



# Investor Update – Needham Growth Conference

January 19, 2024



# Safe Harbor Statement

---

Information included or incorporated by reference in this presentation may contain forward-looking statements. This information may involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different than the future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words “may,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend” or “project” or the negative of these words or other variations on these words or comparable terminology.

Examples of forward-looking statements include, but are not limited to, statements regarding efforts to grow revenue, expectations regarding fulfillment of backlog, future benefits to operating margins and the adequacy of cash resources. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various factors, including, without limitation, the risks outlined under “Risk Factors” in the Information Statement contained within our Form 10-K filed with the SEC on March 30, 2023. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this presentation will in fact be accurate. Further, we do not undertake any obligation to publicly update any forward-looking statements. As a result, you should not place undue reliance on these forward-looking statements.

# Agenda

---

**Introduction/Company overview**  
**Products and Markets**  
**Financials**  
**Summary**

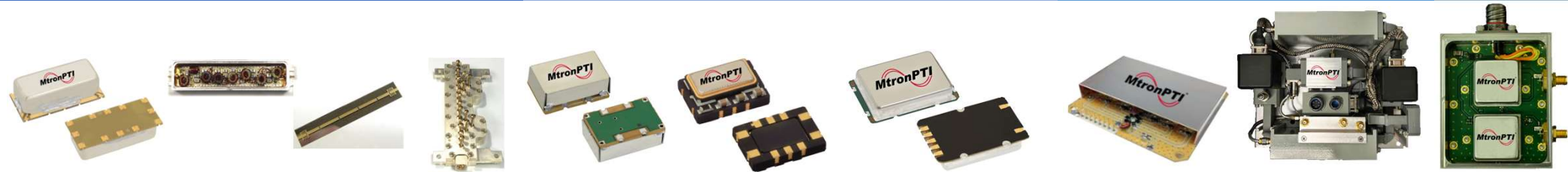
# MtronPTI (NYSE: MPTI) at a Glance

Your Destination for Radio Frequency Components and Solutions since 1965

Filters (LC, Cavity, Planar, Crystal)

Oscillators (XO, TCXO, VCXO, OCXO)

Crystal Resonators and Solutions



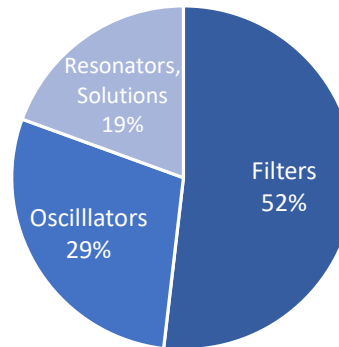
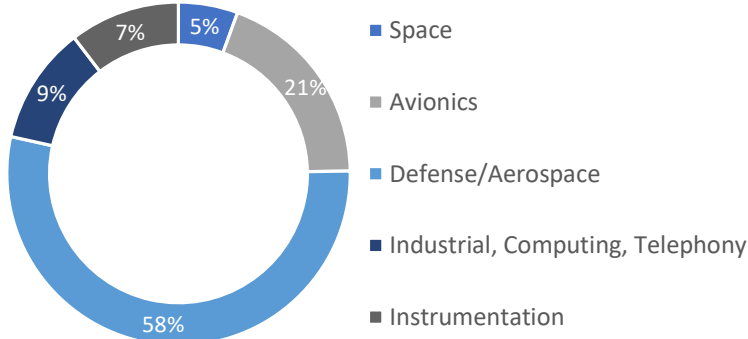
**\$39.1M<sup>1</sup>**  
**Sales**

**38.8%<sup>1</sup>**  
**Gross Margin**

**\$50.3M**  
**Backlog**

**7-10%<sup>2</sup>**  
**Revenue CAGR**

**28.3%<sup>3</sup>** New  
**Product Revenue**



### Strategically Targeting Larger Opportunities

- 260 New Products Launched Annually (5 Year Average)
- Record number of Products >\$1M Annually
- Number of Products >\$500k Annually Increased 50%
- Number of Products >\$250k Annually Increased 35%

<sup>1</sup>Rolling 12 months ended September 30, 2023

<sup>2</sup>Five year CAGR was 8.2% from 2017-2022

<sup>3</sup>Revenue from products introduced in the last 4 years

# Strong Foundation For Growth

MtronPTI: Highly-Engineered, High Reliability Precision Components and Solutions



## Growing and Diversified Markets

- Defense and Aerospace
- Avionics
- Space
- Industrial, Computing, Telephony
- Instrumentation



