

# Fiscal first quarter 2022 financial results

January 26, 2022

# Safe harbor and fair disclosure statement

Some of the statements made and information provided during our call as well as information included in the supporting materials will be forward looking statements, including, without limitation, those regarding revenue, gross margin, selling & administrative expense, operating margin, other income and expense, taxes, cash cycle, capital allocation and future business outlook including the impact of COVID-19 on the company's business and the results of operations. Forward-looking statements are not guarantees since there are inherent difficulties in predicting future results, and actual results could differ materially from those expressed or implied in the forward-looking statements. For a list of factors that could cause actual results to differ materially from those discussed, please refer to the Company's periodic SEC filings, particularly the risk factors in our Form 10-K filing for the fiscal year ended October 02, 2021, as supplemented by our form 10-Q filings, and the Safe Harbor and Fair Disclosure statement in yesterday's press release.

# Organizational changes



*Steve Frisch*

President & Chief Strategy Officer



*Oliver Mihm*

Exec VP & Chief Operating Officer

# Fiscal first quarter results

	Q1F22 Results	Q1F22 Preliminary Results
Revenue (\$ millions)	\$817	\$815 to \$820
GAAP Diluted EPS	\$0.82 <sup>(1)</sup>	\$0.80 to \$0.84 <sup>(2)</sup>

- Revenue below expectations due to unanticipated supply chain challenges in AMER region
- EPS below expectations due to reduced revenue, product mix and operational inefficiencies
- Demand remains exceptionally strong. Ability to win business continues to accelerate.
- Trailing Four Quarter wins +7% year over year to a record \$1.1B
- Funnel of qualified opportunities at a record \$3.3B

(1) Includes \$0.06 in restructuring charges and \$0.22 of stock-based compensation expense

(2) Issued January 18, 2022, and includes \$0.06 in restructuring charges and \$0.22 of stock-based compensation expense

# Fiscal 2022 second quarter guidance

## REVENUE GUIDE

- Demand strong across all market sectors
- Supply chain constraints limiting revenue

## EPS GUIDE

- Pressured due to infrastructure in place to support robust revenue forecasts and seasonal compensation costs
- GAAP operating margin of 3.6% to 4.0%, including approximately 80 bps of stock-based compensation expense

	Q2F22 Guidance
Revenue	\$820 to \$860 million
GAAP Diluted EPS	\$0.76 to \$0.92*

## FISCAL 2022 OUTLOOK

- Strong demand forecasts for next several quarters
- Program ramps progressing with pipelined supply
- Sequential revenue and GAAP EPS growth through the remainder of fiscal 2022

\* Includes \$0.23 of stock-based compensation expense

# Performance by sector

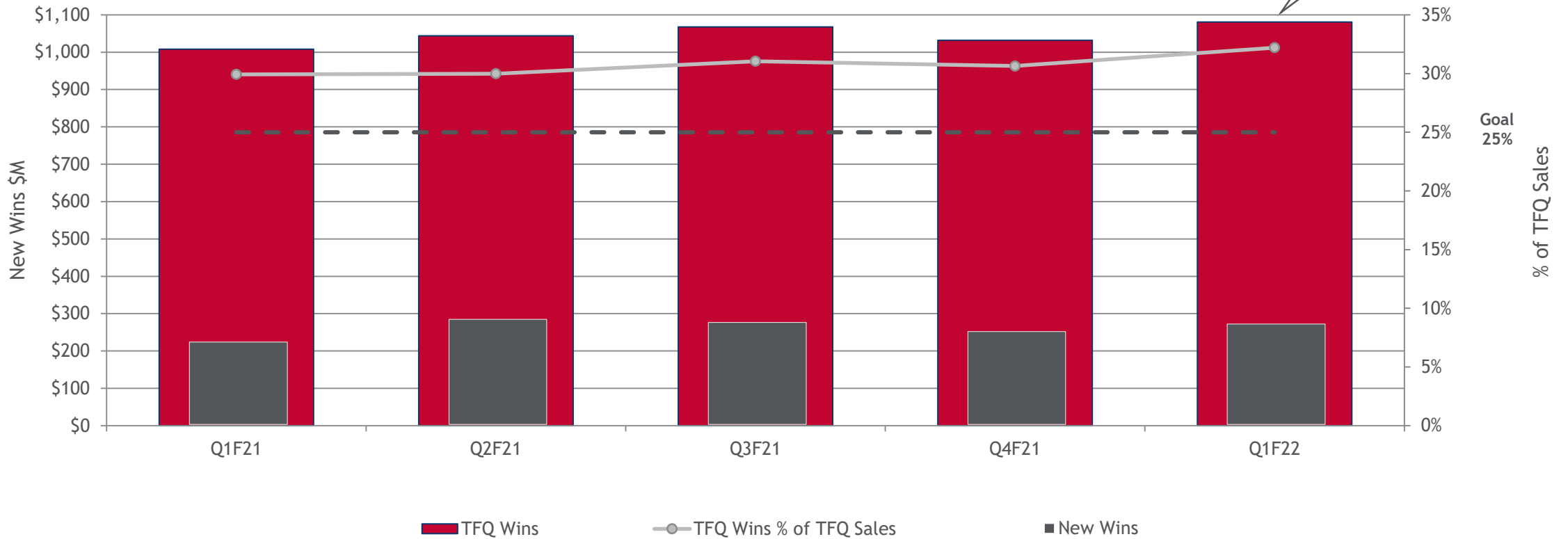
	Q1F22 Jan 1, 2022		Q4F21 Oct 2, 2021		Q1F22 vs. Q4F21	Q2F22 Expectations (percentage points)
	\$	%	\$	%		
Industrial	\$364	45%	\$392	46%	- 7%	Up mid single
Healthcare and Life Sciences	\$344	42%	\$333	40%	+ 3%	Down low single
Aerospace and Defense	\$109	13%	\$118	14%	- 7%	Up low double
Total Revenue	\$817	100%	\$843	100%	- 3%	

