



**Park-Ohio Holdings Corp.  
Full Year 2024 Earnings Call Presentation**

**March 6, 2025**

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# Forward-Looking Statements and Non-GAAP Measures



These slides contain forward-looking statements, including statements regarding future performance of the Company, that are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors that could cause actual results to differ materially from expectations include, but are not limited to, the following: the impact supply chain and logistic issues have on our business, results of operations, financial position and liquidity; our substantial indebtedness; the uncertainty of the global economic environment; general business conditions and competitive factors, including pricing pressures and product innovation; demand for our products and services; the impact of labor disturbances affecting our customers; raw material availability and pricing; fluctuations in energy costs; component part availability and pricing; changes in our relationships with customers and suppliers; the financial condition of our customers, including the impact of any bankruptcies; our ability to successfully integrate recent and future acquisitions into existing operations; the amounts and timing, if any, of purchases of our common stock; changes in general economic conditions such as inflation rates, interest rates, tax rates, unemployment rates, higher labor and healthcare costs, recessions and changing government policies, laws and regulations, including those related to the current global uncertainties and crises, such as tariffs and surcharges; adverse impacts to us, our suppliers and customers from acts of terrorism or hostilities, including the conflicts between Russia and Ukraine and in the Middle East, or political unrest, including the rising tension between China and the United States; public health issues, including the outbreak of infectious diseases and any impact on our facilities and operations and our customers and suppliers; our ability to meet various covenants, including financial covenants, contained in the agreements governing our indebtedness; disruptions, uncertainties or volatility in the credit markets that may limit our access to capital; potential disruption due to a partial or complete reconfiguration of the European Union; increasingly stringent domestic and foreign governmental regulations, including those affecting the environment or import and export controls and other trade barriers; inherent uncertainties involved in assessing our potential liability for environmental remediation-related activities; the outcome of pending and future litigation and other claims and disputes with customers; our dependence on the automotive and heavy-duty truck industries, which are highly cyclical; the dependence of the automotive industry on consumer spending; our ability to negotiate contracts with labor unions; our dependence on key management; our dependence on information systems; our ability to continue to pay cash dividends, and the timing and amount of any such dividends; and the other factors we describe under “Item 1A. Risk Factors” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. In light of these and other uncertainties, the inclusion of a forward-looking statement herein should not be regarded as a representation by us that our plans and objectives will be achieved.

The Company uses certain non-GAAP measures in discussing the Company’s performance, including Adjusted EPS; EBITDA, as defined; and Adjusted Segment Operating Income. The reconciliation of these measures to the most directly comparable GAAP measures is detailed at the end of these slides and in the Company’s press release for the fourth quarter of 2024, which is available on the Company’s website at [www.pkoh.com](http://www.pkoh.com).

# Full Year 2024 Highlights

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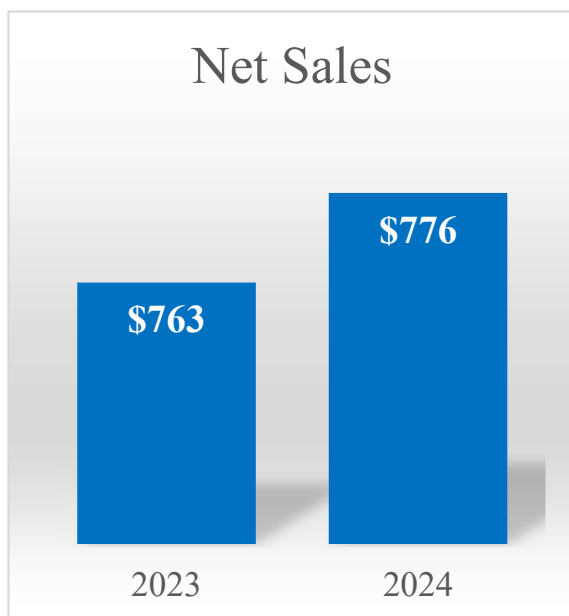
- Net sales from continuing operations of \$1.656 billion
- GAAP EPS from continuing operations of \$3.19 per diluted share compared to \$2.72 in 2023. Adjusted EPS from continuing operations of \$3.59 per diluted share, up 17% compared to \$3.07 per diluted share in 2023
- EBITDA, as defined from continuing operations improved 13% to \$152 million, 9.2% of net sales
- Full year operating cash flows of \$35 million and free cash flow of \$15 million
- Generated \$11.5 million of cash proceeds from asset sales
- Realized net cash proceeds of \$30 million from issuances of common shares
- Repaid \$16 million of outstanding indebtedness