## Expansive Solution Offering

- Filters (LC, Cavity, Planar, Crystal)
- Oscillators (XO, TCXO, VCXO, OCXO)
- Precision Crystal Resonators
- Build-to-Print Solutions
- Custom Radio Frequency Solutions
- Custom Microwave Solutions



## Blue-Chip Customer Base



# 4-Point Strategy Drives Long-Term Value

EXPAND OUR MARKET SHARE	BUILD OUR BRAND	EXPAND GROSS MARGINS	DELIVER WORLD CLASS MANUFACTURING
<p>Leverage prime relationships for market share gains</p> <p>Expand vertically with custom design and build-to-print strategies</p> <p>Expand product offering and differentiate specifications</p> <p>Accelerate time-to-market with faster modeling and machining</p>	<p>Build LinkedIn awareness</p> <p>Continue cadence of press releases</p> <p>Attend and walk additional trade shows</p> <p>Explore additional marketing communications options</p> <p>Continue product videos and web site improvements</p>	<p>Continue targeted price increases</p> <p>Improve crystal yields</p> <p>Reduce rework</p> <p>Reduce labor through continued targeted automation</p> <p>Continue to design for manufacturability</p>	<p>Diversify supplier base</p> <p>Leverage India Manufacturing</p> <p>Manufacturing capacity and capability expansion</p> <p>Automate labor intensive assembly and test processes</p> <p>Create a World-Class Employee Training Program</p>
<p>STRATEGIC AQUISITIONS SUPPORTING GROWTH STRATEGY</p>			

# Global Footprint

## Multiple Design and Manufacturing Sites

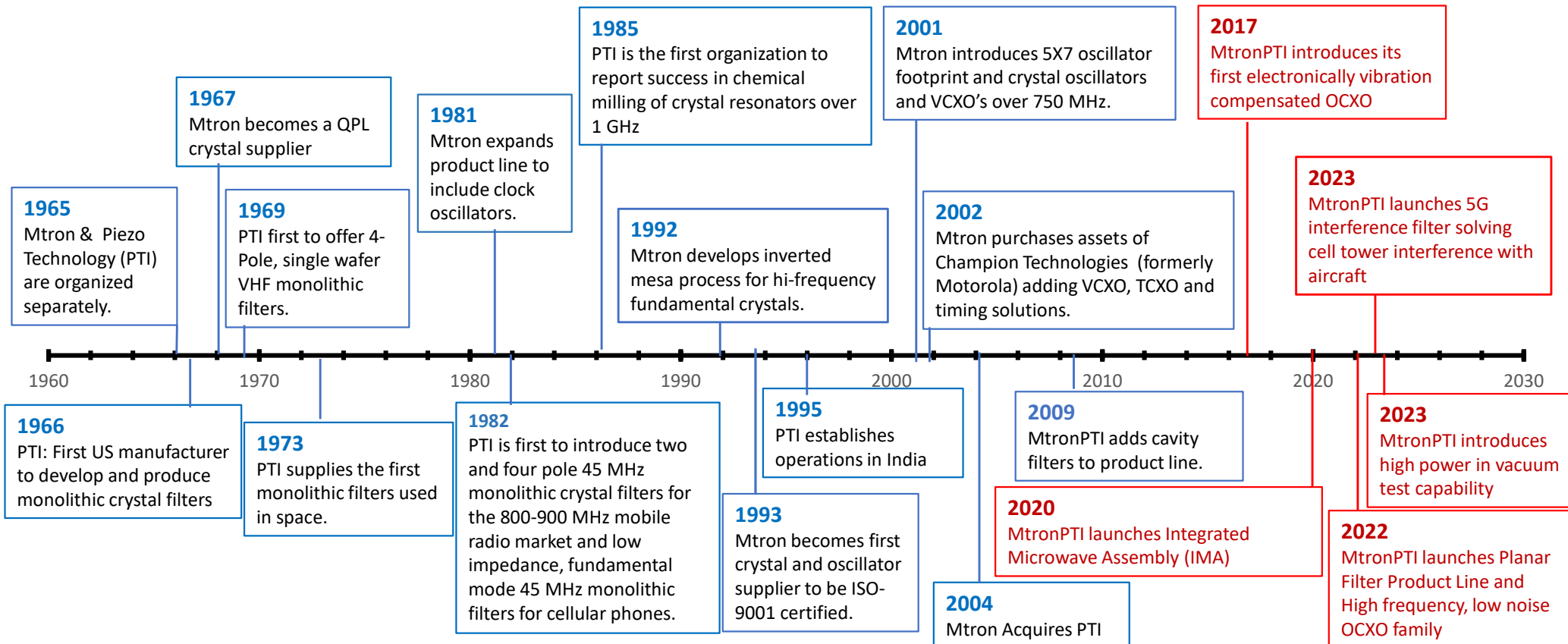


- Orlando, FL 75,000 sq ft AS9100D Design and Manufacturing facility, ITAR Registered
- Yankton, SD 35,000 sq ft facility AS9100D Design and Manufacturing facility, ITAR Registered
- India 18,900 sq ft facility ISO 9100:2015 Manufacturing facility, ITAR Registered
- Austin, TX Sales Office
- Hong Kong Sales Office

