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**Quanex**

**FEBRUARY 6, 2025**

# **INVESTOR & ANALYST DAY**

# SAFE HARBOR STATEMENT

## Forward Looking Statements

Statements that use the words “anticipate,” “estimated,” “expect,” “could,” “should,” “target,” “believe,” “will,” “might,” “predict,” “pursue” or similar words reflecting future expectations or beliefs are forward-looking statements. This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding Quanex Building Corporation’s (“Quanex” or the “Company”) financial targets and capital allocation priorities, new segmentation structures it contemplates and its view of market opportunities and the demand for the Company’s products, expectations related to Quanex’s acquisition or integration of Tyman, the Company’s future operating results, future financial condition, future uses of cash and other expenditures, expenses and tax rates, expectations relating to the Company’s industry, and Quanex’s future growth and outlook discussed in this presentation. The forward-looking statements and future outlook set forth in this presentation are not guarantees of future performance, are based on current expectations of the management of Quanex and are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Company’s control, that could cause actual results of Quanex to differ materially from those expressed, projected or implied in or by this presentation. These risks and uncertainties, among others, include: commodity availability and pricing; the extent of supply chain and logistics disruptions; competitive challenges from existing and new competitors; potential disruptions in the global economy caused by wars or other geopolitical conflicts; future changes in laws and regulations, including, by way of example, taxes and tariffs; the impacts of budget constraints; the impact of severe weather, natural disasters, war or pandemics that may affect the Company, its suppliers or its customers; the Company’s ability to successfully realize the anticipated benefits associated with the Tyman acquisition; and risks related to the Company’s ability to successfully execute on its strategic road map and meet its long-term financial goals and targets. For a more fulsome discussion of factors that may affect the Company’s future performance, please refer to Quanex’s Annual Report on Form 10-K for the fiscal year ended October 31, 2024, and Quanex’s Quarterly Reports on Form 10-Q under the sections entitled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors”. Any forward-looking statements in this presentation are made as of the date hereof, and Quanex undertakes no obligation to update or revise any forward-looking statements to reflect new information or events. In particular: the statements in this presentation relate to the Company’s goals, targets and objectives regarding its future outlook and potential results from such future outlook. While many statements use language that might imply a level of certainty about the likelihood that the Company will attain these goals, targets and objectives, it is possible that the Company will not attain them in the timeframe noted or at all. Therefore, investors should construe these statements regarding the Company’s future outlook only as goals, targets and objectives rather than promises of future performance or absolute statements.

## Non-GAAP Terminology Definitions and Disclaimers

EBITDA (defined as net income or loss before interest, taxes, depreciation and amortization and other, net), Adjusted EBITDA and LTM Adjusted EBITDA (defined as EBITDA further adjusted to exclude purchase price accounting inventory step-ups, transaction costs, certain severance charges, gain/loss on the sale of certain fixed assets, restructuring charges and asset impairment charges) are non-GAAP financial measures that the Company uses to measure operational performance and assist with financial decision-making. Adjusted EBITDA Margin is Adjusted EBITDA, divided by total revenue excluding other non-operating items. Net Debt is defined as total debt (outstanding balance on the Company’s revolving credit facility plus financial lease obligations) less cash and cash equivalents. The leverage ratio of Net Debt to LTM Adjusted EBITDA is a financial measure that the Company believes is useful to investors and financial analysts in evaluating Quanex’s leverage. In addition, with certain limited adjustments, this leverage ratio is the basis for a key covenant in the Company’s credit agreement. The Company excludes amortization charges for acquisition-related intangible assets for purposes of calculating certain non-GAAP measures, as the adjusted measures are used in the management of the business and believed by management to be representative of core operations. Management believes Adjusted D&A facilitates more consistent comparisons of operating results over time as the amount and timing of such charges are significantly impacted by the timing, size, number and nature of acquisitions. Adjusted Net Income (defined as net income further adjusted to exclude purchase price accounting inventory step-ups, transaction costs, certain severance charges, gain/loss on the sale of certain fixed assets, restructuring charges, asset impairment charges, other net adjustments related to foreign currency transaction gain/loss and effective tax rates reflecting impacts of adjustments on a with and without basis) is a non-GAAP financial measure that Quanex believes provide a consistent basis for comparison between periods and more accurately reflects operational performance, as it is not influenced by certain income or expense items not affecting ongoing operations. Free Cash Flow is a non-GAAP measure equal to the cash provided by operating activities less capital expenditures. Quanex uses the Free Cash Flow metric to measure operational and cash management performance and assist with financial decision-making. Free Cash Flow is measured before application of certain contractual commitments (including capital lease obligations) and accordingly is not a true measure of the Company’s residual cash flow available for discretionary expenditures.

