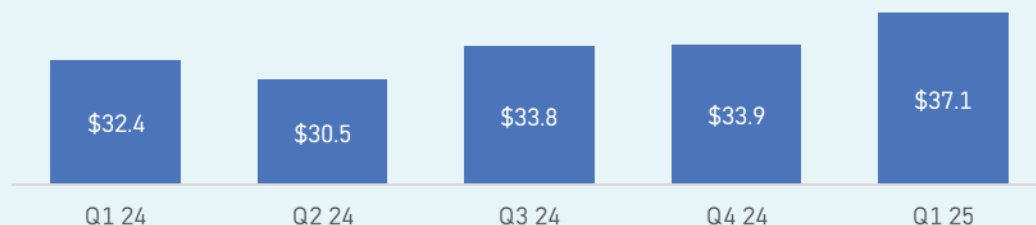
\$ Millions

ENERGY



- Increase of 4% compared to Q1 2024 due to an increase in transmission line product sales
- Strong year over year growth in Americas up more than 30%
- International markets experienced a decline in Q1 2025 vs Q4 2024
 - USA sales up 5%

COMMUNICATIONS



- Increase of 15% compared to Q1 2024 due to an increase in fiber closure product sales
- 30% year over year growth for PLP-USA

SPECIAL INDUSTRIES



- Decrease of 10% compared to Q1 2024 do to softness in the EMEA segment
- Decline in renewable product sales from Q4 2024

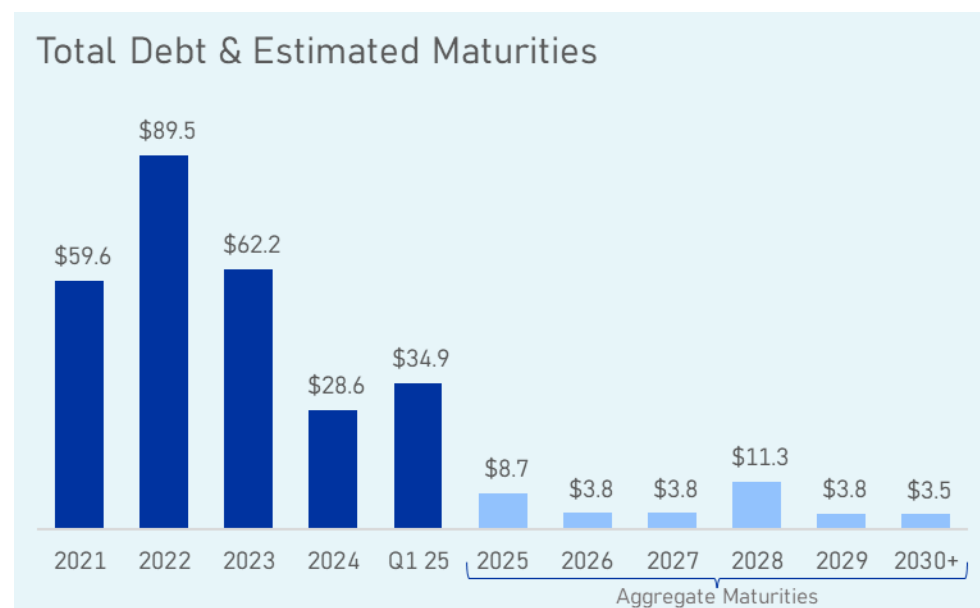
BALANCE SHEET & LIQUIDITY

- Continued strong liquidity and disciplined cash management approach
- Increase in long-term debt from 2024 was used to fund acquisition of land and building in Spain