**Over 125,000 sq ft of Design and Manufacturing Space in Three Sites**

# A History of Leadership and Innovation

For over 58 Years, MtronPTI has distinguished itself as a leader, innovator, and valued partner within the Aerospace & Defense Industry.





# Secular Market Tailwinds



## Defense

Autonomous Vehicles, Hypersonic Missiles, Electronic Warfare (EW), Drone and Missile Defense, Space Applications (5G, Surveillance, Missile Defense)



## Avionics

Global fleet increasing by 80% through 2041 compared to 2019



## Space

Internet access via satellite predicted to account for up to 70% of the space economy by 2050



## Communications

Bandwidth demands growing 50 percent per year

Radar, Radios, SATCOM, Navigation, GPS, Electronic Warfare, Inflight Connectivity, Servers, Routers

Growing End Market Trends Position MtronPTI for Long-Term Success

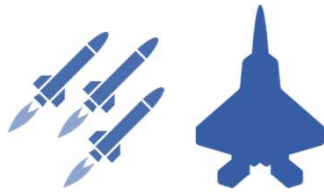
# Diverse End Markets



Avionics

21%

**BOEING**  
**BAE SYSTEMS**  
**AIRBUS**  
**Honeywell**  
**Collins Aerospace**  
**GARMIN**



Defense and  
Aerospace

58%

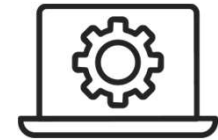
**Raytheon Technologies**  
**LOCKHEED MARTIN**  
**NORTHROP GRUMMAN**  
**Collins Aerospace**  
**L3HARRIS**  
 FAST. FORWARD.