Quanex believes Free Cash Flow is useful to investors in understanding and evaluating the Company’s financial and cash management performance. Quanex believes that the presented non-GAAP measures provide a consistent basis for comparison between periods and will assist investors in understanding the Company’s financial performance when comparing results to other investment opportunities. The presented non-GAAP measures may not be the same as those used by other companies. Quanex does not intend for this information to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP.

# A PART OF SOMETHING BIGGER

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Our vision is to be an innovative and growth-focused manufacturing company that consistently exceeds the expectations of our customers, team members, shareholders and communities

# AGENDA



**01** Welcome

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**02** Introduction to the “NEW” Quanex

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**03** Profitable Growth Strategy Blueprint

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**04** Product Lines By Segment

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**05** Financial Overview

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**06** Q&A

# TODAY'S PRESENTERS

## EXECUTIVE TEAM



**GEORGE WILSON**

Chairman,  
President & CEO



**SCOTT ZUEHLKE**

SVP,  
CFO & Treasurer

## BUSINESS SEGMENT PRESIDENTS



**BOB DANIELS**

President,  
Hardware Solutions



**CHRIS ALDERSON**

President,  
Extruded Solutions



**JOHN SLEVA**

President,  
Wood Solutions



**JIM NIXON**

President,  
Mixing Solutions



**PETER SANTO**

President,  
Access Solutions

CUSTOM SOLUTIONS

# INTRODUCTION TO THE “NEW” QUANEX

**GEORGE WILSON**  
Chairman, President & CEO

# QUANEX AT-A-GLANCE

Global manufacturer with best-in-class team, extensive plant network and expansive operating footprint

**~7,000**  
Employees

**48**  
Global Manufacturing Locations

Serving  
**90+ COUNTRIES**

**HOUSTON, TX**  
Headquarters

Diversified business operating and reporting through three segments

## HARDWARE SOLUTIONS

(window/door hardware, screens)

## EXTRUDED SOLUTIONS

(IG spacers, vinyl window/door profiles, seals, pile weatherstripping)

## CUSTOM SOLUTIONS

(wood solutions, mixing solutions, building access solutions)

## Key Strengths and Market Leadership

- Core capabilities and broad applications across various end markets, with leading positions across product lines
- Broadest portfolio of products in the industry, enhanced by superior quality, customizable solutions and excellent customer service
- Collaborations and partnerships with leading OEMs to provide innovative solutions in the window, door, solar, refrigeration, custom mixing, building access and cabinetry markets

## STRONG BRAND RECOGNITION AMONGST INDUSTRY PROFESSIONALS:



## PROFORMA FY 2024 REVENUE BREAKDOWN



# STRENGTHENED PORTFOLIO AND STRATEGIC EXECUTION THROUGH TYMAN ACQUISITION



Combined complementary product portfolios and customer bases



Enhanced scale through expansion of North American and international footprint



Delivering enhanced offering of differentiated engineered components for OEMs



Capitalizing on significant cross-selling opportunity



Maintaining strong margin and cash flow profile

## COMBINED COMPANY PF FY 2024<sup>(1)</sup>

Revenue<sup>(2)</sup> **~\$1,870M**

Adjusted EBITDA **~\$300M**  
(includes \$30M synergies)

Adjusted EBITDA margin **~16%**

(1) Includes FY 2024A Adjusted EBITDA for legacy Quanex and legacy Tyman and approximately \$30M of run-rate cost synergies. Please see Appendix for pro forma reconciliation.



