

# TTM Technologies, Inc. Investor Presentation

February, 2025



*Inspiring Innovation*

# Disclaimers

## Forward-Looking Statements

This communication may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements related to the future business outlook, events, and expected performance of TTM Technologies, Inc. (“TTM”, “we” or the “Company”). The words “anticipate,” “believe,” “plan,” “forecast,” “foresee,” “estimate,” “project,” “expect,” “seek,” “target,” “intend,” “goal” and other similar expressions, among others, generally identify “forward-looking statements,” which speak only as of the date the statements were made and are not guarantees of performance. Actual results may differ materially from these forward-looking statements. Such statements relate to a variety of matters, including but not limited to the operations of TTM’s businesses. These statements reflect the current beliefs, expectations and assumptions of the management of TTM, and we believe such statements to have a reasonable basis.

It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the Company. These forward-looking statements are based on assumptions that may not materialize, and involve certain risks and uncertainties, many of which are beyond our control, that could cause actual events or performance to differ materially from those indicated in such forward-looking statements. Factors, risks, trends, and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied in forward-looking statements include, but are not limited to potential changes in domestic or global economic conditions, demand for our products, market pressures on prices of our products, warranty claims, changes in product mix, contemplated significant capital expenditures and related financing requirements, our dependence upon a small number of customers, and other factors set forth in the Company’s most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q and in the Company’s other filings filed with the Securities and Exchange Commission (the “SEC”), including under the heading “Risk Factors”, and which are available at the SEC’s website at [www.sec.gov](http://www.sec.gov).

TTM does not undertake any obligation to update any of these statements to reflect any new information, subsequent events or circumstances, or otherwise, except as may be required by law, even if experience or future changes make it clear that any projected results expressed in this communication or future communications to stockholders, press releases or Company statements will not be realized. In addition, the inclusion of any statement in this communication does not constitute an admission by us that the events or circumstances described in such statement are material.

## Use of Non-GAAP Financial Measures

In addition to the financial statements presented in accordance with U.S. generally accepted accounting principles (“GAAP”), TTM uses certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Non-GAAP Operating Income, Non-GAAP Net Income, Non-GAAP Operating Margin, Non-GAAP Gross Margin, Non-GAAP EPS and Adjusted Operating Cash Flow. We present non-GAAP financial information to enable investors to see TTM through the eyes of management and to provide better insight into our ongoing financial performance.

# Disclaimers (cont.)

A material limitation associated with the use of the above non-GAAP financial measures is that they have no standardized measurement prescribed by GAAP and may not be comparable to similar non-GAAP financial measures used by other companies. We compensate for these limitations by providing full disclosure of each non-GAAP financial measure and reconciliation to the most directly comparable GAAP financial measure. However, the non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

See Appendix for reconciliations of Adjusted EBITDA and Non-GAAP Operating Income to the most comparable GAAP metric.

## **Data Used in This Presentation**

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## **Third Party Information**

The information contained herein does not purport to be all inclusive. This presentation has been prepared by the Company and includes information from other sources believed by the Company to be reliable. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of any of the opinions and conclusions set forth herein based on such information. This presentation may contain descriptions or summaries of certain documents and agreements, but such descriptions or summaries are qualified in their entirety by reference to the actual documents or agreements. Unless otherwise indicated, the information contained herein speaks only as of the date hereof and is subject to change, completion or amendment without notice.

# Leading Technology Solutions provider of Mission Systems, PCBs and Specialty Components

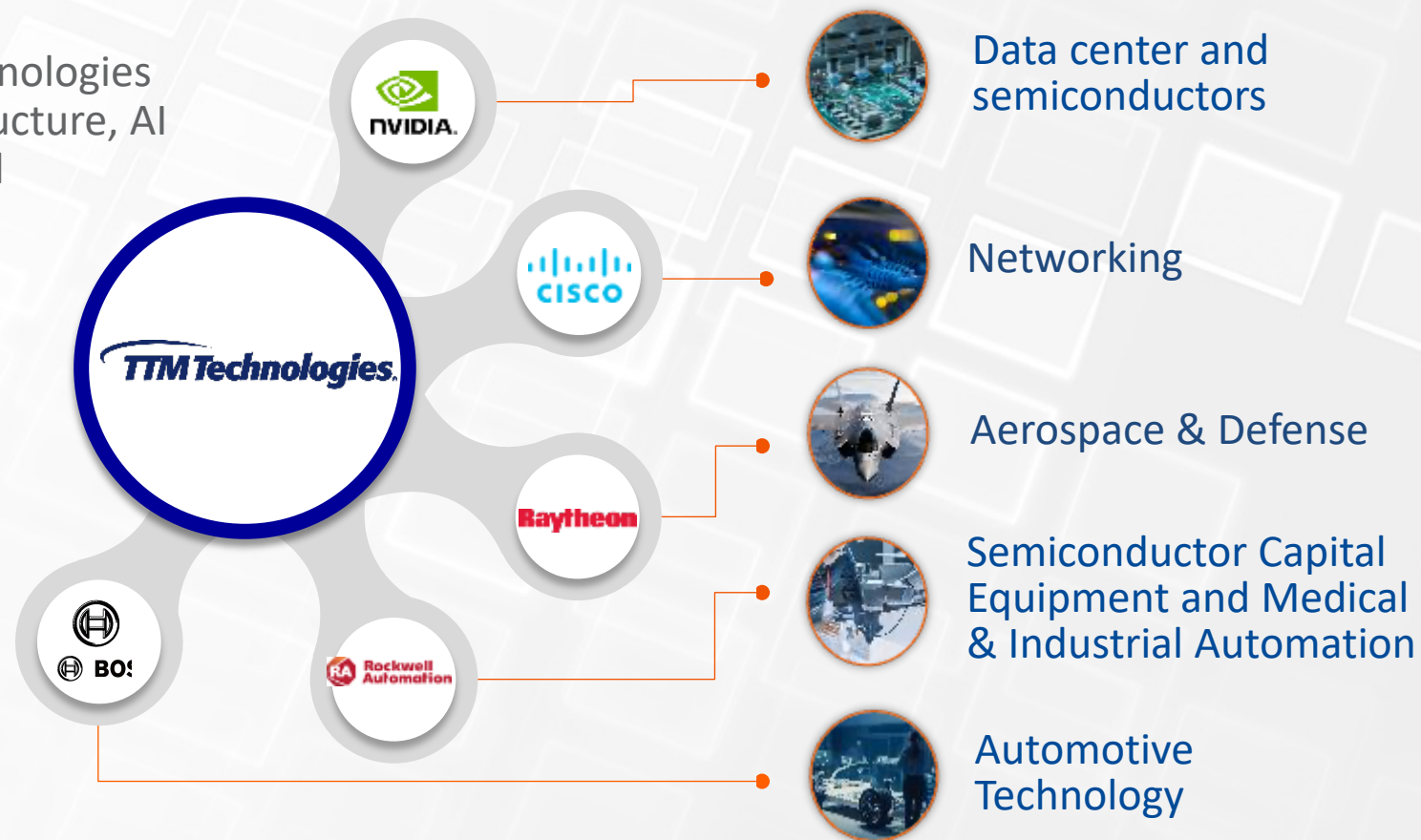
## Technology-enabled end markets and customers

