

A large, dark red, 3D-rendered sign for "WALL STREET" is tilted diagonally across the left side of the slide. The sign features the words "WALL" and "ST" in large, bold, white letters, with "22 51" and an arrow pointing right above "ST". The background of the slide is a dark red gradient with a faint, repeating pattern of the sign.

# Fiscal third quarter 2023 highlights

July 27, 2023

# 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 and administrative expense, operating margin, other income and expense, taxes, cash cycle, capital allocation and future business outlook. 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 01, 2022 as supplemented by our form 10-Q filings, and the Safe Harbor and Fair Disclosure statement in our press release detailing our quarterly results.

# Fiscal third quarter results

	Q3F23 Results	Q3F23 Guidance
Revenue	\$1.02 billion	\$1.00 to \$1.05 billion
GAAP Diluted EPS	\$0.56 <sup>(1)</sup>	\$0.28 to \$0.46 <sup>(3)</sup>
Non-GAAP Diluted EPS	\$1.32 <sup>(2)</sup>	\$1.05 to \$1.23 <sup>(4)</sup>

- Non-GAAP operating margin of 5.0%, including 37 bps of stock-based compensation, was at high end of guidance range
- 5<sup>th</sup> consecutive quarter with operating margin exceeding 5%
- Record quarterly manufacturing wins of \$321M
- Wins exceeded \$300M for second time in past 6 quarters
- Funnel of qualified manufacturing opportunities remains robust at \$4.0B

*(1) Includes \$0.14 of stock-based compensation expense and \$0.76 of restructuring charges*

*(2) Includes \$0.14 of stock-based compensation expense*

*(3) Plexus updated GAAP guidance on May 18, 2023 to reflect a one-time charge related to an arbitration decision. GAAP guidance includes \$0.19 of stock-based compensation expense.*

*(4) Includes \$0.19 of stock-based compensation expense and excludes \$0.77 of restructuring charges*



S U S T A I N A B I L I T Y

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## Fiscal 2022 Highlights

- Review on Plexus' [Sustainability web page](#)
- Manufacturing sites: 11.9% energy intensity reduction
- Launched 3<sup>rd</sup> employee resource group
- Charitable foundation donated \$1 million globally
- Completed 3<sup>rd</sup> party materiality assessment
- Enhanced cyber-incident response preparedness
- Deployed suite of product lifecycle solutions

# Fiscal 2023 fourth quarter guidance

## REVENUE GUIDE

- Robust commercial aerospace demand
- Ongoing new program ramps
- Incremental weakness in semicap
- Modest softening of some industrial markets
- Ongoing supply chain challenges

	Q4F23 Guidance
Revenue	\$1.00 billion to \$1.04 billion
GAAP Diluted EPS	\$1.18 to \$1.36*

## EPS GUIDE

- GAAP operating margin of 4.7% to 5.2%

## FUTURE OUTLOOK

- Expect demand to remain steady in early fiscal 2024 followed by accelerating revenue and profitability growth
- Confident in achieving \$5B of revenue at 5.5% GAAP operating margin by fiscal 2025