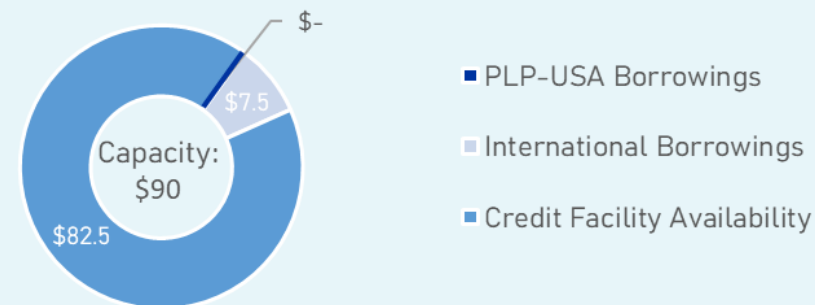
\$ Millions

	Q1 2025	Q4 2024
Cash and Cash Equivalents	\$54.8	\$57.2

Total Debt & Estimated Maturities



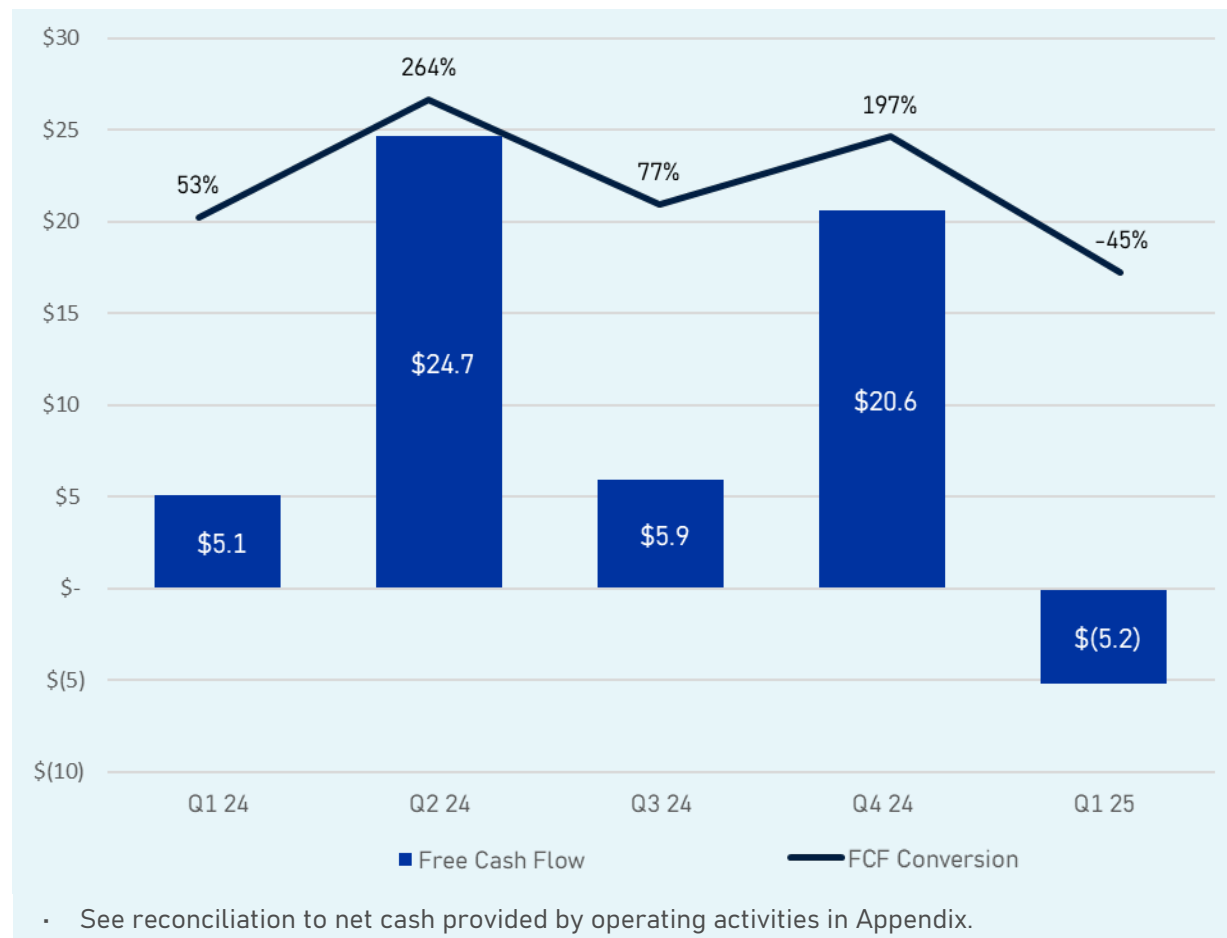
Credit Facility



- 92% availability on global Credit Facility (\$7.5 million borrowed)
- Cash flow from operations was \$5.7 million
- Bank debt to equity ratio of 8.0%
- Additional US borrowings of \$12.1 million outside of Credit Facility (aircraft)
- Additional international borrowings of \$15.3 million outside of Credit Facility
- No significant debt maturities over the next few years

QUARTERLY FREE CASH FLOW

\$ Millions



- Decline in Free Cash Flow (FCF) compared to prior year primarily a YoY increase in capital expenditures of \$7.1 million
 - Increased capital expenditures for Spain land and building purchase
- Trailing twelve month FCF conversion of 118%

APPENDIX

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Below is a reconciliation of non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with GAAP.

(Dollars in Thousands)

Reconciliation of operating cash flow to free cash flow:

	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25
Net cash provided by operating activities	\$ 5,753	\$ 28,294	\$ 9,366	\$ 24,067	\$ 5,655
Capital expenditures	(3,918)	(3,728)	(3,574)	(3,431)	(10,976)
Proceeds from the sale of property and equipment	3,237	128	128	(39)	91
Free cash flow	<u>\$ 5,073</u>	<u>\$ 24,694</u>	<u>\$ 5,921</u>	<u>\$ 20,597</u>	<u>(5,230)</u>
Net Income	\$ 9,603	\$ 9,367	\$ 7,696	\$ 10,445	\$ 11,553
Free cash flow conversion	<u>53%</u>	<u>264%</u>	<u>77%</u>	<u>197%</u>	<u>-45%</u>
Free cash flow - Trailing twelve month					\$ 45,982
Net income - Trailing twelve month					\$ 39,061
Free cash flow conversion - Trailing twelve month					<u>118%</u>