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(1) Please see Appendix for pro forma reconciliation.

(2) Includes ~\$13.2 million of revenue related to the U.S. vinyl fencing business that was divested in 4Q24.

# MAKING MEANINGFUL PROGRESS FOLLOWING TRANSACTION CLOSE

## REALIZING MATERIAL, ACTIONABLE COST SYNERGIES

### TOTAL

~\$30M run-rate cost synergies across Corporate (~30%), Procurement (~30%) and Commercial (~40%)

### TIMING

On track to achieve full run-rate within two years after transaction close (50% by Year 1 and 100% by Year 2)

### COSTS

~\$35M one-time costs to achieve synergies

### REVENUE SYNERGIES

Additional revenue synergies expected through cross-selling

## PROGRESSING ON INTEGRATION

- ✔ Retaining the top talent from each of legacy Quanex and legacy Tyman to ensure a “best-in-class” offering
- ✔ Continuing synergy assessment to consider additional synergy benefits
- ✔ Aligning the performance of operations from both entities to maximize effectiveness
- ✔ Optimizing the geographical footprint
- ✔ Continuing to maintain a prudent balance sheet with the financial flexibility to pursue further inorganic growth opportunities



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# CORE MANUFACTURING CAPABILITIES WITH BROAD APPLICATIONS



The continuous process in which rubber and other additive compounds are softened through a heated screw and barrel that forces the melted compound through shaping dies, downstream tooling, and cooling / curing baths to obtain an array of profiles

25 extrusion lines in the U.S., 5 in Germany and 2 in the U.K.



PVC resin, impact modifiers, UV and heat stabilizers as well as flow agents are melted and forced through shaping dies, downstream tooling and cooling baths resulting in rigid profiles that are then cut to specified lengths

96 extruders in the U.S. and 40 in the U.K.



Interior wood components are created through a process of chopping, planing, cutting and finishing of multiple species of lumber

5 rough mills and 6 production plants across the U.S.



Numerous raw materials are combined according to a “recipe” and mixed per time and temperature parameters to create a new final compound

15 mixers in the U.S., 2 in Germany and 3 in the U.K.



Through a series of pressure points and bend angles / rollers, intricate profiles and components that are too complicated to extrude are produced in steel and aluminum

102 rollformers in the U.S. and 15 in Mexico



Plastic and metal-based components are created through a process of injecting resin or molten metal into a mold under extreme pressure, which cools, solidifies and receives powder coating to enhance durability

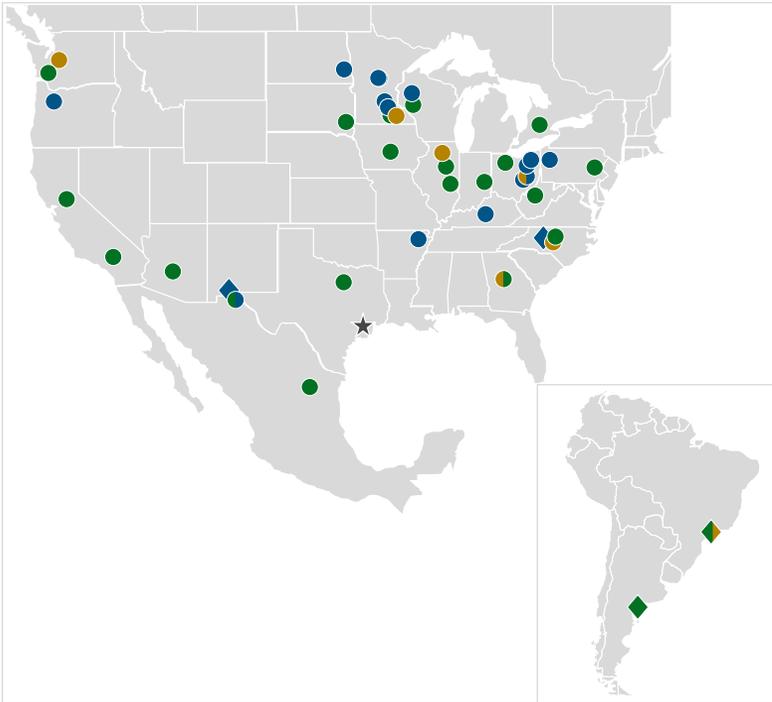
52 injection molders, 19 zinc die cast lines and 17 stamping lines in the U.S.