# Manufacturing wins

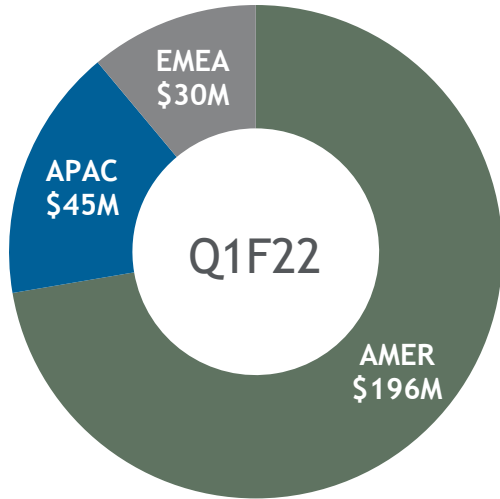
Q1F22 wins: \$271M  
 New programs: 41

## Trailing Four Quarters (TFQ) Manufacturing Wins

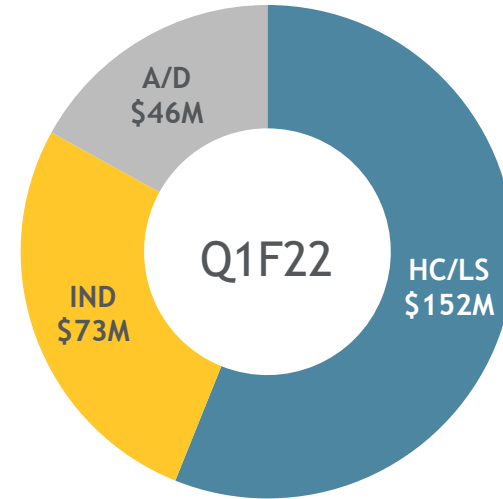
TFQ  
 \$1.08B



# Manufacturing wins by region and sector



Region



Sector

**AMER:** HC/LS and A/D drove the region’s exceptional wins

**APAC:** Strong execution yielded wins from existing IND customers

**EMEA:** Significant expansion with existing IND customer

**IND:** Wins largely balanced across the regions

**HC/LS:** Another quarter of exceptional wins performance

**A/D:** US footprint key to manufacturing wins



# Fiscal first quarter wins highlights

## HIGH DENSITY SERVER (IND)

- Reduction of supply chain carbon footprint
- Production location: Oradea, Romania

## WAREHOUSE AUTOMATION PRODUCT (IND)

- New customer engagement
- Production location: Guadalajara, Mexico

## ROBOTIC ASSISTED MEDICAL DEVICE (HC/LS)

- Market share gain
- Production location: APAC

## RF SURGICAL GENERATOR (HC/LS)

- Designed by Plexus Engineering Solutions
- Production location: Neenah, Wisconsin