# 2024 Consolidated Results *(in millions, except EPS)*



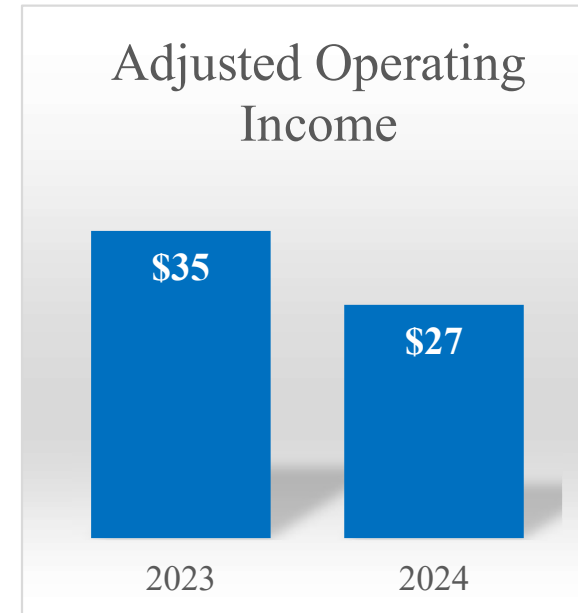
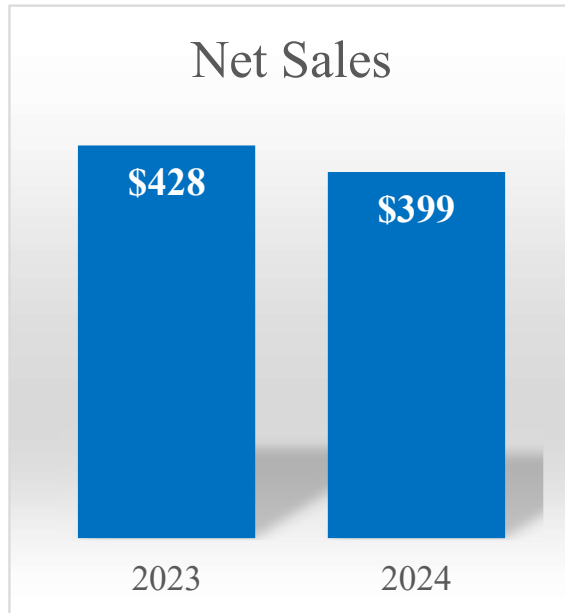
- Full year 2024 net sales were \$1.656 billion compared to \$1.660 billion in 2023. Gross margin increased 60 basis points to 17.0% in 2024 compared to 16.4% 2023.
- Income from continuing operations attributable to ParkOhio common shareholders in 2024 was \$42.2 million, or \$3.19 per diluted share, compared to \$34.0 million, or \$2.72 per diluted share in 2023.
- Excluding one-time non-recurring items, adjusted EPS from continuing operations was \$3.59 per diluted share in 2024, an increase of 17% compared to \$3.07 per diluted share in 2023.
- EBITDA, as defined in 2024 was \$151.7 million, an increase of 13% compared to \$134.2 million in 2023.