58 injection molders, 26 zinc die cast lines and 19 stamping lines in Mexico

9 stamping lines in Canada, 2 powder coaters in Italy

# ESTABLISHING A GLOBAL AND DIFFERENTIATED MANUFACTURING FOOTPRINT

## DOMESTIC FOOTPRINT



## INTERNATIONAL FOOTPRINT



- ★ Headquarters
- ◆ Warehouse
- ✦ Manufacturing & Warehouse

● Custom Solutions Manufacturing    ● Extruded Solutions Manufacturing    ● Hardware Solutions Manufacturing



Extensive global manufacturing capacity (48 plants)



Domestic footprint supports local customer base



Ideally positioned to handle international supply chain disruptions



Efficient design allowing for flexible manufacturing



Differentiated just-in-time, customized product runs

# SECULAR TAILWINDS SUPPORT A STRONG RECOVERY IN U.S. RESIDENTIAL CONSTRUCTION

## ROBUST LONG-TERM DEMAND FOR NEW CONSTRUCTION

Over a decade of under-building has left the U.S. housing market structurally short of demand (estimated ~2.8mm homes<sup>1</sup>)

Low mortgage rate “lock-in” limits for sale inventory

## MULTI-GENERATIONAL REPAIR & REMODEL NEEDS

Rapidly aging housing stock as average home extending 40+ years of age<sup>2</sup>

\$35 trillion<sup>3</sup> home equity at record levels, supporting continued investment in the home

## POWERFUL DEMOGRAPHIC TRENDS

Wave of millennials and Gen Z entering prime home-buying and household formation age, while aging in place drives remodeling needs

**INTEREST RATES EXPECTED TO DECLINE, ENHANCING AFFORDABILITY AND CONSUMER CONFIDENCE**



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(1) Moody's.

(2) U.S. Census.

(3) Realtors.com.

# BROADER TRENDS EXPECTED TO DRIVE RENOVATIONS WITH A GRADUAL RECOVERY IN NEW CONSTRUCTION

## GRADUAL RECOVERY IN NEW CONSTRUCTION

Lack of construction in recent years has led to a ~1.1mm<sup>1</sup> home undersupply in the three largest Western European nations<sup>3</sup>

Growing immigration in Europe is driving up a demand for housing with further government intervention to grow the housing supply<sup>2</sup>

## INCREASED FOCUS ON RENOVATION & MAINTENANCE

Housing stock is out-of-date with most homes in Europe being built prior to the 1970s thermal regulations<sup>2</sup>

EU regulations and sustainability goals are driving renovations for improved energy efficiency

## SUBSTANTIAL GOVERNMENT INVESTMENT

Government investment among the GCC (Saudia Arabia's Vision 2030 and U.A.E.'s Project of the 50) for continued development of Megaprojects

**CONTINUED MONETARY EASING IS EXPECTED TO LEAD TO LOWER INTEREST RATES AND STIMULATION OF CONSUMER DEMAND**



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(1) JLL.

(2) European Commission.

(3) Nations include France, Germany and the U.K.