## SINGLE-USE CATHETER (HC/LS)

- New manufacturing outsource
- Production location: Guadalajara, Mexico

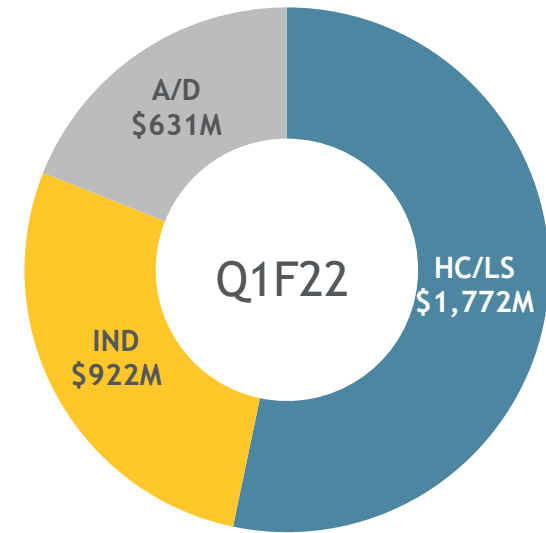
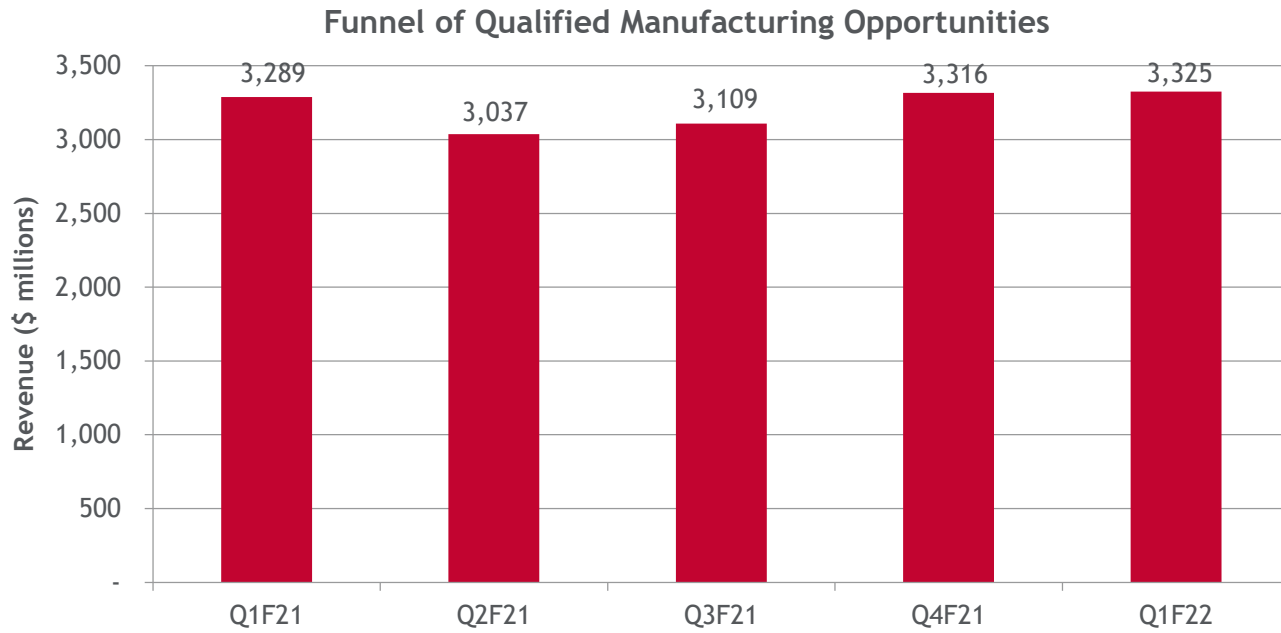
## TWO NEW DEFENSE PROGRAMS (A/D)

- US manufacturing requirement
- Production location: Boise, Idaho

## COMMERCIAL SPACE (A/D)

- Power system for satellite communications
- Production location: Boise, Idaho

# Manufacturing funnel



*Qualified manufacturing funnel at a record level in excess of \$3.3B*

# Thailand manufacturing expansion

- Located near Bangkok, Thailand
- 400K ft<sup>2</sup> manufacturing facility
- Q3F22 completion on-time and on-budget
- Key leadership in place
- Initial manufacturing equipment being installed
- Production qualification starts in Q3F22