Critical supplier to today's fastest growing technologies such as advanced defense radar, cloud infrastructure, AI data centers, automobile technology, industrial automation and internet of things

Significant global footprint with 23 facilities and 18,000 employees

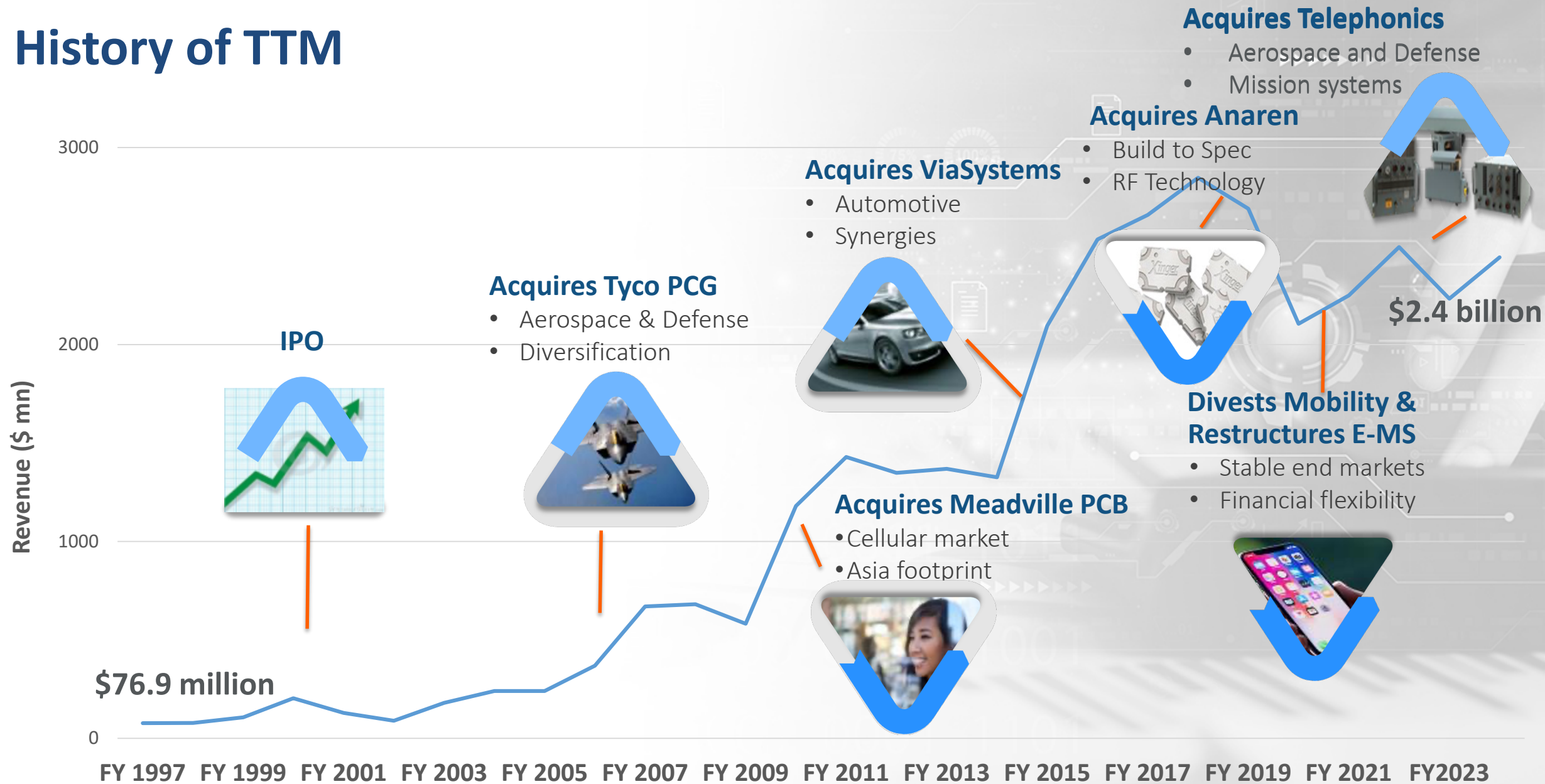
### Scale:

\$2.4 billion FY24 revenue





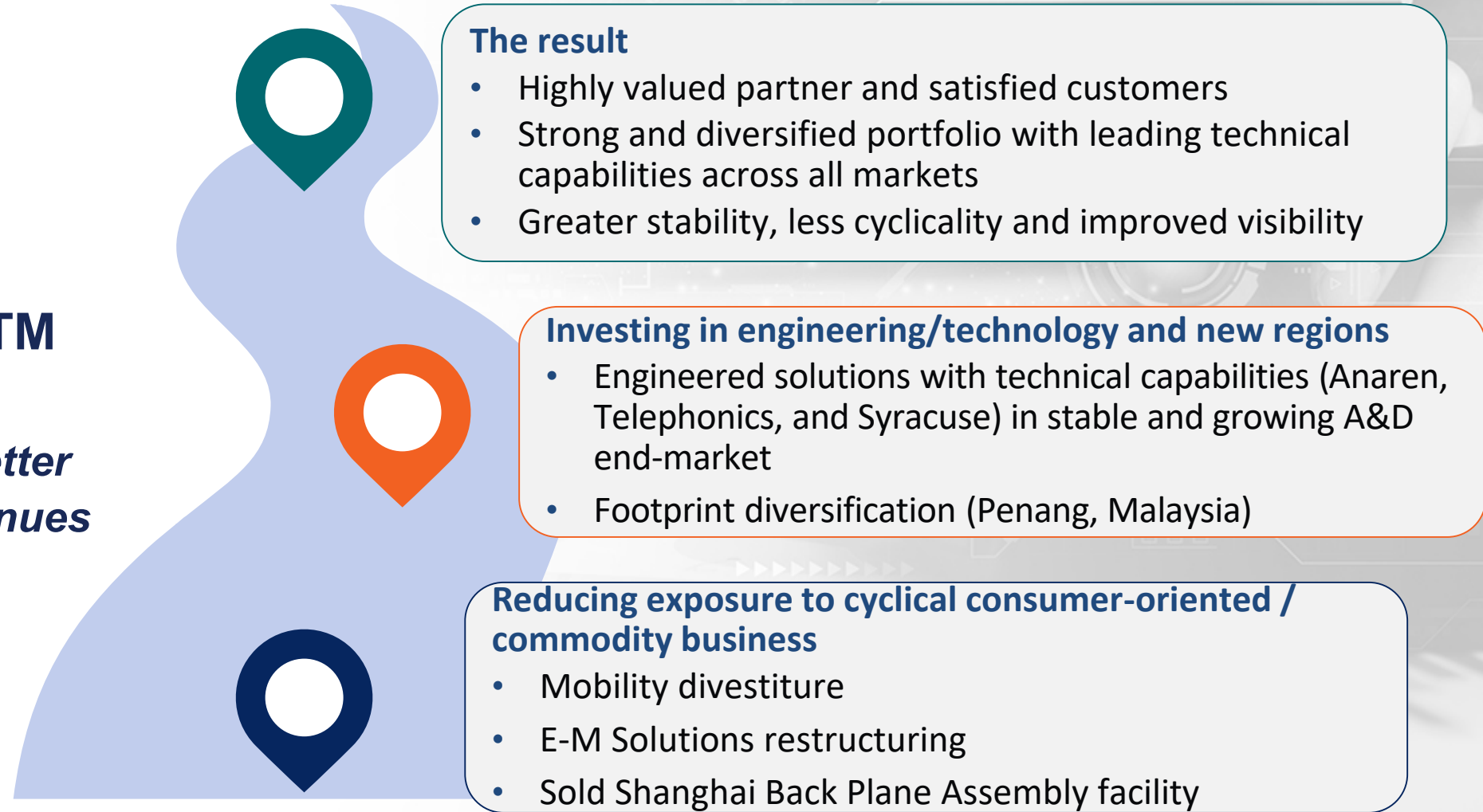
# History of TTM



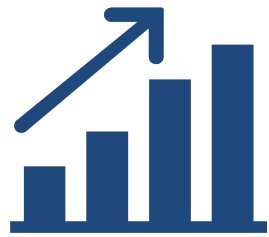
# TTM Continues to Transform the Business by Implementing Its Core Strategy of Differentiation

## Differentiating TTM

*Transformation to better business model continues*

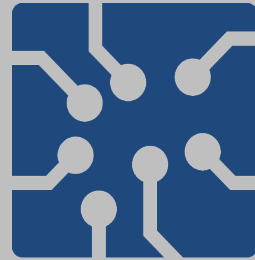


# Strategic Focus



## Diversification

- Diverse end markets
- Near term – Aerospace and Defense, Data Center Computing and Networking



## Differentiation

- Engineering depth
- Early engagement
- Technology breadth
- Global footprint



## Discipline

- Operational execution
- Earnings power
- Cash flow generation

# End Market Growth Drivers and Outlook

	FY 2024 Net Sales	End Market Growth Drivers	2023 – 2028 CAGR (3 <sup>rd</sup> Party)	2025 TTM View
Aerospace & Defense 	46%	Increased Use of AESA Radar & Increased Military Equipment Builds	3-5%	Above

Source: TTM filings, Prismark Partners Nov 2023, Company estimates



# Aerospace & Defense Business At A Glance

Q4 24

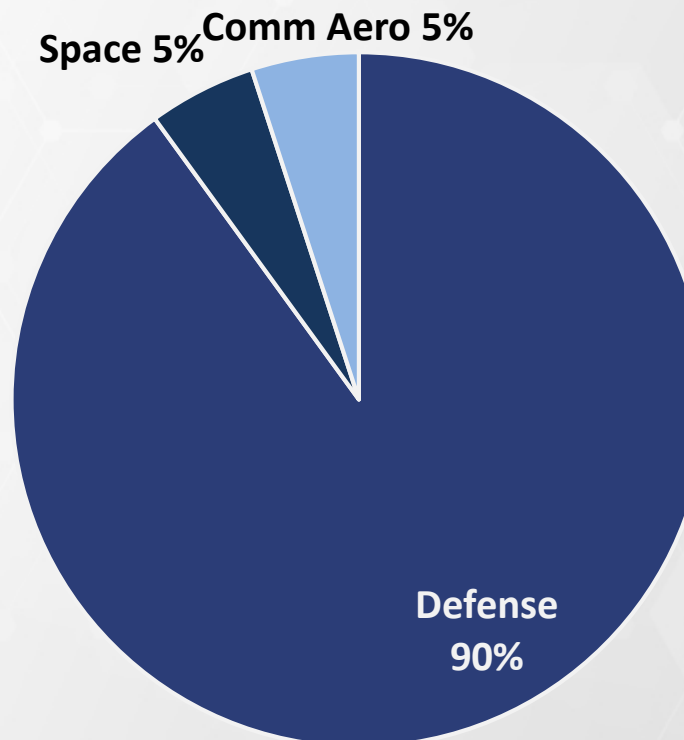
Book to bill 1.14

Program backlog \$1.56 billion

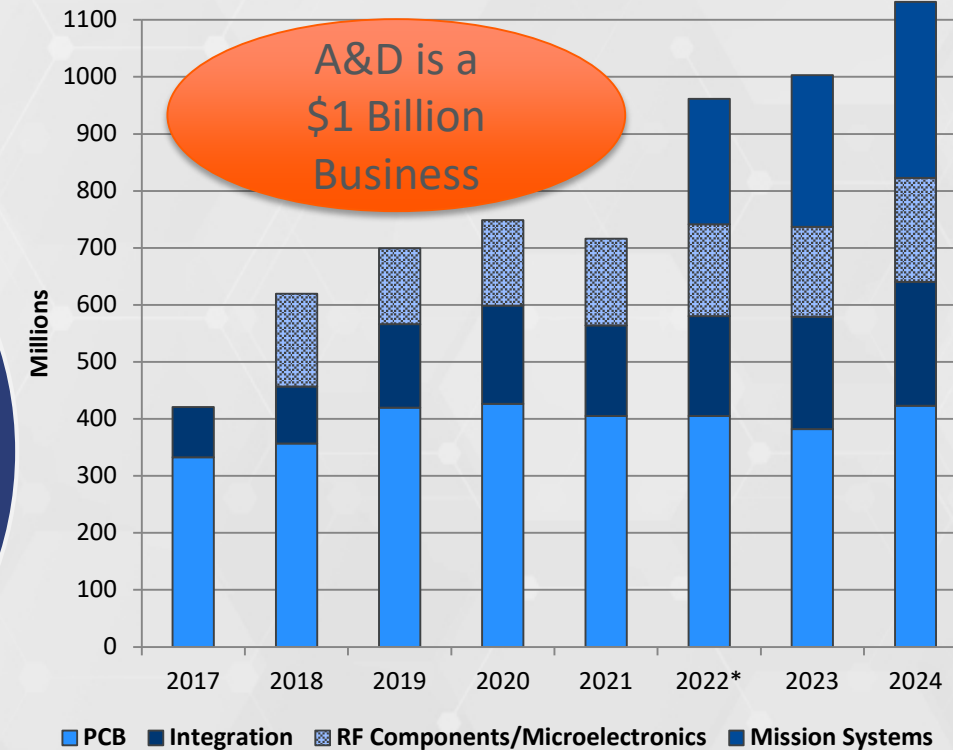
Key defense programs alignment

Engineered products focus

2024 Market Mix



Estimated A&D Revenues by Product



PCB less than 50% of A&D revenues

\*pro-forma Telephonics

# Program Portfolio Positioned for Growth

- **Top Strategic OEM Customers**
  - Raytheon, Lockheed Martin & Sikorsky, Northrop Grumman, L3Harris, Boeing
- **Top Direct Government Customers**
  - US Army, US Navy, US Air Force, International Ministries of Defence
- **Future Expansion**
  - Commercial Space OEMs