# TAKING SUSTAINABILITY TO THE NEXT LEVEL

Accelerating trends provide significant opportunities to grow in both existing and adjacent markets

## EXPANDING OUR ENERGY-EFFICIENCY SOLUTIONS



### NEW PRODUCT DEVELOPMENT

Enhancing energy and thermal efficiency of residential homes and commercial, industrial and public buildings



### TRANSITION TO MORE SUSTAINABLE PACKAGING

Eliminating single-use plastics and waste in production, using recycled resin and reusing scrap



### IMPROVED ENERGY PERFORMANCE & REDUCED CARBON FOOTPRINT

Growing clean energy sources and sourcing more responsibly as we expand our portfolio of award-winning or certified products

## ENHANCING OUR SUSTAINABILITY INITIATIVES

- ✓ Developing new sustainability strategy that sets new targets and milestones for the combined organization
- ✓ Tracking, growing and reporting revenues from products with positive environmental or social impacts (i.e., clean energy, climate resilience, safety, crime prevention)
- ✓ Quantifying carbon footprint across the value chain with developing Scope 1-3 inventory and established Science Based Targets
- ✓ Committing to our employee, health, and safety initiatives to maintain an open, inclusive, and safe work environment.



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A person wearing a blue sweater is shown from the chest down, leaning over a table. They are holding a pencil and drawing on a large sheet of paper that appears to be a blueprint or architectural drawing. The drawing contains various lines, circles, and text. To the right of the person, a tablet computer is lying flat on the table. The background is slightly blurred, showing more of the workspace. The overall lighting is soft and professional.

# PROFITABLE GROWTH STRATEGY BLUEPRINT

**GEORGE WILSON**  
Chairman, President & CEO

# CAPITALIZING ON STRONG FOUNDATION FOR LONG-TERM GROWTH & SUCCESS

## FOUNDATION BUILT FOR GROWTH



Global reach



Core capabilities



Broad applications



Various end markets



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## PORTFOLIO OF SOLUTIONS BUILT TO SUCCEED

Comprising products with strong brand recognition and serving 90+ countries

## TRACK RECORD OF SUCCESS

Executing on organic growth and integration, synergy realization and operational enhancement of acquired assets

## FINANCIAL STRENGTH

Maintaining healthy balance sheet and financial flexibility

## OPPORTUNITY TO EXPAND INTO NICHE PRODUCTS AND MARKETS

Leveraging core competencies to better compete for higher-margin opportunities

## PORTFOLIO SHAPING INTO A SIMPLER, HIGHER-GROWTH COMPANY

Exiting lower-margin, lower-growth commoditized product lines while identifying complementary bolt-on acquisition opportunities

# STRATEGIC ROADMAP FOR GROWTH AND VALUE CREATION

**B**OLD

**I**NNOVATIVE

**G**ROWTH-FOCUSED

**G**LOBALLY-ORIENTED

**E**NGAGED

**R**ESPONSIVE



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## KEY ELEMENTS OF THE STRATEGY

## TYMAN CONTRIBUTION

Acquisition-driven growth in key areas

- Enhances product offering and helps capture additional market opportunities
- Nearly doubles revenue to almost \$2 Billion

Drive innovation across business

- Expand new product development capabilities and market insight
- Greater customer reach and key outsourcing partner

Maximize growth potential in existing markets incorporating technology across the platform

- Bolster global growth potential and strength of franchise
- Stronger ability to deliver above market growth

Expand global manufacturing footprint

- Enhances manufacturing footprint in US, UK and Germany and expands into Southern Europe, Asia Pacific and Latin America

Maximize positive impact for all stakeholders

- Strong mutual commitment to a sustainability framework, while helping customers drive the business model through efficient operations

Respond quickly to opportunities and new technologies

- Ability to further streamline and transform operations
- More efficient manufacturing footprint and more flexible operations

# “BIGGER” PATHWAY DRIVING MEANINGFUL GROWTH TO ~\$4B IN SALES



## PRODUCT INNOVATION

~\$2B global engineered components supplier

- Core capabilities and broad applications across various end markets
- Positioned to succeed with leading positions across product lines



## ADDITIONAL VALUE CREATION THROUGH TYMAN ACQUISITION

Integrating acquired assets, driving operational change and realizing synergies

- On track to achieve full ~\$30M run-rate cost synergies within two years after transaction close
- Additional revenue synergies expected through cross-selling