\* Includes \$0.19 of stock-based compensation expense

# Performance by market sector

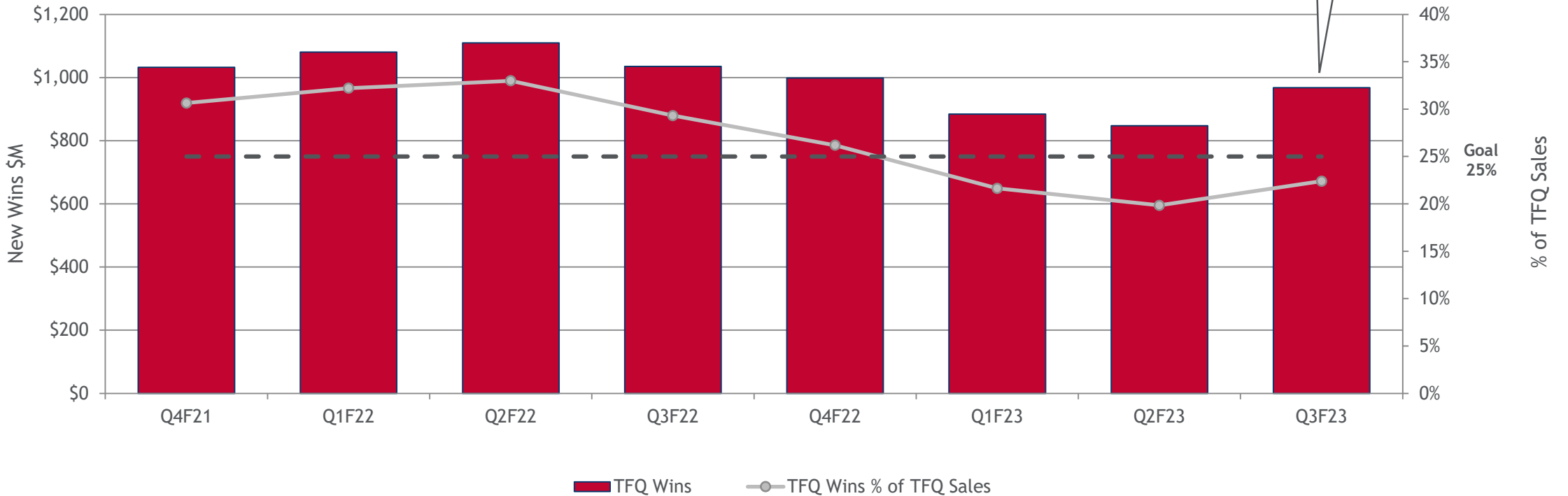
	Q3F23 Jul 1, 2023		Q3F23 vs. Q2F23	Q4F23 Expectations (percentage points)
Industrial	\$428	42%	- 3%	Down mid-single
Healthcare and Life Sciences	\$451	44%	- 7%	Flat
Aerospace and Defense	\$143	14%	- 1%	Approx. up 10%
Total Revenue	\$1,022	100%	- 5%	\$1,000 to \$1,040

# Manufacturing wins

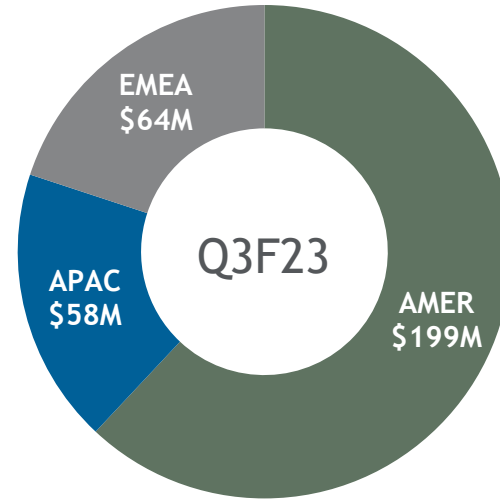
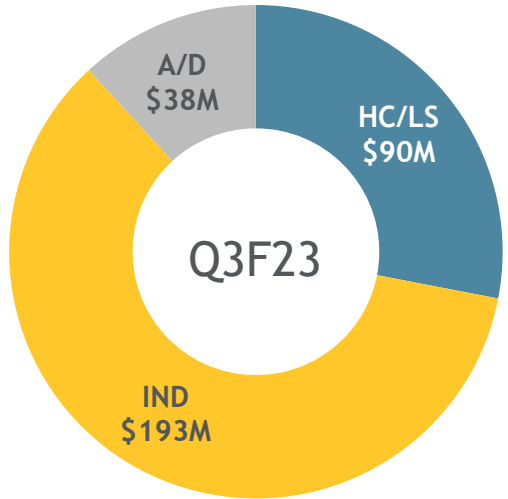
Q3F23 wins: \$321M  
New programs: 30

TFQ  
\$968M

Trailing Four Quarters (TFQ) Manufacturing Wins



# Manufacturing wins by sector and region



## Sector and Regional Highlights

- AMER wins almost \$200M, Mexico operations recipient of strategic sourcing decisions
- APAC region benefits from robust IND wins
- EMEA trailing four quarters of wins exceeds \$300M, growth is accelerating within region



# Fiscal third quarter wins highlights

## COMMUNICATION PRODUCTS (IND)

- Outsourcing of internal manufacturing
- Production location: Guadalajara, Mexico

## SEMICAP SUB-ASSEMBLIES (IND)

- Performance rewarded with addition of HLA production
- Production location: Penang, Malaysia