We support over 200 programs, including key franchises for every major OEM



# Commercial Sector Megatrends

Internet-Of-Everything (IOE) & Increasing electronic content across AMI&I Markets



IOE



Automotive  
- EV, ADAS, V2X



Diagnostic Equipment & Robotics  
Wearables & Implantables



Factory Automation



Hyperscalers



Cloud



ML



AI



LLM's








Generative AI

Explosive growth of data fuels requirements for increasing signal speeds & bandwidth plus rapid advancements in data management & computing

**Notes:**  
V2X = Vehicle to Everything  
ML = Machine Learning  
LLM = Large Language Models



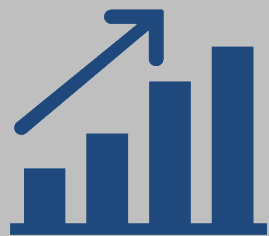
# End Market Growth Drivers and Outlook

		FY 2024 Net Sales	End Market Growth Drivers	2023 – 2028 CAGR (3 <sup>rd</sup> Party)	2024 TTM View
Aerospace & Defense		46%	Increased Use of AESA Radar & Increased Military Equipment Builds	3-5%	Above
Automotive		13%	Electric & Autonomous Vehicle & Safety/ADAS/Infotainment	3-5%	Below
Data Center Computing		21%	Semiconductor Development & Data Center expansion	7-9%	Above
Medical & Industrial Instrumentation		14%	Patient Monitoring & Automated Test Equipment and Robotics	2-4%	In-line
Networking		6%	5G Infrastructure Spend & Networking Infrastructure	2-5%	Above

Source: TTM filings, Prismark Partners Nov 2023, Company estimates



# Strategic Focus



## Diversification

- Diverse end markets
- Near term – Aerospace and Defense, Data Center Computing and Networking



## Differentiation

- Engineering depth
- Early engagement
- Technology breadth
- Global footprint



## Discipline

- Operational execution
- Earnings power
- Cash flow generation

# Broad Technology Suite Delivers Enhanced Value

Transforming TTM Towards Highly Engineered Products and Advanced Technologies for Differentiation

Designed and Engineered Products

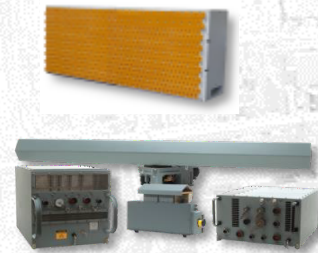
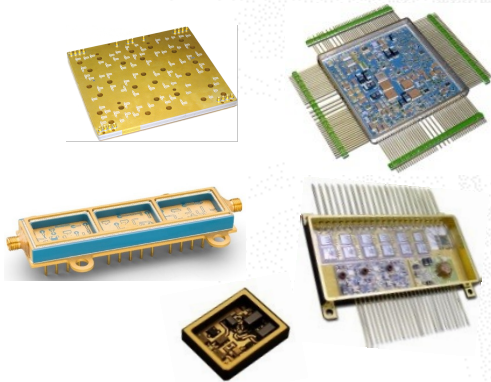
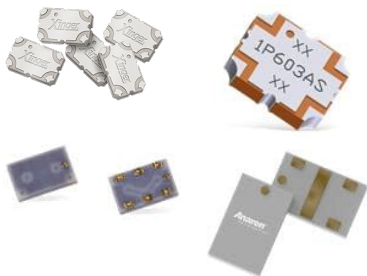
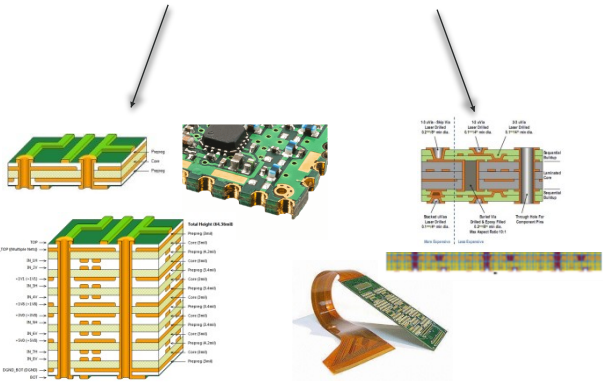
PCB  
Conventional/Advanced