## STRONG FINANCIAL FOUNDATION

Capitalizing on near- and long-term organic growth opportunities, as well as strategic M&A opportunities

- Ensuring a healthy, yet efficient, balance sheet while focusing on increasing long-term total shareholder returns
- Maintaining flexibility to pursue value-enhancing M&A
- Leveraging core competencies as we expand and establish leading market positions in attractive niches



Fully aligned with “BIGGER” strategic roadmap for growth and value creation

**B**OLD

**I**NNOVATIVE

**G**ROWTH-FOCUSED

**G**LOBALLY-ORIENTED

**E**NGAGED

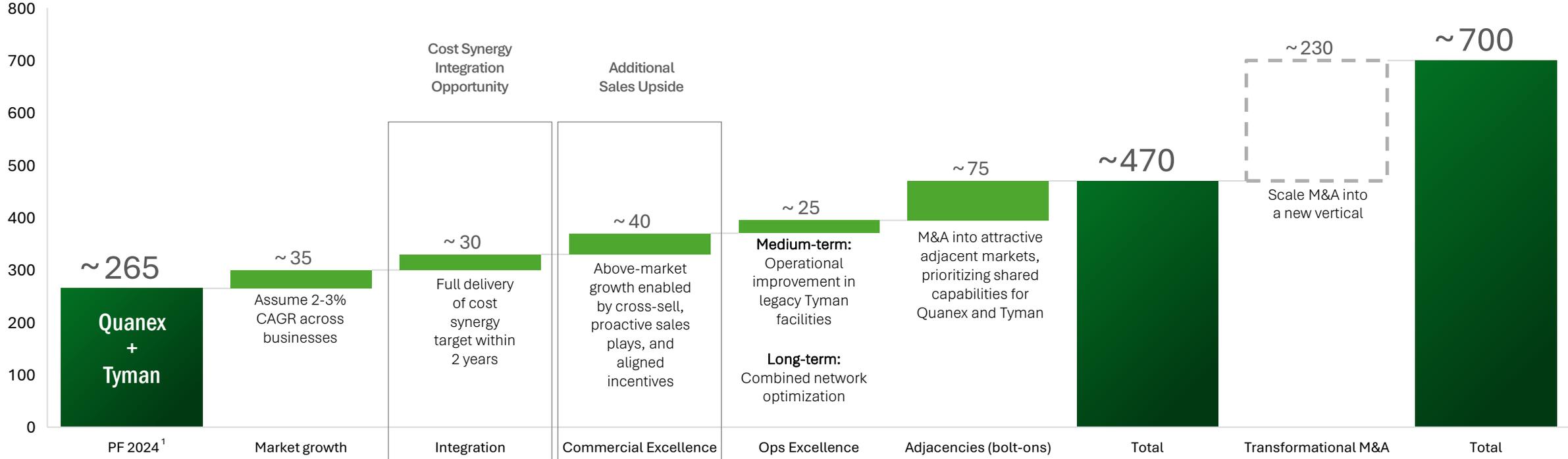
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# EXCITING PATH TO PROFITABLY GROW REVENUE TO ~\$4B BY 2029

## QUANEX EBITDA POTENTIAL (BY 2029) (\$ IN MILLIONS)



EBITDA Margin %	~14%					~17%		~18%
Revenue	~\$1,870M	~\$215M	~\$250M		~\$450M	~\$2,785M	~\$1,200M+	~\$4,000M

Equity mkt. position: Lower mid-market window components manufacturer → **World-class, mid-market diversified manufacturing business**