# 2024 Supply Technologies Segment *(in millions)*



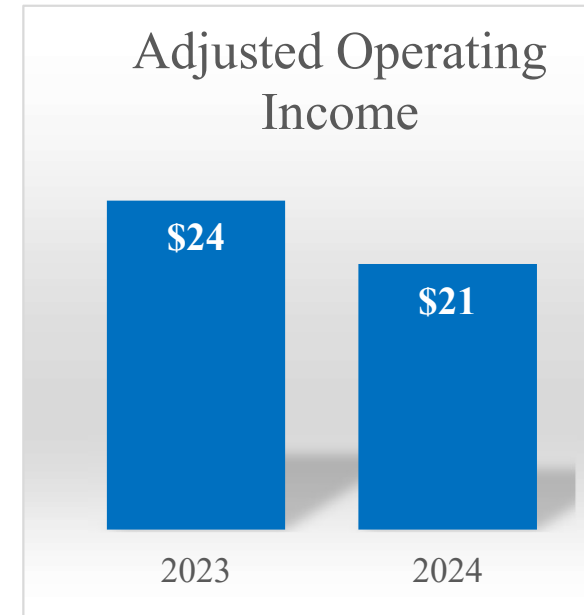
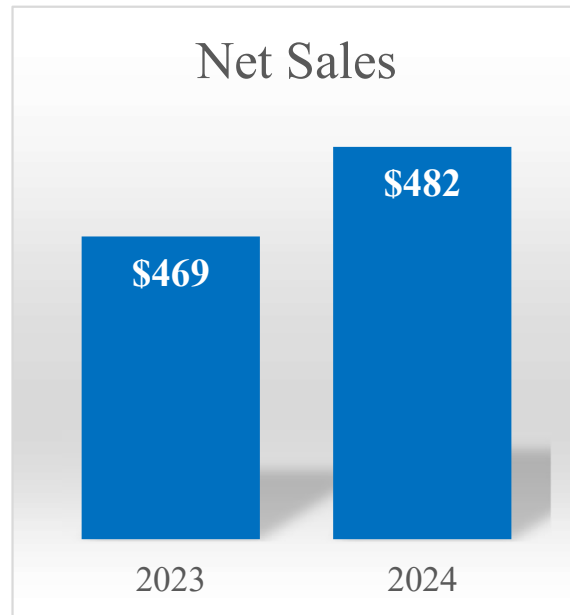
- Net sales were a record \$776 million, up 2% compared to 2023 due to continued strong demand in many of the Company's key end markets, with the largest increases in the aerospace and defense, heavy-duty truck, electrical distribution and consumer electronics end markets, partially offset by decreases in the power sports and industrial and agricultural equipment end markets.
- Net sales benefited from higher customer demand for our proprietary products throughout North America and Europe in our fastener manufacturing business.
- Income increased \$16.0 million to \$75.0 million in 2024 compared to 2023, and segment operating income margin increased 200 basis points to 9.7% in 2024 compared to a year ago.
- The increases were due primarily to the increase in sales, profit improvement initiatives and higher profit flow-through from strong demand in our fastener manufacturing business.

# 2024 Assembly Components Segment *(in millions)*



- Sales were lower year-over-year due primarily to lower product pricing on certain legacy programs and lower unit volumes primarily on end-of-life programs, partially offset by higher product pricing on certain other programs.
- Adjusted operating income margin was 6.6% in 2024 compared to 8.2% in 2023.
- The decrease in adjusted operating income and margin in the 2024 compared to 2023 were due to lower product pricing and unit volumes, which were partially offset by profit enhancement initiatives in 2024.

# 2024 Engineered Products Segment *(in millions)*



- Sales were a record \$482 million, up 3% in 2024 compared to 2023 driven by higher new capital equipment and aftermarket sales in our industrial equipment business.
- Aftermarket parts and services grew 12% in our industrial equipment business.
- Bookings of new equipment totaled \$164 million in 2024. Backlog at December 31, 2024 in our industrial equipment business totaled \$145 million.
- Adjusted segment operating income in 2024 decreased \$3 million compared to 2023, as a result of higher operating costs in our forged and machined products business, partially offset by the higher sales and improved margins in our industrial equipment business.