RF Components

Microelectronics and  
Subsystems

Radar

Communications  
Surveillance



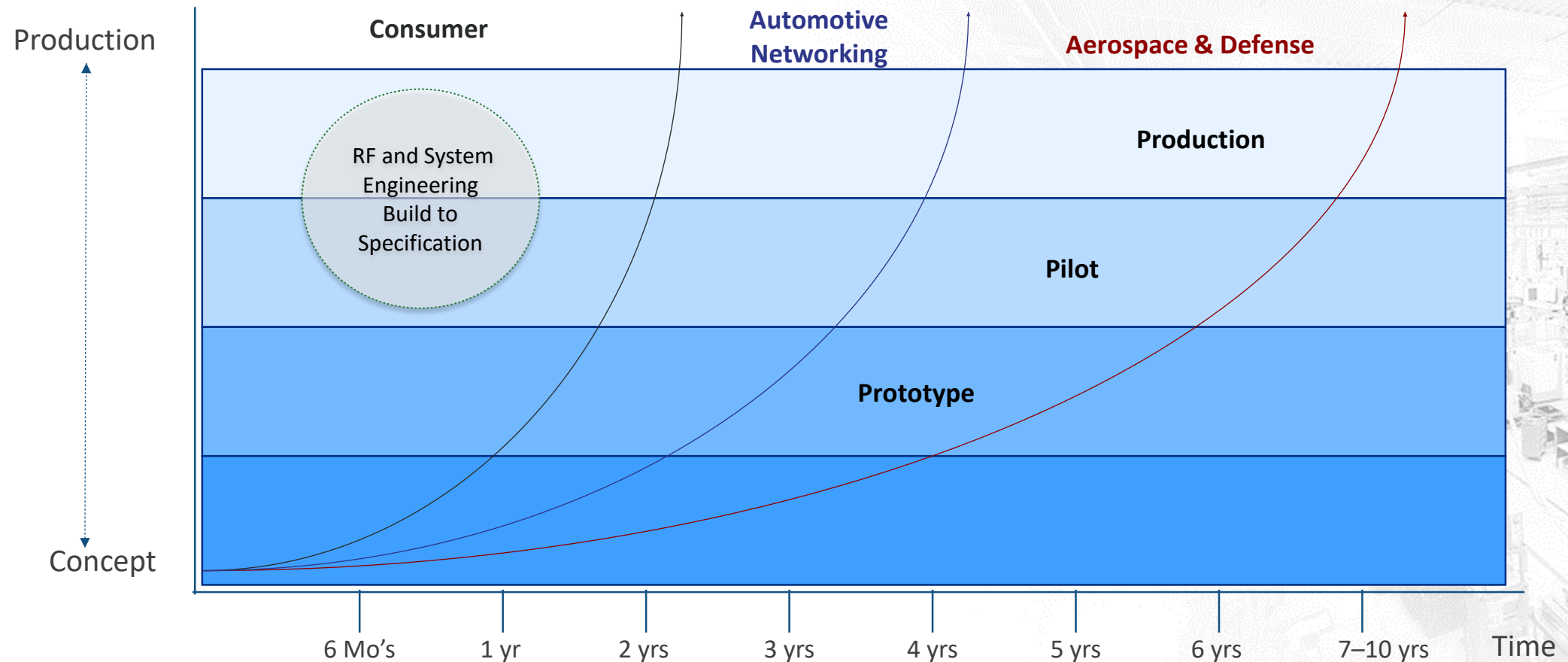
Aerospace and Defense

Commercial

Designed and Engineered Products plus Advanced Technologies are 50% of Revenues<sup>1</sup>

<sup>1</sup> Q4 of 2024

# Successful Customer Engagement Model...

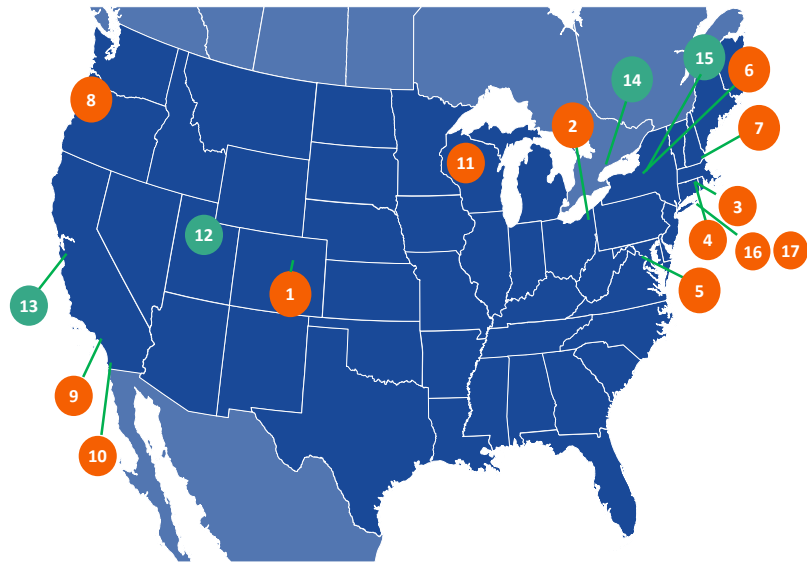


Engaging customers from concept to production to improve market share



# Global Footprint

(Effective on January 2, 2025)



## North America Operations (Commercial Plants)

- |                         |                        |                                  |
|-------------------------|------------------------|----------------------------------|
| 1 Denver – DEN          | 8 Forest Grove – FG    | 13 San Jose – SJ                 |
| 2 North Jackson – NJ    | 9 Santa Ana – SA       | 14 Toronto – TOR                 |
| 3 Stafford – ST         | 10 San Diego – SD      | 15 Syracuse – SYR-W <sup>1</sup> |
| 4 Stafford Springs – SS | 11 Chippewa Falls – CF | 16 Huntington – HTN              |
| 5 Sterling – STE        | 12 Logan – LG          | 17 Farmingdale – FRM             |
| 6 Syracuse – SYR        |                        |                                  |
| 7 Salem – SAL           |                        |                                  |



## Asia Operations – All Commercial

- |                   |                              |
|-------------------|------------------------------|
| 18 Zhongshan – ZS | 21 Dongguan – DMC            |
| 19 Guangzhou – GZ | 22 Suzhou – SUZ <sup>1</sup> |
| 20 Huiyang – HY   | 23 Penang – PNG              |

<sup>1</sup>RF&S Facilities



# Penang, Malaysia Start-up Capabilities

- **Factory Specifications**
  - 800,000 square feet
  - Factory automation with Industry 4.0
  - Productivity 150% > China factories
  - Will employ 1,000 people
  - Most sustainable factory in TTM
  - Largest rooftop solar installation in Malaysia
- **Currently ramping to target \$200 million annual revenues**



Initial revenues recorded with subsequent revenue ramp

# New Facility in Syracuse, NY

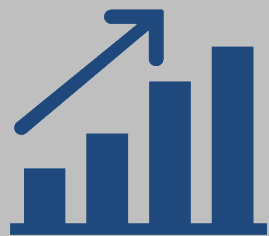
- **What:** Ultra-HDI (High Density Interconnect) PCB manufacturing facility
- **Where:** Adjacent to our existing SYR-A&D location
- **Why:** To address rapidly increasing U.S. Defense demand for capability and capacity in the United States
- **How:** Investment of \$100m+ to build a facility in excess of 160,000 sq. ft.
- **When:** Began construction in 2024, low-rate production expected in 2026.



Phase 1 Target \$100 million revenues



# Strategic Focus



## Diversification

- Diverse end markets
- Near term – Aerospace and Defense, Data Center Computing, and Networking