Space and  
SATCOM

5%

**NORTHROP GRUMMAN** **MDA**  
**LOCKHEED MARTIN**  
**GENERAL DYNAMICS**  
**THALES**  
**L3HARRIS**  
 FAST. FORWARD.



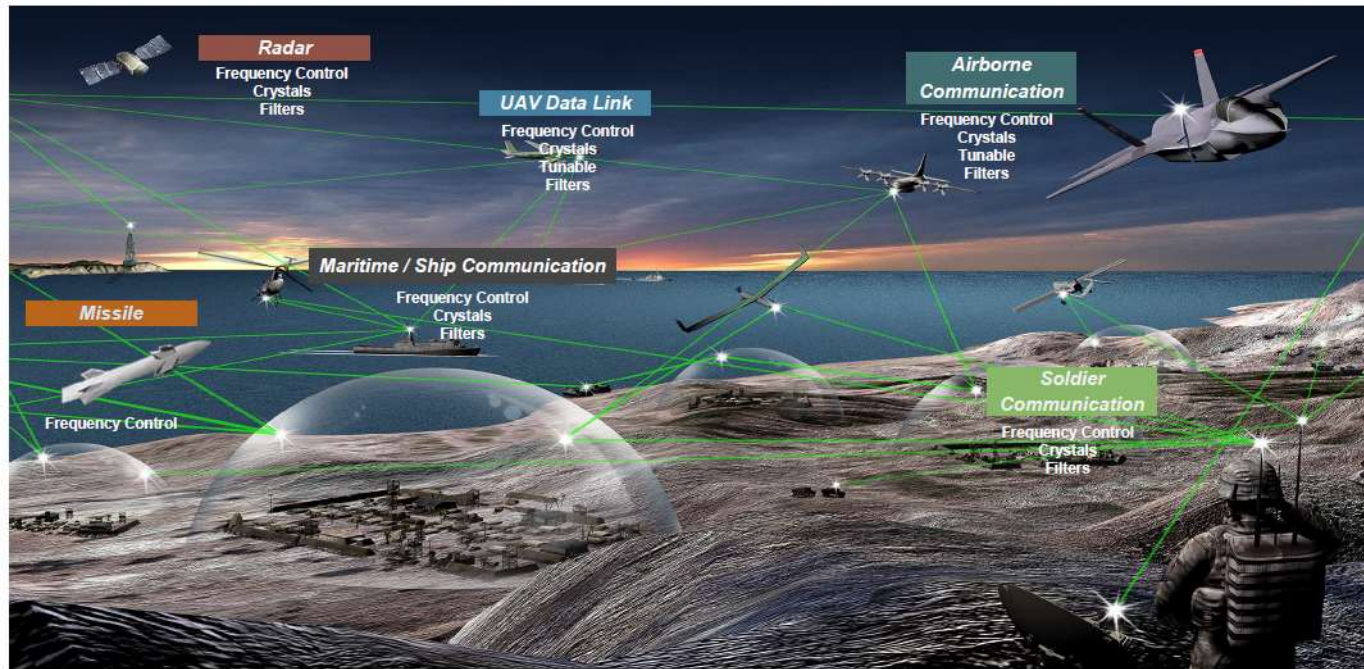
Instrumentation,  
Industry, Computing

16%

**KEYSIGHT**  
**VEGA**  
**GE**  
**Schneider Electric**

# Significant Opportunity in the Defense Landscape

The Budget prioritizes enhancements to offensive air and sea power through the modernization of existing weapons, ships, aircraft and electronic warfare capabilities; C4ISR requires RF capability on nearly every platform



Please see full disclosures. Figures are estimates. Slide chart courtesy of Houlihan Lokey.

# Case Study – Commercial Aerospace

## Flight Control (Fly-by-wire)

- Clock Oscillator

## In Flight Connectivity

- Clock Oscillator

## Emergency Beacon System

- OCXO

## Pilot Communications

- TCXO, LC Filter, Crystal Filter

## Instrument Landing Systems (ILS)

- Clock Oscillator

## Navigation Radar

- TCXO and LC Filter

## Engine Control

- Clock Oscillator

## Radio Altimeter

- Cavity Filter, LC Filter,  
Ceramic Filter and TCXO

## Traffic Collision Avoidance System (TCAS)

- Clock Oscillator, TCXO, OCXO, LC Filter



# Case Study – Space and SATCOM

## Front End Receiver

- Crystal Filter, Cavity Filter, LC Filter

## Timing

- Crystal Resonator

## Front End Transmitter

- Crystal Filter, Cavity Filter, LC Filter

## Front End Receiver

- Crystal Filter, Cavity Filter, LC Filter, Diplexer, N-plexer

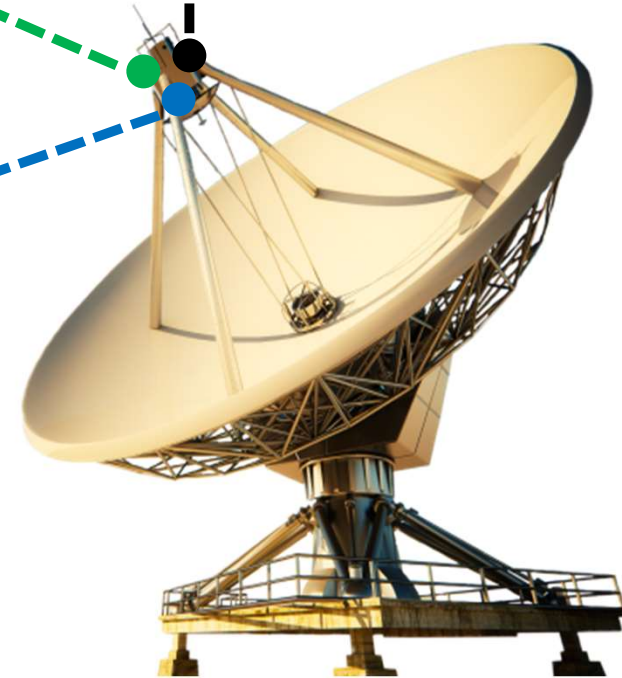
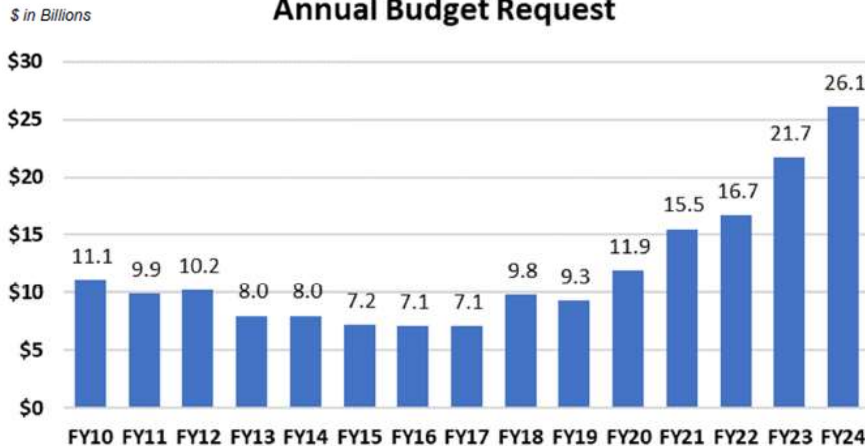
## Timing