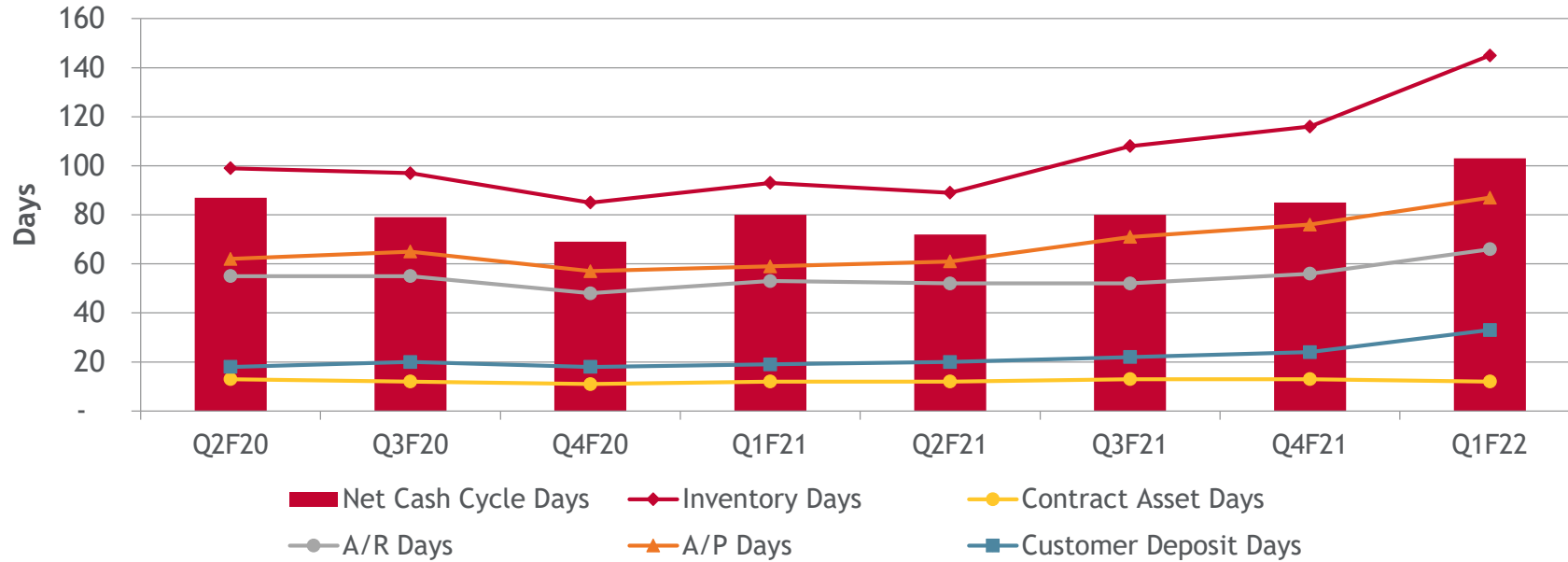
# Income statement

	Q1F22	Comments
Gross margin	8.6%	Below guidance range of 8.9% to 9.3%
Selling & administrative expenses	\$37.5 million	Consistent with guidance range of \$36.5 to \$37.5 million
Restructuring charges	\$2.0 million	Severance related to a facility transition in our APAC region
GAAP operating margin	3.7%	Included 30 basis points of restructuring charges
Non-operating expenses	\$3.7 million	Favorable to guidance range of \$3.8 to \$4.2 million
GAAP diluted EPS	\$0.82	Consistent with preliminary results update

# Cash flow and balance sheet

	Q1F22	Comments
Share repurchases	\$10.2 million	Approx. 110,000 shares at an average price of \$91.74 per share
Free cash flow	(\$122) million	Cash investment in operations: \$89 million Capital expenditures: \$33 million
Cash balance	\$218 million	Sequentially lower by \$52 million
Total debt	\$338 million	Gross debt to EBITDA ratio of 1.4x
Return on invested capital	10.0%	70 basis points above fiscal 2022 WACC of 9.3%
Cash cycle days	103 days	Above guidance range of 94 to 98 days

# Working capital trends



	Q2F20	Q3F20	Q4F20	Q1F21	Q2F21	Q3F21	Q4F21	Q1F22
Inventory Days	99	97	85	93	89	108	116	145
Contract Asset Days	13	12	11	12	12	13	13	12
A/R Days	55	55	48	53	52	52	56	66
A/P Days	62	65	57	59	61	71	76	87
Customer Deposit Days	18	20	18	19	20	22	24	33
Net Cash Cycle Days	87	79	69	80	72	80	85	103

# Fiscal second quarter 2022 guidance

	Guidance
Revenue	\$820 to \$860 million
GAAP diluted EPS	\$0.76 to \$0.92
Gross margin	8.2% to 8.6%
Selling & administrative expenses	\$38.5 to \$39.5 million
GAAP operating margin	3.6% to 4.0%
Depreciation and amortization	Approximately \$16 million
Non-operating expenses	\$3.8 to \$4.2 million
Effective tax rate	13% to 15%
Diluted weighted average shares outstanding	Approximately 28.7 million
Cash cycle days	107 to 111 days

Q&A  
Thank you.