## Differentiation

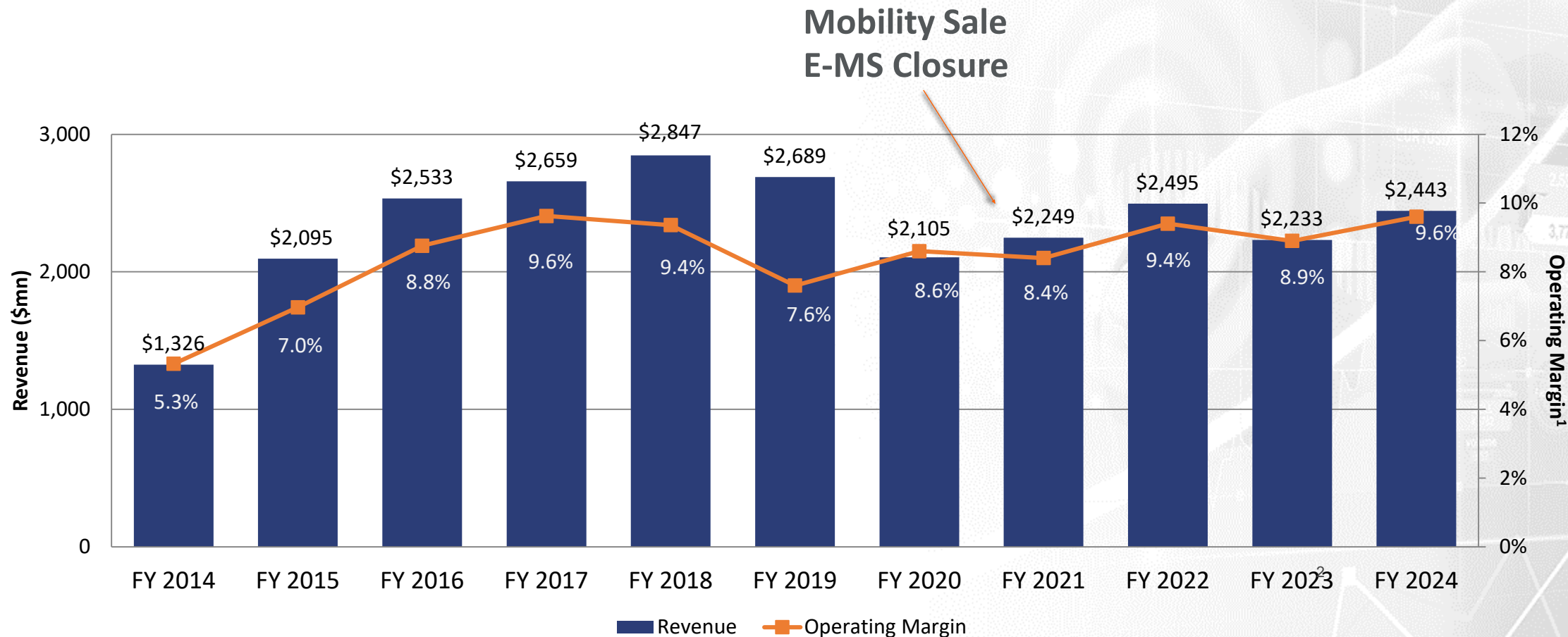
- Engineering depth
- Early engagement
- Technology breadth
- Global footprint



## Discipline

- Operational execution
- Earnings power
- Cash flow generation

# Historical TTM Reported Annual Revenue and Operating Margins



<sup>1</sup>Operating margin is reported non-GAAP. See Appendix for reconciliation

<sup>2</sup>Includes approximately six months of Telephonics which closed 6/27/22

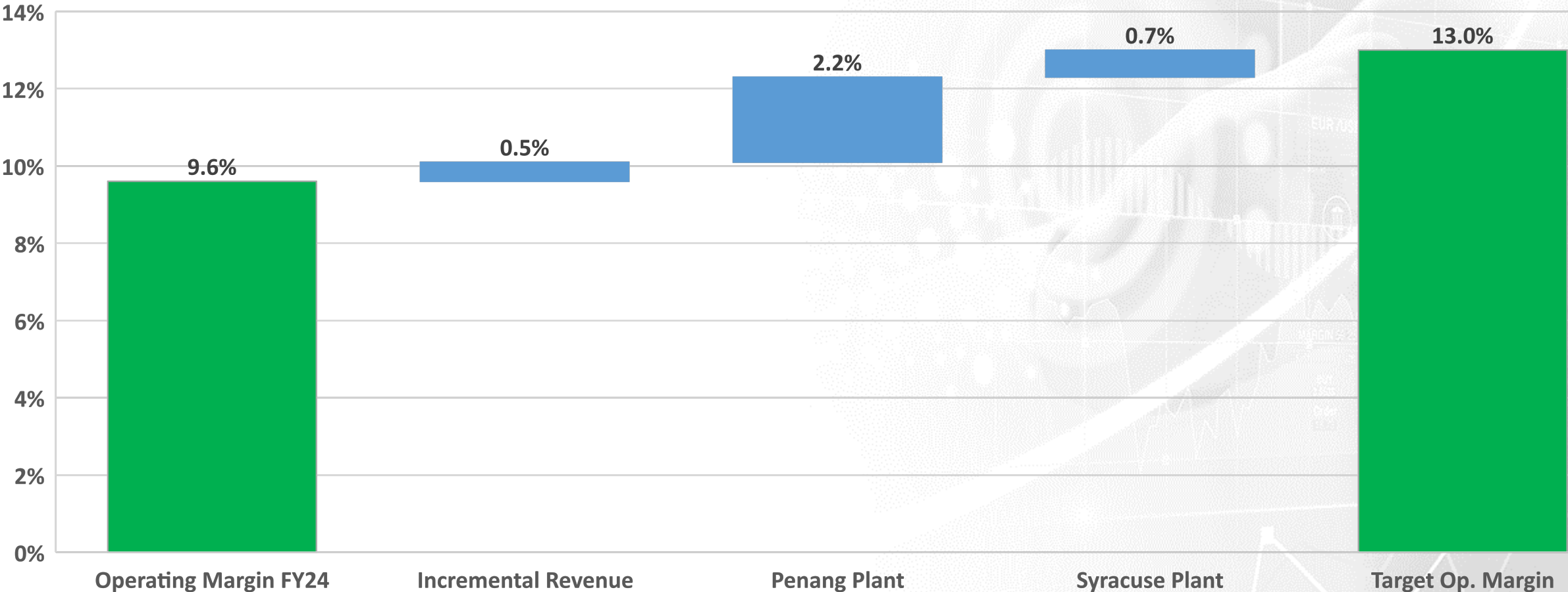


# Financial Performance and Targets

Metric	FY 2024	Long Term Target
Revenue growth	9.4%	4-6%
Non-GAAP Operating Margin <sup>1</sup>	9.6%	11-13%
Adjusted EBITDA Margin <sup>1</sup>	14.4%	15-17%
Capex	6.3% of Revenue	4-5% of Revenue
Cash Flow from Operations	9.7% of Revenue	> 10% of Revenue
Return on Invested Capital	10.3%	13-15%

