

Q2 2024 EARNINGS RELEASE

July 30, 2024

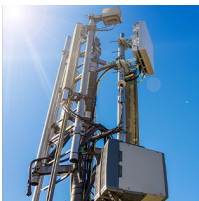
 **Littelfuse®**
Expertise Applied | Answers Delivered

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Non-GAAP Financial Measures. The information included in this presentation includes the non-GAAP financial measures of organic net sales (decline) growth, adjusted operating margin, adjusted EBITDA margin, adjusted diluted earnings per share, adjusted effective tax rate, free cash flow, and consolidated net leverage ratio (as defined in the credit agreement). A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures are set forth in the appendix. The company believes that these non-GAAP financial measures provide useful information to investors regarding its operational performance because they enhance an investor’s overall understanding of our core financial performance and facilitate comparisons to historical results of operations, by excluding items that are not related directly to the underlying performance of our fundamental business operations or were not part of our business operations during a comparable period. The company believes that free cash flow is a useful measure of its ability to generate cash. The company believes that consolidated net leverage ratio is a useful measure of its credit position. Management additionally uses these measures when assessing the performance of the business and for business planning purposes. Note that our definitions of these non-GAAP financial measures may differ from those terms as defined or used by other companies.



BUSINESS UPDATE

Dave Heinzmann, President & CEO

EXECUTIVE SUMMARY

- Solid Q2 execution & performance
 - Q2 Sales & Adjusted EPS exceed the high end of guidance
 - Solid YTD cash generation, flexible balance sheet
 - Meaningful design-in activity, momentum with customers
- Portfolio optimization initiatives driving margin traction
 - Sequential Electronics & Industrials segment margin expansion
 - Continued progress with Transportation actions
- Confidence in expected return to growth in the fourth quarter
 - Believe passive Electronics destocking is largely behind us, well positioned to support customers in rebound
 - Ongoing soft industrial demand, executing through cycles

Strong Q2 performance; disciplined execution supports long-term growth strategy

2023 SUSTAINABILITY REPORT HIGHLIGHTS



Our Approach

Sustainability isn't just a concept; it's integrated into our business strategy, processes, and daily actions. Innovation and collaboration are at the heart of our sustainability journey.

Environment

24%

reduction in GHG intensity since 2019

Goal: 38% by 2035

46%

of our manufacturing sites utilize renewable energy

Established site-level Annual GHG and Water Target

37%

increase in water recycling

3-year consecutive reduction in hazardous waste

Social

22.5%

females in leadership, an increase of 1.5% from prior year

Enhanced leadership training and coaching program

3 Sites

Maintained 0 workplace injuries for 3+ consecutive years

805

Critical suppliers screened for ESG risk

91%

of employees agree their manager sets a good example for ethical behavior

Governance

Local Ethics Ambassadors program launched at 28 largest locations

30,200

hours ethics & compliance training



Gold Rating EcoVadis Program (94th Percentile)



Obtained Third-party Verified GHG Data

Enhanced Workplace Investigation Program & Training



Expertise Applied | Answers Delivered

Framework and Disclosure Programs:

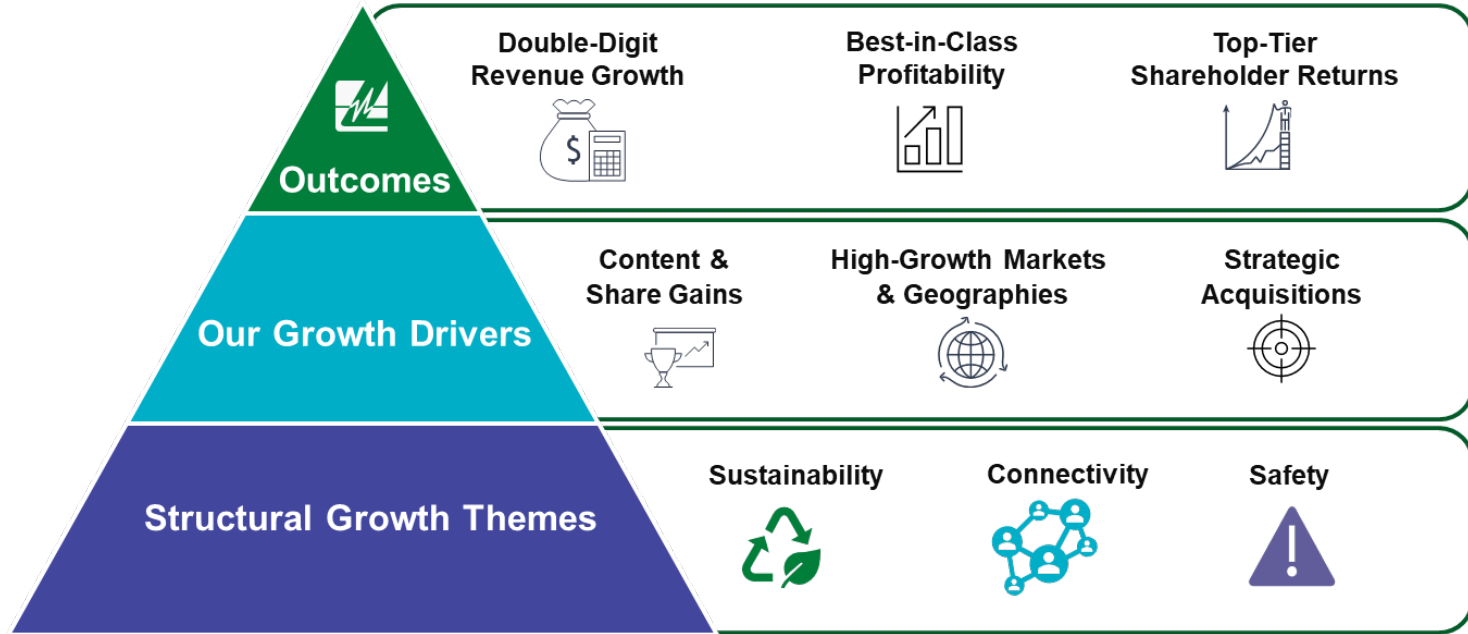


ecovadis



2021 – 2025 **GROWTH STRATEGY**

EMPOWERING A SUSTAINABLE, CONNECTED, AND SAFER WORLD



Our capabilities, investments & diversification deliver significant value

ELECTRONICS END MARKETS

BROAD TECHNOLOGY CAPABILITIES, DIVERSE EXPOSURE

Q2 2024 Highlights

- Diverse end market dynamics: Strong 2Q data center volumes led by AI driven applications; broad demand softness
- Initial pockets of demand recovery; strong & persistent design-in activity through cycle
- Technologically diverse design win momentum across our global customer base
 - Asia & NA data center wins across broad set of technologies & applications
 - Multi-technology medical wins across Europe, Asia & NA
 - Europe & Asia appliance wins spanning our diverse technology portfolio



TRANSPORTATION END MARKETS

PRODUCT LEADERSHIP FOR A GLOBAL CUSTOMER BASE

Q2 2024 Highlights

- Benefiting from broad & balanced technology capabilities & global customer reach
 - Core passenger vehicle product leadership, long-standing customer relationships
- Continued traction with commercial vehicle profitability initiatives amid ongoing soft end market dynamics
- Delivering meaningful wins across extensive range of transportation applications
 - Multiple wins within battery management systems for key customers
 - Continued wins across high & low voltage architectures
 - Global commercial vehicle wins for a diverse range of applications



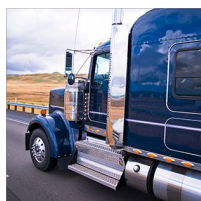
INDUSTRIAL END MARKETS

EXECUTING WHILE DRIVING INNOVATIONS

Q2 2024 Highlights

- Disciplined execution while delivering innovative solutions
- Continued end demand softness, more pronounced impact to power semiconductor portfolio
- Supporting ongoing industry advancements toward next generation applications
 - Diverse renewable wins for solar & wind customers
 - HVAC evolutions for broad NA customer base
 - Multi-technology wins for global EV charging infrastructure build out