- OCXO, OCXO with PLL, VCTCXO, VCXO, TCXO, Crystal Filter

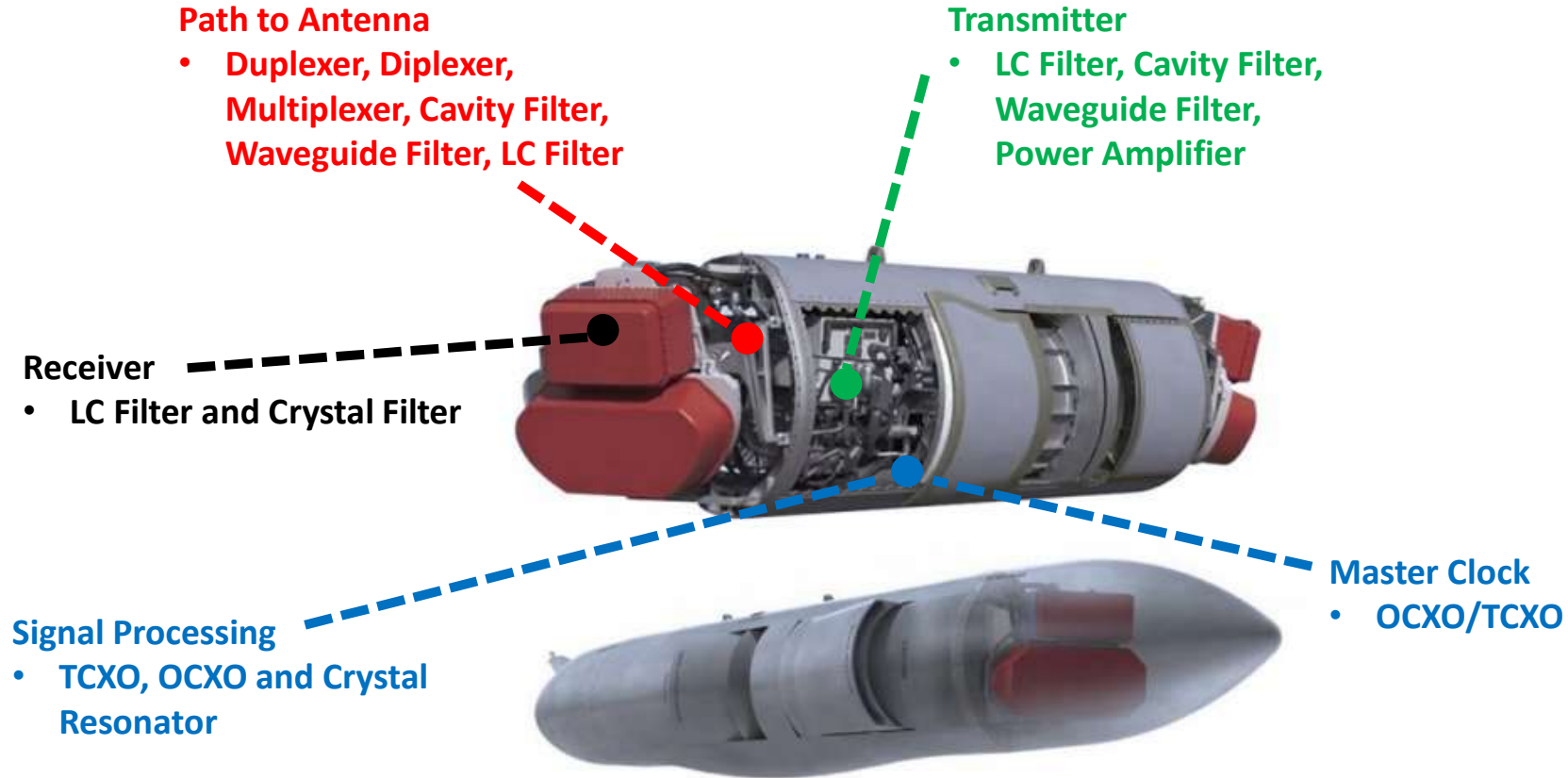
## Front End Transmitter

- Crystal Filter, Cavity Filter, LC Filter, Diplexer, N-plexer

Space Based Systems  
Annual Budget Request



# Case Study – Electronic Warfare



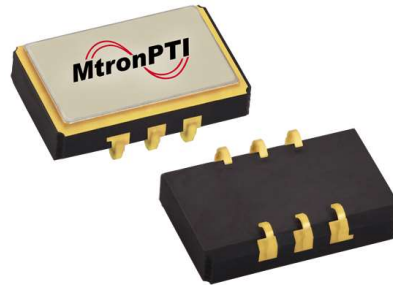
\$842 billion requested by the DOD for Fiscal Year 2024