# 2025 Outlook

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- For 2025, we expect year-over-year sales growth of 2% to 4%, driven by stable demand in most of our key end markets. We also expect year-over-year improvement in adjusted operating income, adjusted net income, EBITDA as defined and free cash flow.
- As a result of recent actions with respect to tariffs on goods manufactured abroad, costs for certain goods which we import into the United States, including certain raw materials and components, are expected to increase. We are working with our supply chains and customers to mitigate the impact of such tariffs. Conversely, our U.S. manufacturing plants may realize a benefit from tariffs as a result of higher production and localized sourcing back into the U.S.



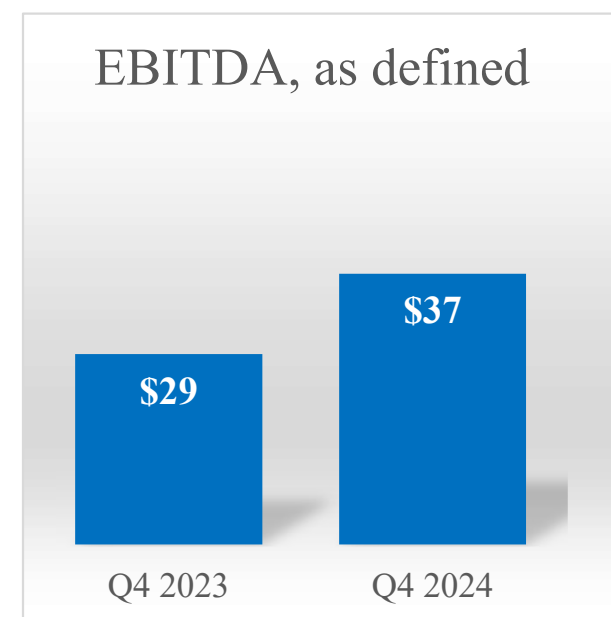
# Fourth Quarter 2024 Highlights

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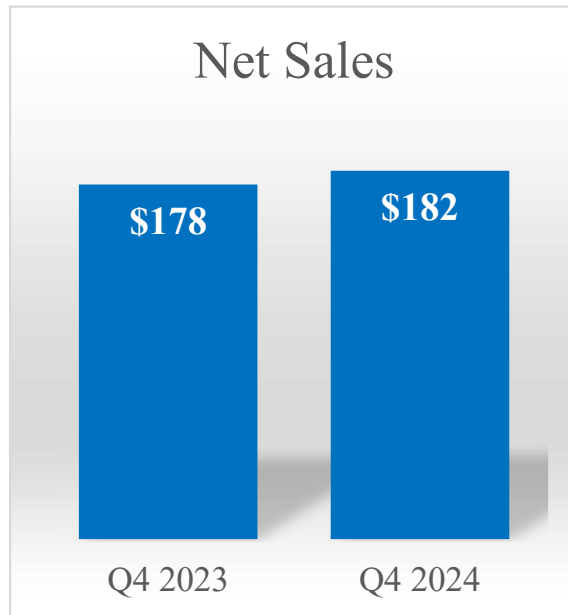
- Net sales from continuing operations of \$388 million
- GAAP EPS from continuing operations of \$0.41 per diluted share
- Adjusted EPS from continuing operations of \$0.67 per diluted share, up 24% vs. \$0.54 in Q4 2023
- EBITDA, as defined, of \$37 million, up 27% from \$29 million in Q4 2023
- Strong Q4 operating cash flows of \$26 million and free cash flow of \$29 million, including \$11.5 million of cash proceeds from asset sales