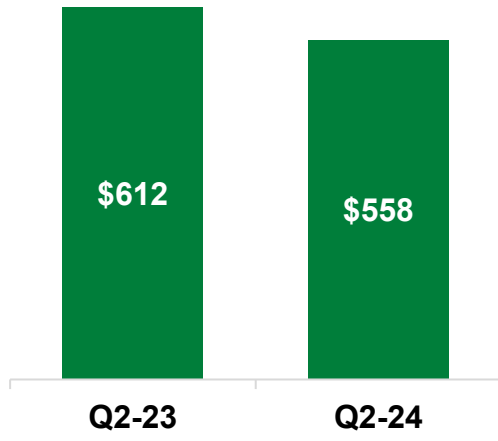
FINANCIAL UPDATE

Meenal Sethna, EVP & CFO

Q2 2024 TOTAL COMPANY FINANCIAL PERFORMANCE

(in millions)

Revenue



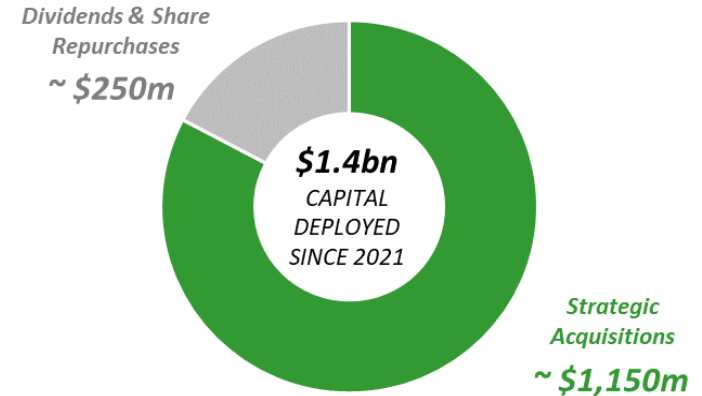
	Q2-23	Q2-24
GAAP EPS	\$2.79	\$1.82
Adj. EPS	\$3.12	\$1.97
Adj. EBITDA%	22.5%	18.6%

Highlights

- Revenue (-9%) vs PY / organic (-8%)
 - ~2% portfolio pruning headwind
- GAAP op margin 11.7%; Adjusted op margin 12.7%
 - F/X & Commodities: (-80bps) margin headwind vs. PY
- Effective tax rate: GAAP 26.0%; Adj. 25.0%
- Operating cash flow \$69m; Free cash flow \$50m
 - YTD: Free cash flow \$92m, 98% conversion rate

CASH GENERATION & CAPITAL DEPLOYMENT

- Well-positioned business model & execution drive robust long-term cash generation
 - Disciplined approach to working capital management
 - Strong balance sheet supports capital deployment strategy
 - Consolidated net leverage ratio ~1.6x
 - Prioritizing growth investments
- YTD capital deployment - returned \$73m to shareholders
 - \$41m via share repurchase
 - \$32m dividend payout; Board approved +8% increase
- Consistent prioritization of capital deployment
 - Organic investments
 - Strategic acquisitions
 - Dividends and share repurchases



