



Gabelli 48th Annual Automotive Symposium

November 5, 2024

Nasdaq: STRT

Jennifer Slater President and CEO

Dennis Bowe Vice President and Chief Financial Officer

www.strattec.com

Safe Harbor Statement



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Certain statements contained in this presentation contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as “anticipate,” “believe,” “could,” “expect,” “intend,” “may,” “planned,” “potential,” “should,” “will,” and “would.” Such forward-looking statements are inherently subject to many uncertainties in the Company’s operations and business environment. These uncertainties include general economic conditions, in particular, relating to the automotive industry, consumer demand for the Company’s and its customers’ products, competitive and technological developments, customer purchasing actions, changes in warranty provisions and customer product recall policies, work stoppages at the Company or at the location of its key customers as a result of labor disputes, foreign currency fluctuations, uncertainties stemming from U.S. trade policies, tariffs and reactions to same from foreign countries, the volume and scope of product returns, adverse business and operational issues resulting from the continuing effects of the coronavirus (COVID-19) pandemic, matters adversely impacting the timing and availability of component parts and raw materials needed for the production of our products and the products of our customers and fluctuations in our costs of operation (including fluctuations in the cost of raw materials). Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this presentation and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances occurring after the date of this presentation. In addition, such uncertainties and other operational matters are discussed further in the Company’s quarterly and annual filings with the Securities and Exchange Commission.

Use of Non-GAAP Financial Metrics and Additional Financial Information

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, STRATTEC provides Adjusted Non-GAAP information as additional information for its operating results. References to Adjusted Non-GAAP information are to non-GAAP financial measures. These measures are not required by, in accordance with, or an alternative for, GAAP and may be different from non-GAAP financial measures used by other companies. STRATTEC’s management uses these measures for reviewing the financial results of STRATTEC for budget planning purposes and for making operational and financial decisions. Management believes that providing these non-GAAP financial measures to investors, as a supplement to GAAP financial measures, help investors evaluate STRATTEC’s core operating and financial performance and business trends consistent with how management evaluates such performance and trends. Additionally, management believes these measures facilitate comparisons with the core operating and financial results and business trends of competitors and other companies.

The Company has provided reconciliations of comparable GAAP to non-GAAP measures in the supplemental slides of this presentation.

Leader in Smart Vehicle Access, Security and Authorization Solutions

Delivering Innovative, Comprehensive Range of Solutions to the Automotive Industry

Nasdaq: STRT

Founded: 1908

Public: 1995

Headquarters: Milwaukee, WI

Market Capitalization: \$150M

Recent Closing Price: \$37.55

52 week High-Low: \$43.15 / \$20.87

Shares Outstanding: 4.1M

Institutional Ownership: 66%

Insider Ownership: 4%

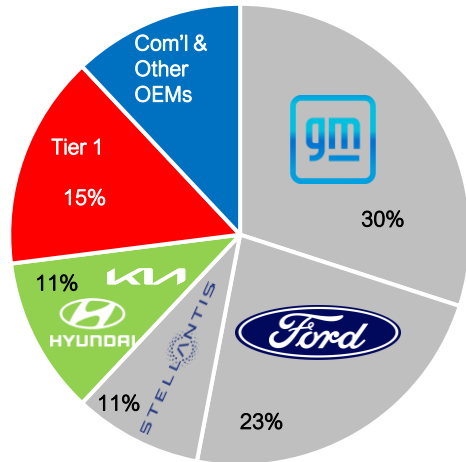


Leading Capabilities & Low-cost Manufacturing

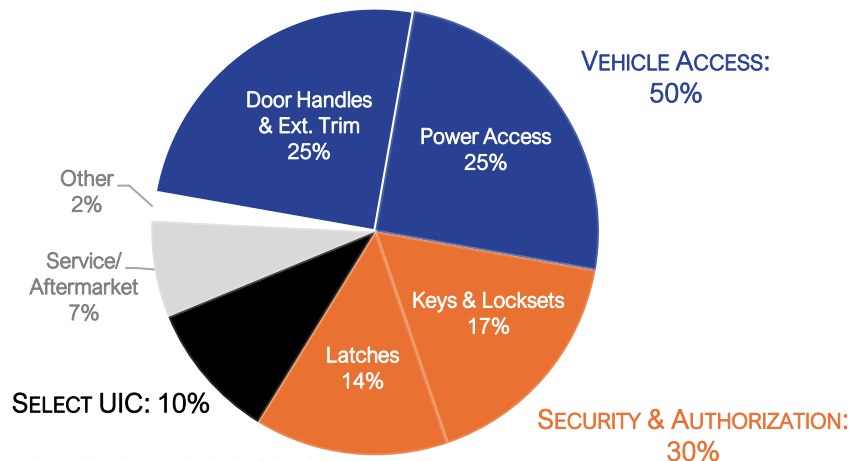


Q1 FY25 REVENUE \$139.1M

Q1 FY25 Sales By Customer



Q1 FY25 Sales By Product



Milwaukee, WI

- STRATTEC Headquarters
- Manufacturing
- Engineering
- Testing

Auburn Hills, MI

- STRATTEC Power Access HQ
- STRATTEC Sales Office
- Engineering
- Program Management

El Paso, TX

- Distribution

ADAC STRATTEC de Mexico

- Injection Molding
- Door Handle Mfg and Painting

Mexico Operations, Juarez, Mexico (3 facilities)

- Engineering
- Assembly
- Testing

Core Capabilities

- **Design and Engineering**
- **Injection Molding**
- **Zinc Die Cast**
- **Stamping**
- **Plating**
- **Assembly**

STRATTEC Q1 FY2025

Highlights

- Strong cash generation of \$11.3 million
 - Included reduction in customer tooling balance
- Solid balance sheet
 - \$34.4 million in cash
 - \$13 million in JV debt (*STRT 51% owner*)
- Revenue up 2.7%, or 9.1% on adjusted net sales⁽¹⁾
 - Solid position on F-Series pickups
 - New products and content on Aston Martin
 - Launched content on new platform with leading EV OEM
- Gross margin of 13.6% vs. 13.8%
 - Current year quarter had 190 bps of favorable FX
 - PY quarter had 470 bps benefit of one-time pricing

(1) Adjusted net sales is a non-GAAP metric. See the reconciliation of GAAP to non-GAAP in the Supplemental tables included in this presentation.

Rethinking STRATTEC

Priorities for Transformation



Reimagine product portfolio

- What do customers want
- What has defensible market position
- What delivers on profits
- What defines future product road map

Improve operational efficiency

- Supply chain, inventory and operational process
- Optimizing operational footprint

Develop team and talent

- Accountability and responsibility
- Added Chief People Officer
- Appointed new Chief Commercial Officer

STRATTEC Investment Rationale



-  Early stages of transformation
-  Reimagining product portfolios to simplify in leadership positions
-  Improving operational efficiency to drive profits and consistency
-  Developing team and talent to execute change
-  Strong balance sheet to support modernization and upgrade investments



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