## VEHICLE ELECTRIFICATION (IND)

- High-level assembly of vehicle rapid charging system
- Production location: Oradea, Romania

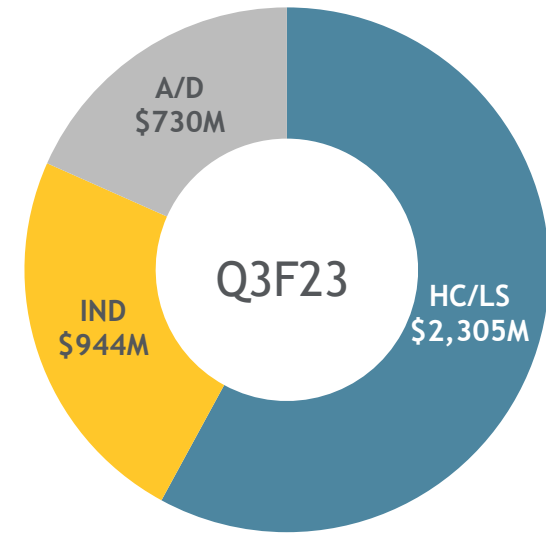
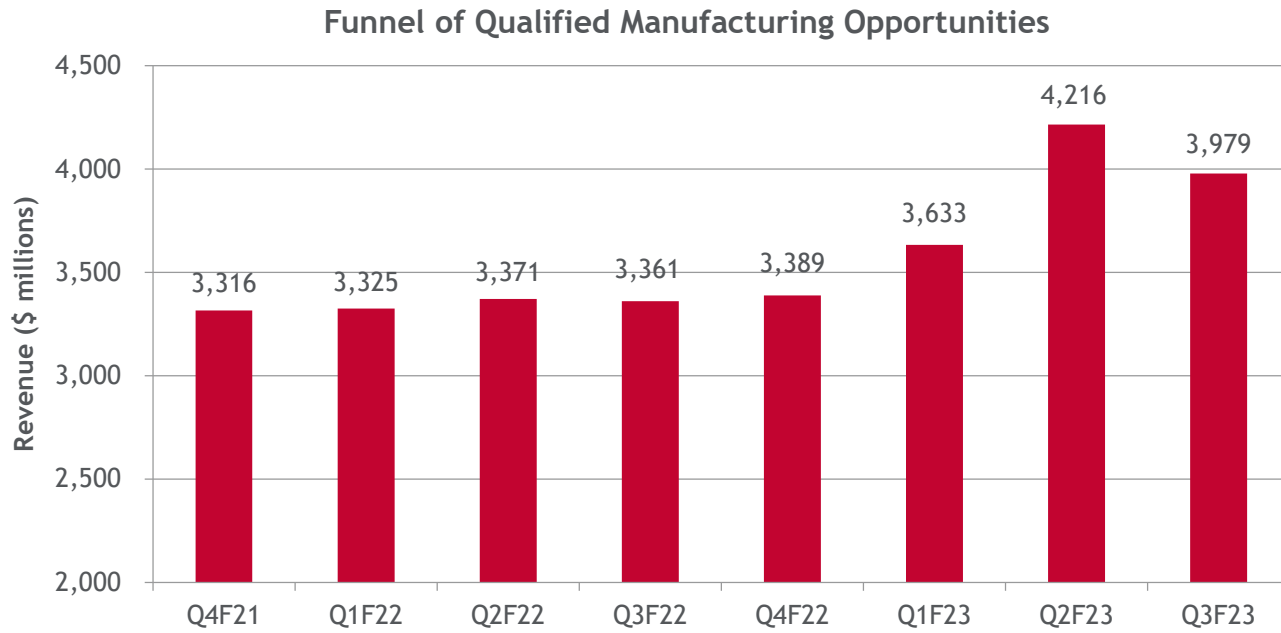
## DEFIBRILLATORS (HC/LS)

- Family of products for new logo
- Production location: Guadalajara, Mexico

## AEROSPACE (A/D)

- Market share gain with long-term customer
- Production location: Neenah, Wisconsin