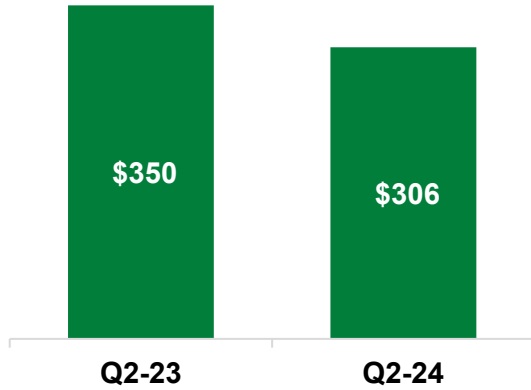
Driving long-term shareholder value

Q2 2024 ELECTRONICS SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



	Q2-23	Q2-24
Op Margin	22.8%	15.1%
Adj. EBITDA%	28.5%	21.6%

Highlights

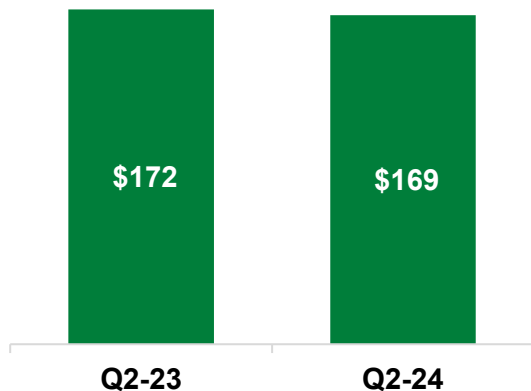
- Revenue (-13%) vs PY / organic (-12%)
 - Passive products (-4%)
 - Semiconductor (-19%)
- Moderating passive inventory reductions, channel inventory levels have normalized into 2H; continued industrial softness & destock impacting semiconductor products
- Portfolio diversification efforts, execution driving margin resiliency

Q2 2024 TRANSPORTATION SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



	Q2-23	Q2-24
Op Margin	4.5%	9.0%
Adj. EBITDA%	11.0%	14.4%

Highlights

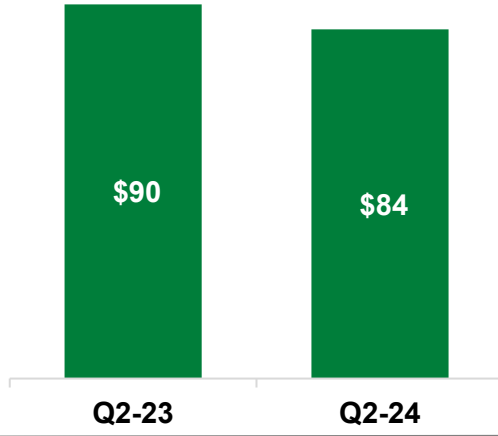
- Revenue growth (-2%) / organic (-1%)
 - ~4% portfolio pruning headwind
- Passenger vehicle business (-1%) / organic +2%
 - Solid global customer traction
- Commercial vehicle business (-3%) / organic (-3%)
 - Headwind from ongoing end market softness; portfolio pruning
- Structural actions driving improved profitability
 - Continued favorable pricing, pruning initiatives, cost reduction actions

Q2 2024 INDUSTRIAL SEGMENT

FINANCIAL PERFORMANCE

(in millions)

Revenue



	Q2-23	Q2-24
Op Margin	16.8%	11.4%
Adj. EBITDA%	21.4%	16.0%

Highlights

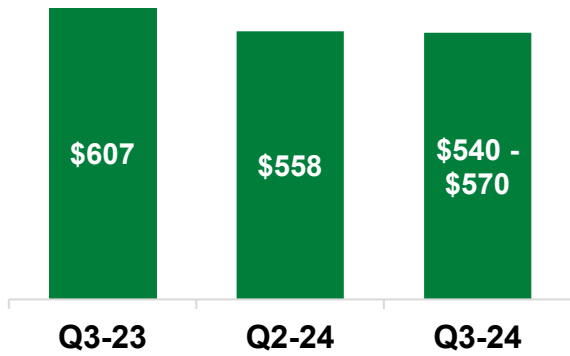
- Revenue (-7%) / organic (-6%)
 - Continued industrial end markets softness...Construction / MRO, solar, EV infrastructure
 - Initial signs of residential HVAC recovery; Continued industrial safety & energy storage growth
 - Ongoing OEM inventory reductions

- Footprint optimization initiatives, execution driving margin expansion
 - Sequential improvements op margin +490bps, adj. EBITDA margin +410bps

Q3 2024 GUIDANCE

(in millions)