# Q4 Consolidated Results *(in millions, except EPS)*

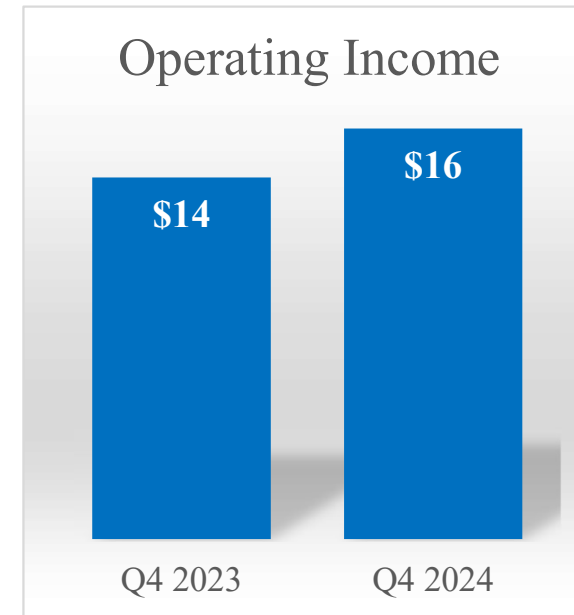


- Sales from continuing operations were driven by an 2% increase in our Supply Technologies and Engineered Products segments, offset by lower sales in Assembly Components.
- Improvement in profitability driven by higher margins in our Supply Technologies segment, continued strong results in our industrial equipment group, and a tax benefit in the 2024 period driven by higher research and development tax credits and reversals of certain tax valuation allowances.

# Q4 Supply Technologies Segment *(in millions)*



- Sales increased 2% year-over-year driven by continued strong demand in many of the Company's key end markets, with the largest increases in aerospace and defense, heavy-duty truck, electrical distribution and consumer electronics, partially offset by decreases in the power sports and industrial and agricultural equipment end markets.
- The increase in our net sales was also driven by higher customer demand throughout North America and Europe for our proprietary products in our fastener manufacturing business.

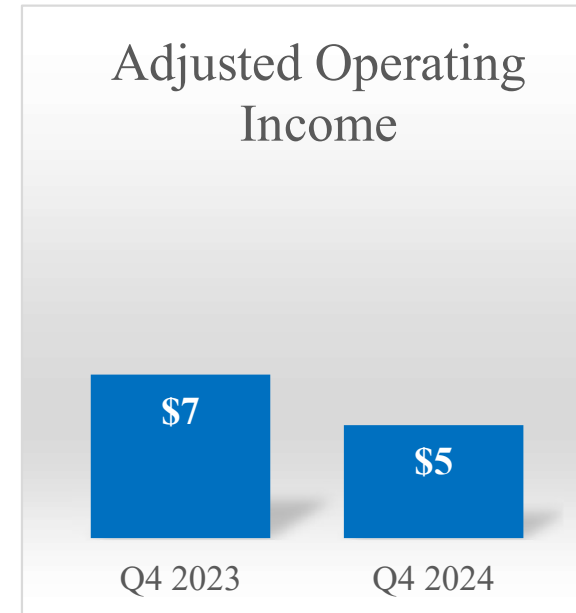


- Segment operating income was \$16 million in the fourth quarter of 2024 compared to \$14 million in the fourth quarter 2023, and operating income margin was 80 basis points higher in the 2024 fourth quarter compared to the same quarter a year ago.
- Profit improvement in the current year was driven by an increase in sales of higher-margin products, strong operational execution and continued strong demand in our fastener manufacturing business.

# Q4 Assembly Components Segment *(in millions)*



- Lower net sales in the 2024 quarter were impacted by OEM plant shut down schedules in December, lower product pricing on certain legacy programs, and lower unit volumes particularly on end-of-life programs.



- The decrease in profitability in the 2024 period was driven by the lower sales levels, which more than offset the benefit of profit-improvement initiatives implemented over the past two years.

# Q4 Engineered Products Segment *(in millions)*



- Sales increased 2% year-over-year driven by increased demand in our industrial equipment business for both new capital equipment and aftermarket products and services.
- New equipment backlog totaled \$145 million at December 31, 2024 compared to \$162 million at December 31, 2023. Bookings of new equipment in 2024 totaled \$164 million compared to \$175 million in 2023.
- Adjusted operating income increased year-over-year driven by higher sales and improved profitability in our industrial equipment business, partially offset by higher operating costs and lower sales in our forged and machined products business.