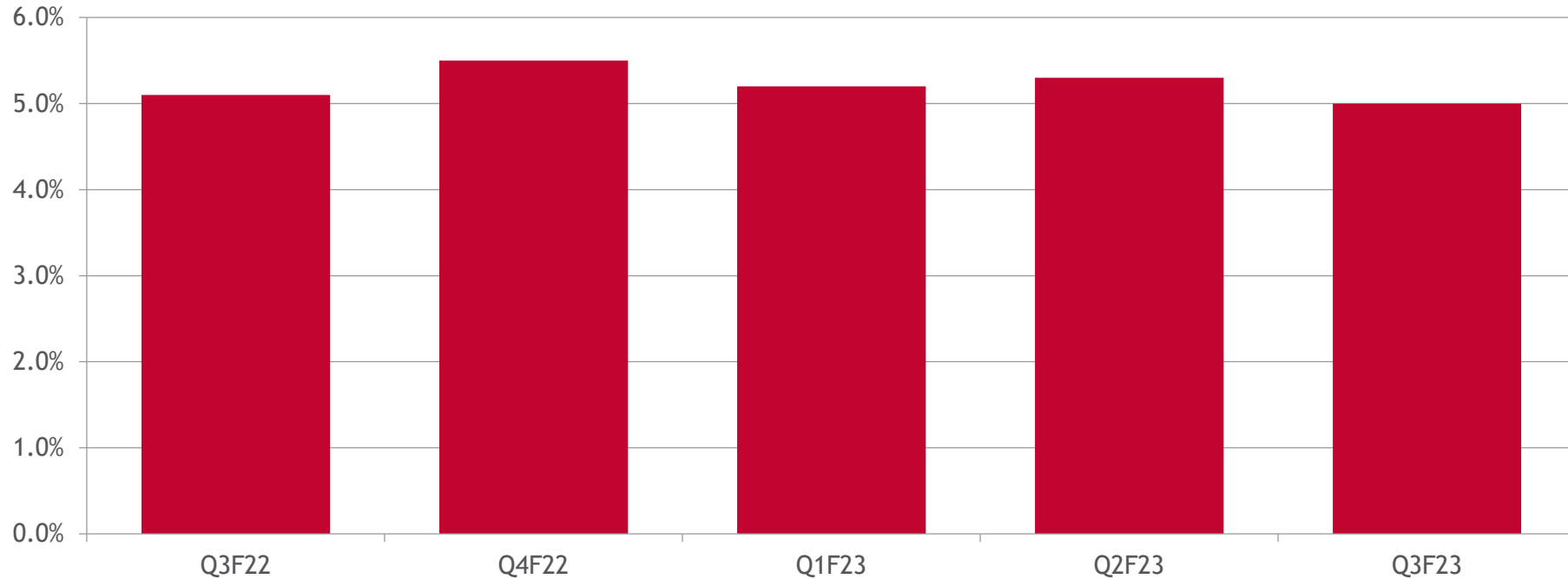
# Manufacturing funnel



*Qualified manufacturing funnel remains exceptionally strong at \$4.0 billion*

# Operating performance

Q3F23 Non-GAAP Operating Margin: 5.0%



*Operational agility enabled non-GAAP operating margin of 5.0%*

# Income statement

	Q3F23	Comments
Revenue	\$1.02 billion	Midpoint of guidance range of \$1.00 to \$1.05 billion
Gross margin	9.2%	Within guidance range of 8.9% to 9.3%
Selling & administrative expenses	\$42.3 million	Favorable to guidance range of \$43.5 to \$44.5 million
GAAP operating margin	2.8%*	At high-end of guidance range of 2.3% to 2.8%. Included 220 basis points of restructuring and other charges.
Non-GAAP operating margin	5.0%*	At high-end of guidance range of 4.5% to 5.0%
Non-operating expenses	\$10.8 million	Above guidance range of \$10.0 to \$10.5 million
GAAP diluted EPS	\$0.56**	Above guidance range of \$0.28 to \$0.46. Includes \$0.76 of restructuring and other charges.
Non-GAAP diluted EPS	\$1.32**	Above guidance range of \$1.05 to \$1.23