Revenue



GAAP EPS	\$2.30	\$1.82	-
Adj. EPS	\$2.97	\$1.97	\$1.95 - \$2.15

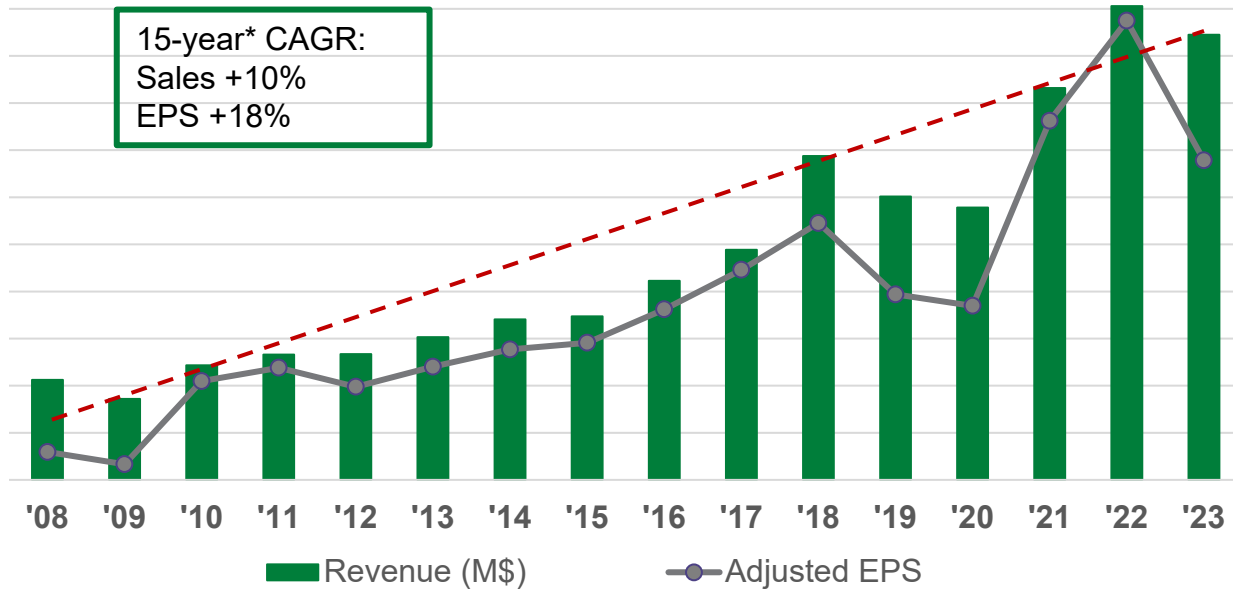
Highlights

- Macro view...continued dynamic environment but some positive signs
 - Passive electronics destocking largely complete in 1H; some ongoing cautious order patterns
 - Initial pockets of demand recovery
 - Continued soft industrial end markets
 - Persistent commodity headwinds
- Sales \$540 - \$570m
 - Essentially flat relative to Q2
 - (-1%) F/X headwind vs. PY
- Adj. EPS \$1.95 - \$2.15
 - Expected adj. effective tax rate ~26%
 - Headwinds vs. PY: F/X, Commodities and Tax rate (\$0.25) EPS; (-50bps) margin

FULL YEAR 2024 CONSIDERATIONS / EXPECTATIONS

- Expect return to sales growth in the fourth quarter, net of portfolio initiatives headwind
 - FY: Pruning impact...(-2%) Company, (-6%) Transportation Segment (heavier Comm. Vehicle)
- Full year '24 margin expectations impacted by elongated inventory destocking cycle & end market weakness
 - Company adj. operating margin ~12-14%
 - By segment...Electronics mid-teens; Industrial low-teens; Transportation continued improvement, high single-digits at year end
- F/X & Commodities: (-1%) headwind to sales; ~(\$0.40) EPS, (-50bps) margin headwind at current rates
- Other Assumptions
 - \$63m amortization expense
 - \$39m interest expense; expect to offset ~2/3 with interest income from cash investment strategies
 - Adj. effective tax rate ~23%
- Expect ~100% free cash flow conversion
 - Projecting ~\$100m investment in capital expenditures