# Recent and Upcoming Innovations

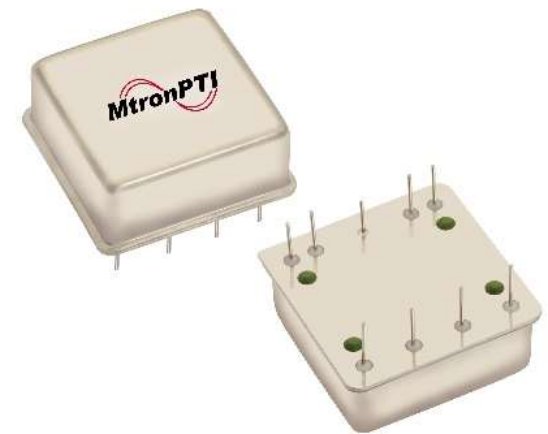
Hi-Power Cavity and  
LC Filters for Space



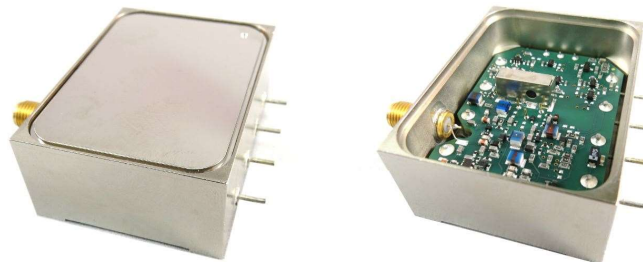
M6904 Series, Low-g Sensitivity  
( $<1\text{ppb/g}$ ), Excellent Aging TCXO



L-Band Frequency Reference  
Integrated with g-compensation



Electronically Compensated  
Low-g Sensitivity OCXO,  
100 MHz to 166 MHz



Hi-Power Space Diplexer

# Fully Integrated Capabilities



Design

Manufacturing

Quality

## Design Process

- Partnership focused on long-term relationships with suppliers and customers
- Rapid prototyping and development cycles
- Concurrent Engineering
- Substantial in-house expertise in Radio Frequency design and manufacturing solutions

## Product Capabilities

- TCXO, OCXO, VCXO, XO
- Crystal, Cavity, LC, Planar and Waveguide filters
- N-plexers and switched filters
- Multi-Functional Modules, Power Amplifiers and Integrated Microwave Assemblies