# Non-GAAP Reconciliations – Full Year



	Year Ended December 31,	
	2024	2023
Adjusted EPS:		
Income from continuing operations per common share attributable to Park-Ohio Holdings Corp. common shareholders	\$ 3.19	\$ 2.72
Adjustments		
Restructuring and other special charges	0.35	0.51
Acquisition-related expenses	0.02	0.01
Gain on sales of assets	(0.19)	(0.06)
Other expenses	0.38	-
Tax effect of adjustments	(0.14)	(0.11)
Non-controlling interest impact	(0.02)	-
Adjusted EPS	\$ 3.59	\$ 3.07
	Year Ended December 31,	
	2024	2023
EBITDA, as defined:		
	(in millions)	
Income from continuing operations attributable to Park-Ohio Holdings Corp. common shareholders	\$ 42.2	\$ 34.0
Add back:		
Interest expense, net	47.4	45.1
Income tax expense	4.9	8.5
Depreciation and amortization	33.6	31.7
Stock-based compensation expense	5.6	6.5
Restructuring, business optimization and other costs	2.7	6.5
Other expense	5.0	-
Loss on sale of assets	-	0.4
Acquisition-related expenses	0.3	0.1
EBITDA loss attributable to Designated Subsidiary	9.9	2.8
Other	0.1	(1.4)
EBITDA, as defined	\$ 151.7	\$ 134.2

# FY Non-GAAP Reconciliations (continued)



	Year Ended December 31,					
	2024			2023		
	(In millions)					
Operating income (loss):	As reported	Adjustments	As adjusted	As reported	Adjustments	As adjusted
Supply Technologies	\$ 75.0	\$ 0.2	\$ 75.2	\$ 59.0	\$ 0.2	\$ 59.2
Assembly Components	25.4	1.1	26.5	33.4	1.5	34.9
Engineered Products	17.7	3.6	21.3	19.1	4.9	24.0
Corporate	(29.0)	—	(29.0)	(28.2)	—	(28.2)
Gains on sales of assets	2.5	(2.5)	—	0.8	(0.8)	—
Other expense	(5.0)	5.0	—	—	—	—
Adjusted operating income	\$ 86.6	\$ 7.4	\$ 94.0	\$ 84.1	\$ 5.8	\$ 89.9

# Non-GAAP Reconciliations – Q4



	Three Months Ended December 31,	
	2024	2023
Adjusted EPS:		
Income from continuing operations per common share attributable to Park-Ohio Holdings Corp. common shareholders	\$ 0.41	\$ 0.54
Adjustments		
Restructuring and other special charges	0.18	-
Gain on sales of assets	(0.18)	-
Other expenses	0.36	-
Tax effect of adjustments	(0.09)	-
Non-controlling interest impact	(0.01)	-
Adjusted EPS	\$ 0.67	\$ 0.54
	Three Months Ended December 31,	
	2024	2023
EBITDA, as defined:	(in millions)	
Income from continuing operations attributable to Park-Ohio Holdings Corp. common shareholders	\$ 5.6	\$ 6.9
Add back:		
Interest expense, net	11.4	11.7
Depreciation and amortization	8.4	8.2
Stock-based compensation expense	1.5	1.6
Restructuring, business optimization and other costs	1.6	-
Other expense	5.0	-
EBITDA loss attributable to Designated Subsidiary	3.4	0.7
Other	0.1	-
EBITDA, as defined	\$ 37.0	\$ 29.1



# Q4 Non-GAAP Reconciliations (continued)



	Three Months Ended December 31,					
	2024			2023		
	(In millions)					
Operating income (loss):	As reported	Adjustments	As adjusted	As reported	Adjustments	As adjusted
Supply Technologies	\$ 15.9	\$ —	\$ 15.9	\$ 14.0	\$ —	\$ 14.0
Assembly Components	3.9	0.6	4.5	6.5	—	6.5
Engineered Products	3.1	1.9	5.0	3.8	—	3.8
Corporate	(6.0)	—	(6.0)	(6.6)	—	(6.6)
Gains on sales of assets	2.5	(2.5)	—	—	—	—
Other expense	(5.0)	5.0	—	—	—	—
Adjusted operating income	\$ 14.4	\$ 5.0	\$ 19.4	\$ 17.7	\$ —	\$ 17.7