DIVERSIFICATION OF TECHNOLOGIES, END MARKETS & GEOGRAPHIES DELIVERS DOUBLE-DIGIT REVENUE & EARNINGS CAGR



- Expanding leadership in core markets while prioritizing strategic investments to bolster diversified portfolio
- Flexible cost structure drives improved profitability through cycles
- Proven team with history of successfully executing through dynamic environments

Strong track record of top tier financial performance

APPENDIX



SUPPLEMENTAL FINANCIAL INFORMATION

LITTELFUSE, INC.
 SUPPLEMENTAL FINANCIAL INFORMATION
 (In millions of USD except per share amounts - unaudited)

Non-GAAP EPS reconciliation

	Q2-24	Q2-23	YTD-24	YTD-23
GAAP diluted EPS	\$ 1.82	\$ 2.79	\$ 3.75	\$ 6.33
EPS impact of Non-GAAP adjustments (below)	0.15	0.33	(0.02)	0.42
Adjusted diluted EPS	\$ 1.97	\$ 3.12	\$ 3.73	\$ 6.75

Non-GAAP adjustments - (income) / expense

	Q2-24	Q2-23	YTD-24	YTD-23
Acquisition-related and integration costs (a)	\$ 0.8	\$ 3.8	\$ 1.8	\$ 7.2
Restructuring, impairment and other charges (b)	5.3	6.9	8.5	8.7
Gain on sale of fixed assets (c)	(0.7)	—	(1.0)	—
Non-GAAP adjustments to operating income	5.4	10.7	9.3	15.9
Other income, net (d)	(0.5)	—	(0.3)	(0.2)
Non-operating foreign exchange gain	(0.3)	(1.4)	(5.4)	(3.1)
Non-GAAP adjustments to income before income taxes	4.6	9.3	3.6	12.6
Income taxes (e)	0.7	1.0	4.1	1.9
Non-GAAP adjustments to net income	\$ 3.9	\$ 8.3	\$ (0.5)	\$ 10.7
Total EPS impact	\$ 0.15	\$ 0.33	\$ (0.02)	\$ 0.42

Adjusted operating margin / Adjusted EBITDA reconciliation

	Q2-24	Q2-23	YTD-24	YTD-23
Net income	\$ 45.5	\$ 70.1	\$ 93.9	\$ 158.8
Add:				
Income taxes	15.7	15.4	22.9	35.5
Interest expense	10.0	10.1	19.6	19.7
Foreign exchange gain	(0.3)	(1.4)	(5.4)	(3.1)
Other income, net	(5.3)	(2.1)	(10.6)	(8.3)
GAAP operating income	\$ 65.5	\$ 92.1	\$ 120.5	\$ 202.7
Non-GAAP adjustments to operating income	5.4	10.7	9.3	15.9
Adjusted operating income	\$ 70.9	\$ 102.8	\$ 129.8	\$ 218.6
Amortization of intangibles	15.7	16.9	31.6	33.8
Depreciation expenses	17.1	18.0	33.7	35.6
Adjusted EBITDA	\$ 103.7	\$ 137.7	\$ 195.0	\$ 288.0

Net sales	\$ 558.5	\$ 612.0	\$ 1,093.9	\$ 1,221.8
Net income as a percentage of net sales	8.1 %	11.5 %	8.6 %	13.0 %
Operating margin	11.7 %	15.0 %	11.0 %	16.6 %
Adjusted operating margin	12.7 %	16.8 %	11.9 %	17.9 %
Adjusted EBITDA margin	18.6 %	22.5 %	17.8 %	23.6 %

(a) reflected in selling, general and administrative expenses ("SG&A").

(b) reflected in restructuring, impairment and other charges.

(c) 2024 amount reflected a gain of \$0.7 million (\$1.0 million year-to-date) recorded for the sale of two buildings within the Transportation segment.