<sup>1</sup>See Appendix for reconciliation

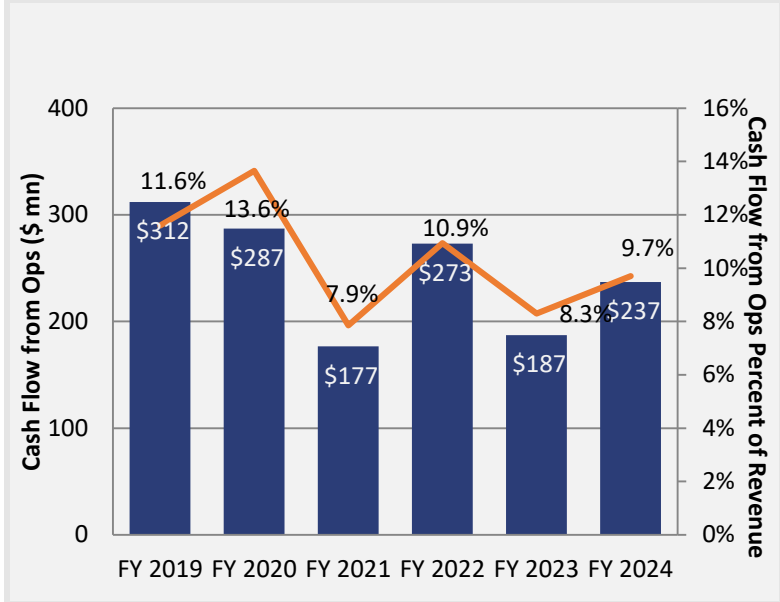
# Operating Margin Improvement Bridge



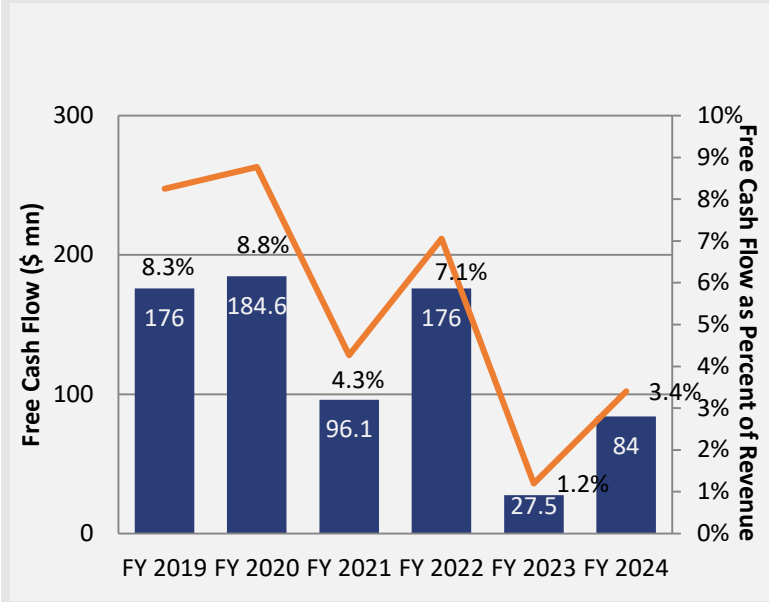
Bridge Also Requires Recovery in Commercial Revenue

# Strong Cash Flow Enables Flexible Capital Allocation Options

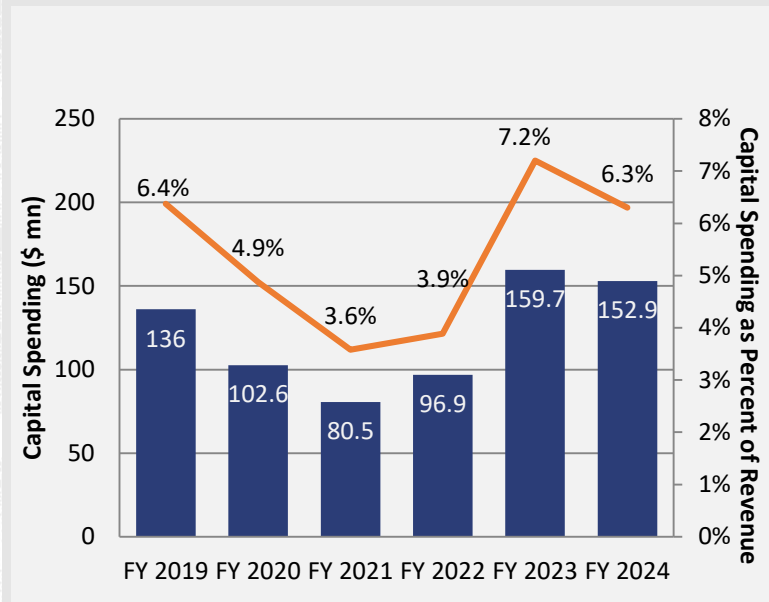
## Cash Flows from Ops



## Free Cash Flow



## Capex

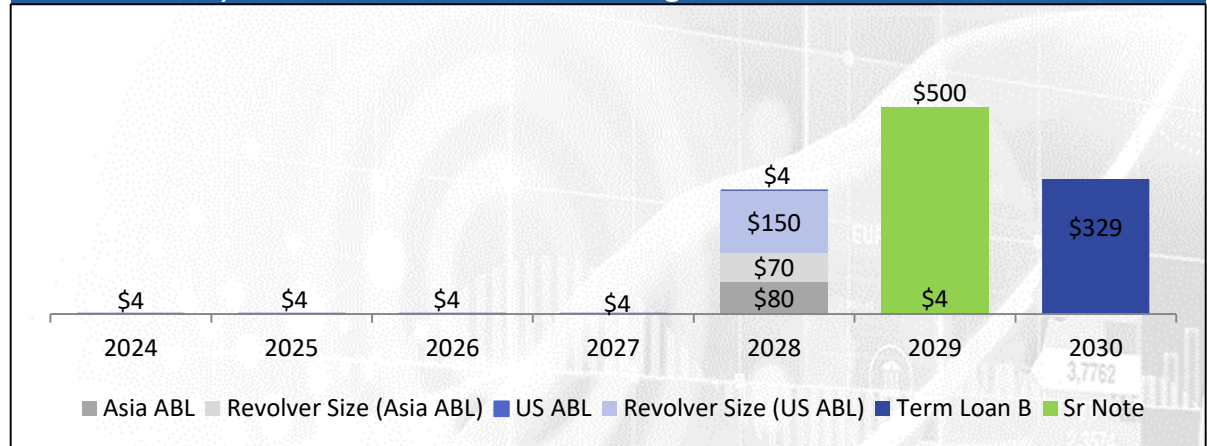


Penang investment temporarily increasing capital spending in 2023/2024 and Syracuse in 2024