## Manufacturing

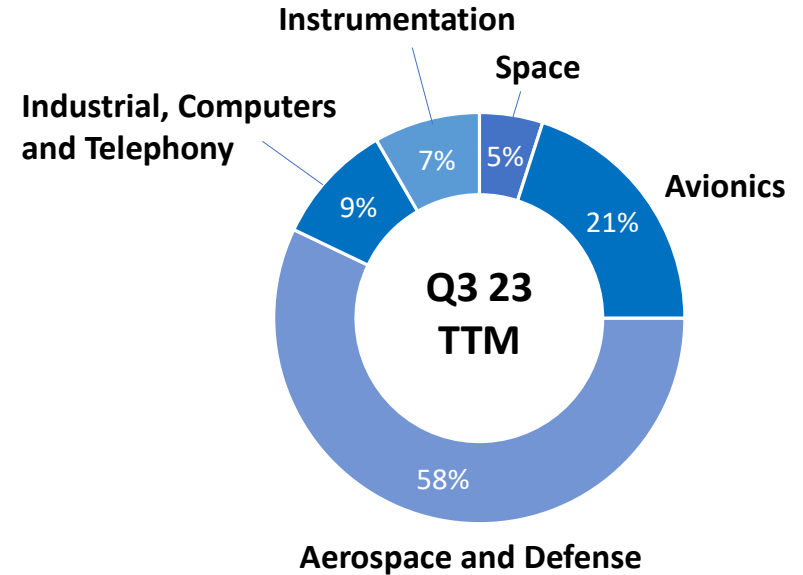
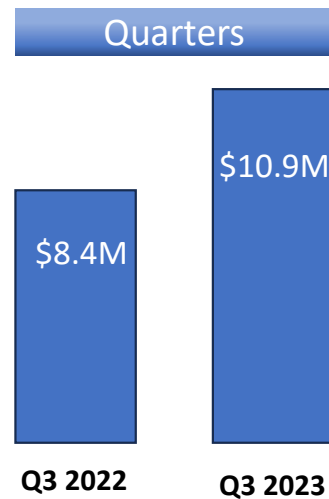
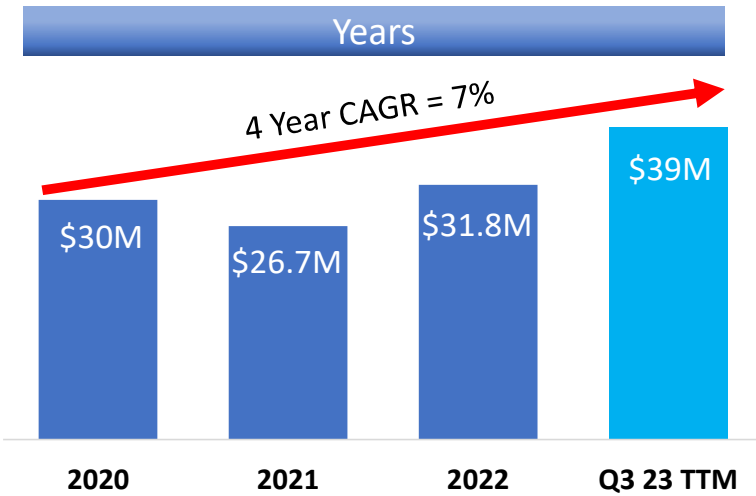
- World-class FOD Control, Laser weld, SMD Pick and Place, J-STD-001 Space level soldering
- Wafer Fabrication, Full CNC Machine Shop, Thick Film Hybrid, Laser Trim, Chip and Wire, Resistive Welding, Seam Sealer

## Quality

- AS9100D and ISO 9001:2015
- Extensive in-house testing: Gross/Fine Leak, Vibration, Shock, XRF, PIND, Life, Immersion, Humidity, Barometric Pressure, High Power in Vacuum Testing, Solderability, Dielectric Withstanding Voltage, Insulation Resistance



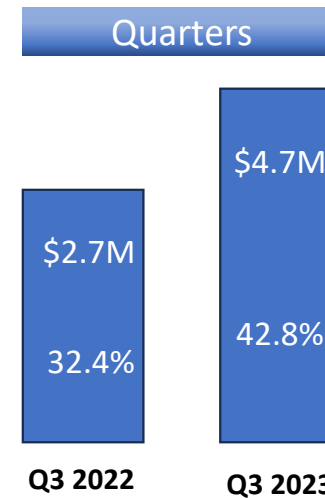
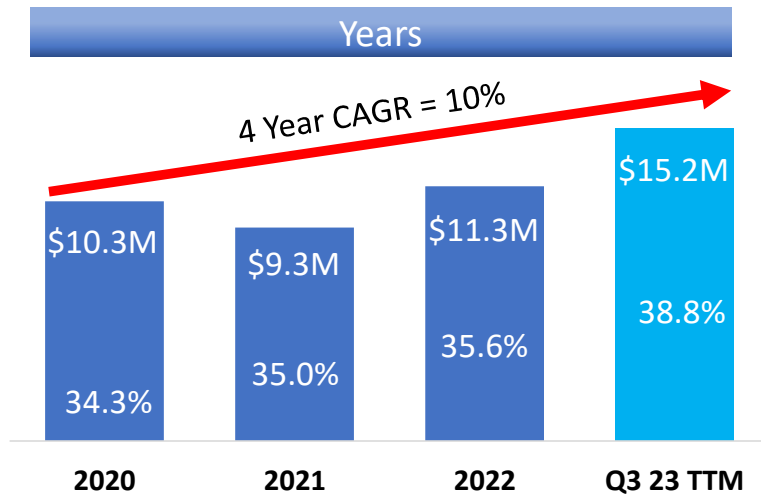
# Revenue



- Continued focus on long tail programs results in a revenue CAGR of 7%
- Strategically targeting larger programs
- New product design wins accelerating
- ASP growth of 117% Q3 2023 TTM over 2022

- Record revenue in Q3 of \$10.8M, up \$2.5M, or 29% Y/Y
- Larger programs ramped up to higher quarterly unit volumes