(d) Q2 2024 included a reversal of \$0.5 million for an asset retirement obligation charge related the disposal of a business in 2019. 2024 year-to-date also included \$0.2 million increase in coal mining reserves, while 2023 amount included \$0.2 million gain from the sale of a building within the Electronics segment.

(e) reflected the tax impact associated with the non-GAAP adjustments.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Net sales reconciliation	Q2-24 vs. Q2-23			
	Electronics	Transportation	Industrial	Total
Net sales decline	(13)%	(2)%	(7)%	(9)%
Less:				
Acquisitions	— %	— %	— %	— %
FX impact	(1)%	(1)%	(1)%	(1)%
Organic net sales decline	<u>(12)%</u>	<u>(1)%</u>	<u>(6)%</u>	<u>(8)%</u>

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

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Income tax reconciliation

	Q2-24	Q2-23
Income taxes	\$ 15.7	\$ 15.4
Effective rate	25.6 %	18.0 %
Non-GAAP adjustments - income taxes	0.7	1.0
Adjusted income taxes	<u>\$ 16.4</u>	<u>\$ 16.4</u>
Adjusted effective rate	25.0 %	17.4 %

Free cash flow reconciliation

	Q2-24	Q2-23
Net cash provided by operating activities	\$ 69.4	\$ 98.2
Less: Purchases of property, plant and equipment	<u>(19.1)</u>	<u>(15.8)</u>
Free cash flow	<u>\$ 50.3</u>	<u>\$ 82.4</u>

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Consolidated Total Debt	As of June 29, 2024
Consolidated Total Debt	\$ 863.5
Unamortized debt issuance costs	3.3
Finance lease liability	0.4
Consolidated funded indebtedness	867.2
Cash held in U.S. (up to \$400 million)	102.1
Net debt	\$ 765.1
Consolidated EBITDA	Twelve Months Ended June 29, 2024
Net Income	\$ 194.5
Interest expense	39.7
Income taxes	56.5
Depreciation	69.7
Amortization	63.6
Non-cash additions:	
Stock-based compensation expense	24.5
Purchase accounting inventory step-up charge	—
Unrealized loss on investments	2.1
Impairment charges	1.9
Other	13.7
Consolidated EBITDA (1)	\$ 466.2
Consolidated Net Leverage Ratio (as defined in the Credit Agreement) *	1.6x

* Our Credit Agreement and Private Placement Note with maturities ranging from 2024 to 2032, contain financial ratio covenants providing that if, as of the last day of each fiscal quarter, the Consolidated Net Leverage ratio at such time for the then most recently concluded period of four consecutive fiscal quarters of the Company exceeds 3.50:1.00, an Event of Default (as defined in the Credit Agreement and Private Placement Senior Notes) is triggered.

The Credit Agreement and Private Placement Senior Notes were amended in Q2 2022 and now allow for the addition of acquisition and integration costs up to 15% of Consolidated EBITDA and the netting of up to \$400M of Available Cash (Cash held by US Subsidiaries).

(1) Represents Consolidated EBITDA as defined in our Credit Agreement and Private Placement Senior Notes and is calculated using the most recently concluded period of four consecutive quarters.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.

SUPPLEMENTAL FINANCIAL INFORMATION

(In millions of USD except per share amounts - unaudited)

Adjusted EBITDA by Segment	Q2-24			Q2-23		
	Electronics	Transportation	Industrial	Electronics	Transportation	Industrial
GAAP operating income	\$ 46.2	\$ 15.2	\$ 9.5	\$ 79.8	\$ 7.8	\$ 15.1
Add:						
Add back amortization	9.8	3.3	2.6	10.1	4.2	2.7
Add back depreciation	10.0	5.8	1.3	9.7	6.9	1.4
Adjusted EBITDA	<u>\$ 66.0</u>	<u>\$ 24.3</u>	<u>\$ 13.4</u>	<u>\$ 99.6</u>	<u>\$ 18.9</u>	<u>\$ 19.2</u>
Adjusted EBITDA Margin	21.6 %	14.4 %	16.0 %	28.5 %	11.0 %	21.4 %