\* Includes 37 bps of stock-based compensation expense

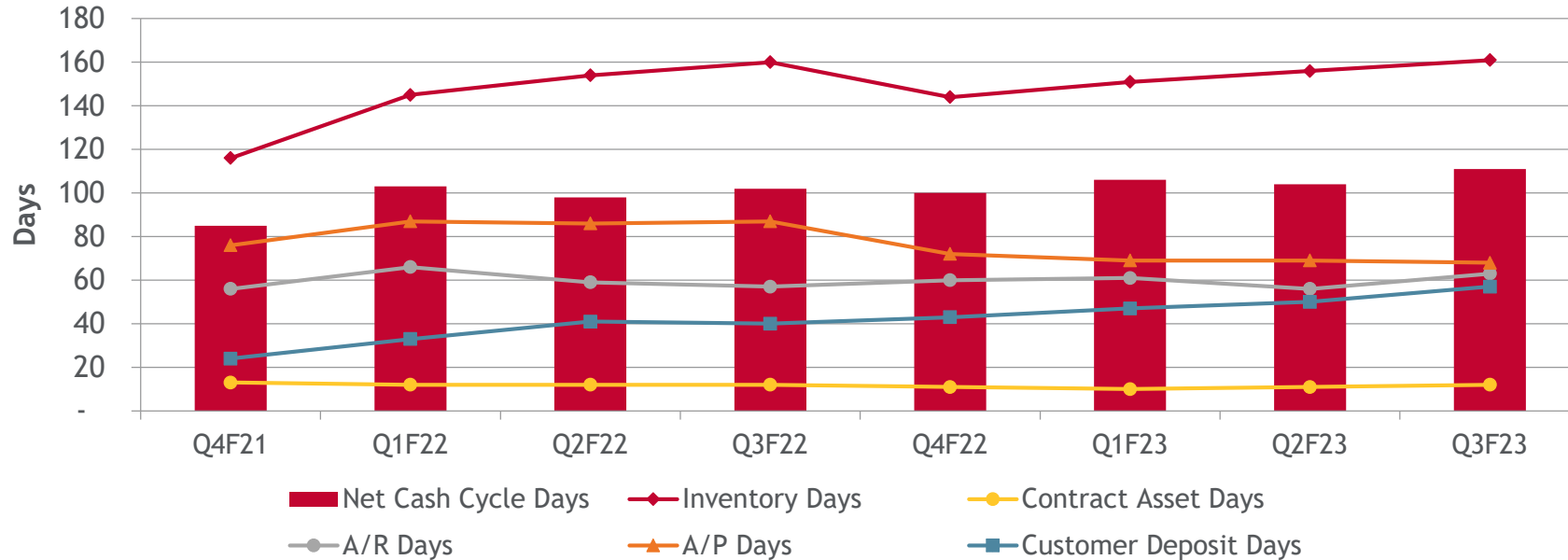
\*\* Includes \$0.14 of stock-based compensation expense

# Cash flow and balance sheet

	Q3F23	Comments
Free cash flow*	(\$11.5) million	Cash from operations: \$18.8 million Capital expenditures: \$30.3 million
Share repurchases	\$13.5 million	Approximately 150,000 shares
Cash balance	\$254 million	Sequentially lower by \$17 million
Total debt	\$492 million	\$203 million available to borrow under credit facility
Return on invested capital	13.5%	450 basis points above fiscal 2023 WACC of 9.0%
Cash cycle days	111 days	Slightly above guidance range of 106 to 110 days

*\* Includes \$15.8 million in costs associated with an arbitration decision and \$4.5 million associated with restructuring actions*

# Working capital trends



	Q4F21	Q1F22	Q2F22	Q3F22	Q4F22	Q1F23	Q2F23	Q3F23
Inventory Days	116	145	154	160	144	151	156	161
Contract Asset Days	13	12	12	12	11	10	11	12
A/R Days	56	66	59	57	60	61	56	63
A/P Days	76	87	86	87	72	69	69	68
Customer Deposit Days	24	33	41	40	43	47	50	57
Net Cash Cycle Days	85	103	98	102	100	106	104	111

# Fiscal fourth quarter 2023 guidance

	Guidance
Revenue	\$1.00 billion to \$1.04 billion
GAAP diluted EPS	\$1.18 to \$1.36
Gross margin	8.9% to 9.3%
Selling & administrative expenses	\$42.0 to \$43.0 million
GAAP operating margin	4.7% to 5.2%
Depreciation and amortization	Approximately \$19 million
Non-operating expenses	\$9.0 to \$9.5 million
Effective tax rate	13% to 15%
Diluted weighted average shares outstanding	Approximately 28.0 million
Cash cycle days	106 to 110 days

Q&A  
Thank you.