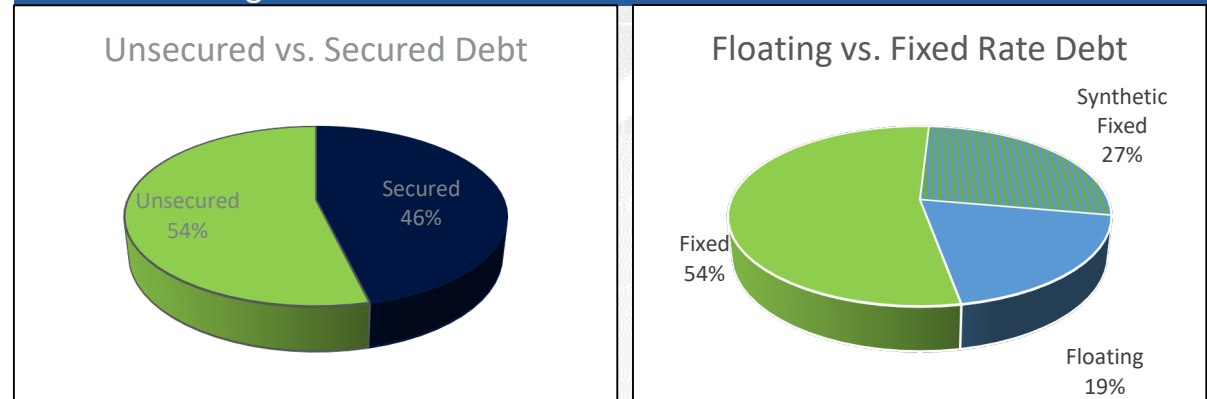
# Capital Structure and Liquidity

- Net debt leverage ((debt-cash)/EBITDA) is 1.2x below the low end of our target range of 1.5 – 2.0x and very healthy
- No debt maturing until 2028
- Current covenants cap our leverage at 4.25x
- Initiated swap in April 2023 for \$250M, effectively fixing ~70% of Term Loan B rate at 5.75%; current borrowing rate is ~6.7%
- Liquidity (cash plus ABLs) is solid at \$712.2M

Debt Maturity Profile Pro-forma refinancing



Debt Borrowing Mix



Capital Structure in Excellent Shape



# Capital Allocation Strategy



- **Invest in differentiation**

- New product and technology development
- Leading edge equipment
- Strategic acquisitions to strengthen product/technology portfolio



- **Repay debt until <2x net debt/EBITDA**

- \$50 million repayment of Term Loan B in January 2023
- Net debt/EBITDA was 1.2x at the end of Q4'24
- Refinanced Term Loan and US and Asia ABLs in Q2 2023
- Refinanced Term Loan August 2024



- **Return of capital to shareholders**

- Completed entire \$100 million stock buyback in FY 2022
- Authorized new \$100 million buyback on May 3<sup>rd</sup> 2023
  - Purchased 3.8 million shares for \$58.8 million at \$15.58 at end of 2024
- Future returns dependent on timing of M&A

# Going Forward

- Continued focus on markets with growth characteristics and favorable mega-trends
- Ongoing investment in differentiation:
  - RF and Advanced technology capabilities
  - A&D engineered products
  - Manufacturing footprint
- Solid Financial Management
  - Plan in place to improve operating margins
  - Strong focus on cash flow generation
  - Capital allocation balances investing in business with return of capital to shareholders



*Inspiring Innovation*

**Thank You**



*Inspiring Innovation*

## **Appendix**



# Non-GAAP Reconciliations (TTM Consolidated)

\$ Millions (except where noted)	2019	2019*	2020*	2021	2022	2023	2024
GAAP Gross Profit	\$401.7	\$377.2	\$359.0	\$372.0	\$458.0	\$413.3	\$477.4
Add back item:							
Inventory markup	-				0.3	0.3	-
Stock-based compensation	3.2	3.1	3.9	4.7	5.8	7.5	9.3
Accelerated Depreciation		-	5.8	-	0.1	5.3	0.7
Amortization of intangibles	4.8	4.8	5.5	5.6	5.5	12.9	9.3
Other infrequent items				(0.0)	1.8	(1.2)	0.4
<b>Non-GAAP Gross Profit</b>	<b>409.7</b>	<b>385.1</b>	<b>374.3</b>	<b>382.3</b>	<b>471.6</b>	<b>438.1</b>	<b>497.1</b>
GAAP Operating Income	120.1	109.6	28.1	126.0	210.4	42.3	116.0
Add back items:							
Amortization of intangibles	53.3	50.6	44.4	41.4	42.6	61.6	44.9
Accelerated Depreciation		0.0	6.8	-	0.1	5.3	1.9
Stock-based compensation	16.8	16.8	16.1	17.7	19.5	22.9	29.8
Impairment, restructuring, and acquisition-related charges	13.9	12.3	86.2	5.4	16.1	67.2	56.4
Inventory markup	-	-	-	-	0.3	0.3	-
Other infrequent items	-	(0.1)	(0.1)	(0.7)	(54.2)	(1.3)	(15.3)
<b>Non-GAAP Operating Income</b>	<b>204.1</b>	<b>189.3</b>	<b>181.4</b>	<b>189.7</b>	<b>234.9</b>	<b>198.4</b>	<b>233.7</b>
GAAP TTM Technologies Net Income (Loss)	41.3	31.9	(16.4)	54.4	94.6	(18.7)	56.3
Add back items:							
Amortization of intangibles	53.3	50.6	44.4	41.4	42.6	61.6	44.9
Accelerated Depreciation		0.0	6.8	-	0.1	5.3	1.9
Stock-based compensation	16.8	16.8	16.1	17.7	19.5	22.9	29.8
Non-cash interest expense	14.3	14.3	17.5	2.1	2.2	2.2	2.0
Impairment, restructuring, acquisition-related, and loss on extinguishment of debt	13.9	12.3	86.2	20.6	16.1	67.2	56.4
Inventory markup	-	-	-	-	0.3	0.3	-
Other infrequent items	(3.7)	(3.7)	(0.8)	(5.5)	(55.1)	(1.4)	(15.3)
Income tax effects	(15.3)	(15.0)	(37.0)	7.4	60.9	0.1	2.4
<b>Non-GAAP TTM Technologies Net Income</b>	<b>120.5</b>	<b>107.1</b>	<b>116.7</b>	<b>138.0</b>	<b>181.2</b>	<b>139.5</b>	<b>178.4</b>
<b>Non-GAAP EPS (\$ per diluted share)</b>	<b>1.13</b>	<b>1.01</b>	<b>1.10</b>	<b>1.28</b>	<b>1.74</b>	<b>1.33</b>	<b>1.71</b>
GAAP Net Income (Loss)	41.3	31.9	(16.4)	54.4	94.6	(18.7)	56.3
Add back items:							
Income tax provision	4.9	2.4	(29.9)	15.6	88.3	19.0	27.7
Interest expense	83.2	82.1	73.2	45.5	45.5	48.1	47.5
Amortization of intangibles	53.3	50.6	44.4	41.4	42.6	61.6	44.9
Depreciation expense	166.6	93.4	99.6	85.9	91.3	99.2	105.2
Stock-based compensation	16.8	16.8	16.1	17.7	19.5	22.9	29.8
Other infrequent items	(3.7)	(3.7)	(0.8)	(5.5)	(55.1)	(1.4)	(15.3)
Inventory markup	-	-	-	-	0.3	0.3	-
Impairment, restructuring, acquisition-related, and loss on extinguishment of debt	13.9	12.3	86.2	20.6	16.1	67.2	56.4
<b>Adjusted EBITDA</b>	<b>376.2</b>	<b>285.7</b>	<b>272.3</b>	<b>275.6</b>	<b>343.1</b>	<b>298.2</b>	<b>352.5</b>

\*Proforma excluding Mobility