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

(in thousand)	Three Months Ended June 29, 2024				Three Months Ended July 1, 2023			
	Electronics Segment	Transportation Segment	Industrial Segment	Total	Electronics Segment	Transportation Segment	Industrial Segment	Total
Electronics – Semiconductor	\$ 159,564	\$ —	\$ —	\$ 159,564	\$ 197,295	\$ —	\$ —	\$ 197,295
Electronics – Passive Products and Sensors	146,075	—	—	146,075	152,852	—	—	152,852
Commercial Vehicle Products	—	80,759	—	80,759	—	83,329	—	83,329
Passenger Car Products	—	69,036	—	69,036	—	65,883	—	65,883
Automotive Sensors	—	19,169	—	19,169	—	22,836	—	22,836
Industrial Products	—	—	83,886	83,886	—	—	89,802	89,802
Total	\$ 305,639	\$ 168,964	\$ 83,886	\$ 558,489	\$ 350,147	\$ 172,048	\$ 89,802	\$ 611,997

Net sales reconciliation

Q2-24 vs. Q2-23

	Electronics	Transportation	Industrial	Total
Net sales decline	(13)%	(2)%	(7)%	(9)%
Less:				
Acquisitions	— %	— %	— %	— %
FX impact	(1)%	(1)%	(1)%	(1)%
Organic net sales decline	(12)%	(1)%	(6)%	(8)%

Electronics segment net sales reconciliation

Q2-24 vs. Q2-23

	Electronics – Semiconductor	Electronics – Passive Products and Sensors	Total Electronics
Net sales decline	(19)%	(4)%	(13)%
FX impact	— %	(1)%	(1)%
Organic net sales decline	(19)%	(3)%	(12)%

Transportation segment net sales reconciliation

Q2-24 vs. Q2-23

	Commercial Vehicle Products	Passenger Car Products (1)	Auto Sensor Products (1)	Total Transportation
Net sales (decline) growth	(3)%	5 %	(16)%	(2)%
Less:				
FX impact	— %	(2)%	(1)%	(1)%
Organic net sales (decline) growth	(3)%	7 %	(15)%	(1)%

(1) Passenger vehicle business (PVB) includes passenger car and auto sensor products.

SUPPLEMENTAL FINANCIAL INFORMATION CONT'D

LITTELFUSE, INC.
 SUPPLEMENTAL FINANCIAL INFORMATION
 (In millions of USD except per share amounts - unaudited)

Non-GAAP EPS reconciliation

	Q3-23
GAAP diluted EPS	\$ 2.30
EPS impact of Non-GAAP adjustments (below)	0.67
Adjusted diluted EPS	<u>\$ 2.97</u>

Non-GAAP adjustments - (income) / expense

	Q3-23
Acquisition-related and integration costs (a)	\$ 1.8
Purchase accounting inventory adjustments (b)	—
Restructuring, impairment and other charges (c)	4.5
Non-GAAP adjustments to operating income	6.3
Other income, net (d)	—
Non-operating foreign exchange loss	11.8
Non-GAAP adjustments to income before income taxes	18.1
Income taxes (e)	1.2
Non-GAAP adjustments to net income	<u>\$ 16.9</u>
Total EPS impact	<u>\$ 0.67</u>

(a) reflected in selling, general and administrative expenses ("SG&A").

(b) reflected in cost of sales.

(c) reflected in restructuring, impairment and other charges.

(d) reflected YTD gain of \$0.2 million from the sale of a building within the Electronics segment in the first quarter of 2023. 2022 amount included \$0.5 million gain from the sale of a building within Transportation segment.

(e) reflected the tax impact associated with the non-GAAP adjustments, and 2022 year-to-date amount includes the one-time net benefit of \$7.2 million that resulted from the dissolution of one of the Company's affiliates.