# Gross Profit and Margin



- Strategic focus to improve Gross margins with highly differentiated product
- Continued focus on productivity and yield improvements results in a 10% CAGR in Gross Margin dollars
- Continued exit of lower margin business

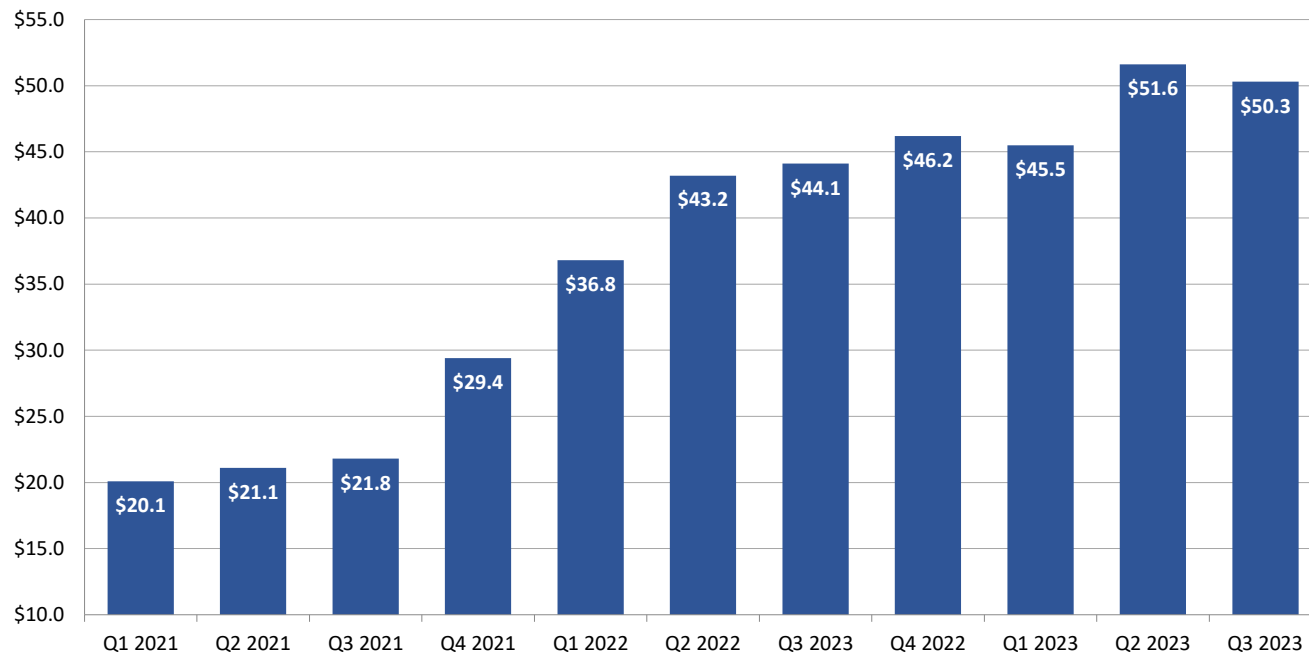
- Gross Profit in Q3 of \$4.7M, up \$2M, or 71% Y/Y
- GM up 10.4% Y/Y
- Reflects higher volume programs, favorable product mix and continued productivity improvements and price increases

## Order Backlog Trend

### Near-record \$50.3 million of backlog

*Driven by:*

- Defense order demand increasing
- Market and customer share gains with expanded product offering
- Product line expansion with Cavity Filters and Integrated Microwave Assembly



## Where Have We Come From?

58+

Year  
Legacy

\$39+

Sales in  
Millions

PTI,  
Trilithic,  
Champion

History of  
M&A

India  
SD  
FL

Global MFG  
Footprint

>300

Customer  
Base



Diversified  
End Markets

## Where Are We Going?

### ➤ *Positioned for Organic Growth*

- Industry Tailwinds – Backlog of \$50.3 million
- Continuous Product Line expansion
- Gaining market share
- Long running “sticky” Defense programs

### ➤ *Driving Efficiencies and Cost Reductions*

- Leverage India operation / ITAR registration
- Key investments in people and equipment
- Focus on yield improvements

### ➤ *Acquisition Oriented in the areas of*

- Synergistic Products
- Increased Technical Capabilities
- Market expansion

**Strategically Positioned to Create Value Through Margin Improvement  
with a Focus on Key Markets and Customers**

# Your Questions

---

## MtronPTI Contact Information

**Visit us:**

**[www.MtronPTI.com](http://www.MtronPTI.com)**

**Contact us:**

**email: [ir@mtronpti.com](mailto:ir@mtronpti.com)**