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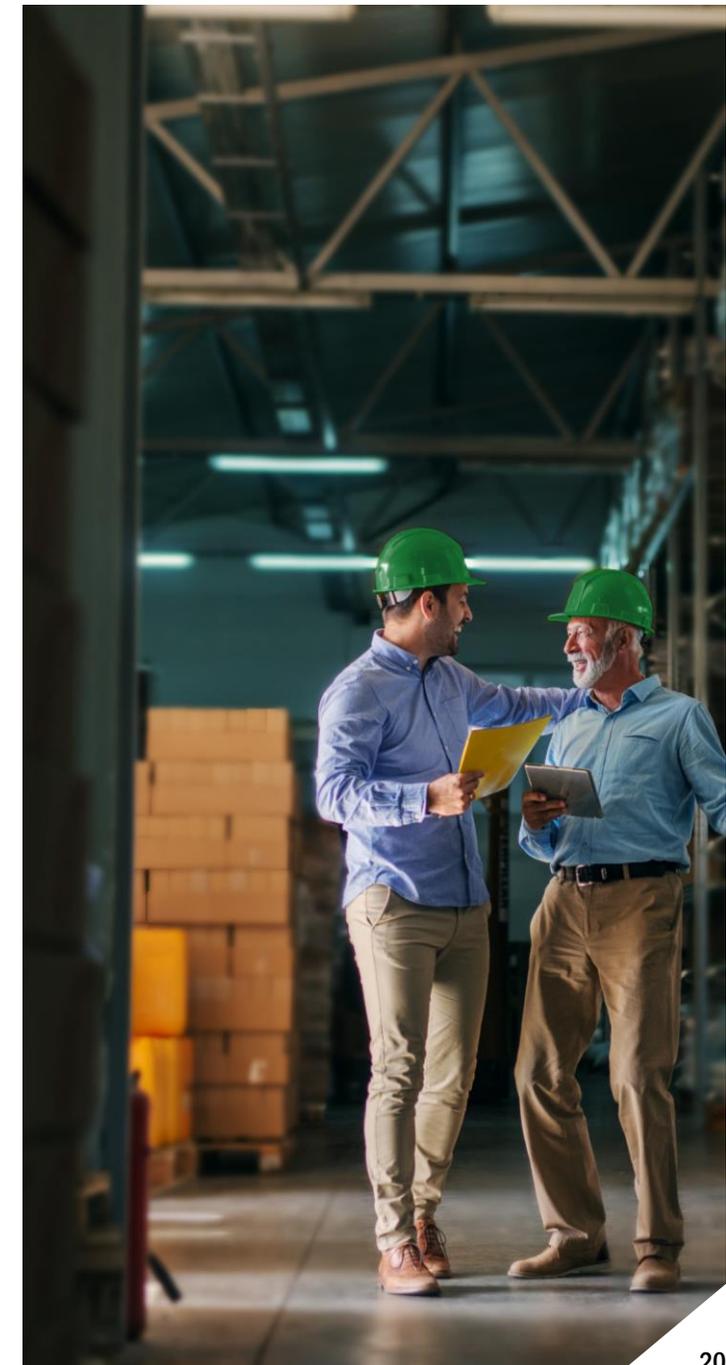
(1) Please see Appendix for pro forma reconciliation.

# GROWING MANUFACTURING BUSINESS WITH CORE CAPABILITIES & BROAD APPLICATIONS

- 01** A global market leader focused on niche products and aligned with top OEMs across all product categories
- 02** Strong free cash flow generation, healthy balance sheet with significant liquidity
- 03** Material science and process engineering expertise enables expansion into adjacent markets
- 04** Flexible business model with ability to respond to changing market dynamics
- 05** Capital allocation strategy focused on increasing total shareholder returns



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# PRODUCT LINES BY OPERATING SEGMENT



# PRODUCT LINES BY OPERATING SEGMENT



## HARDWARE SOLUTIONS

Window & Door Hardware  
(North America & International)

Screens & Other Fenestration  
Components



## EXTRUDED SOLUTIONS

Insulating Glass Spacers  
(North America & International)

Vinyl / PVC Extrusions  
(North America & International)

Sealing Solutions

Miscellaneous Specialty Products



## CUSTOM SOLUTIONS

Wood Solutions

Custom Mixing Solutions

Access Solutions



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# BOB DANIELS

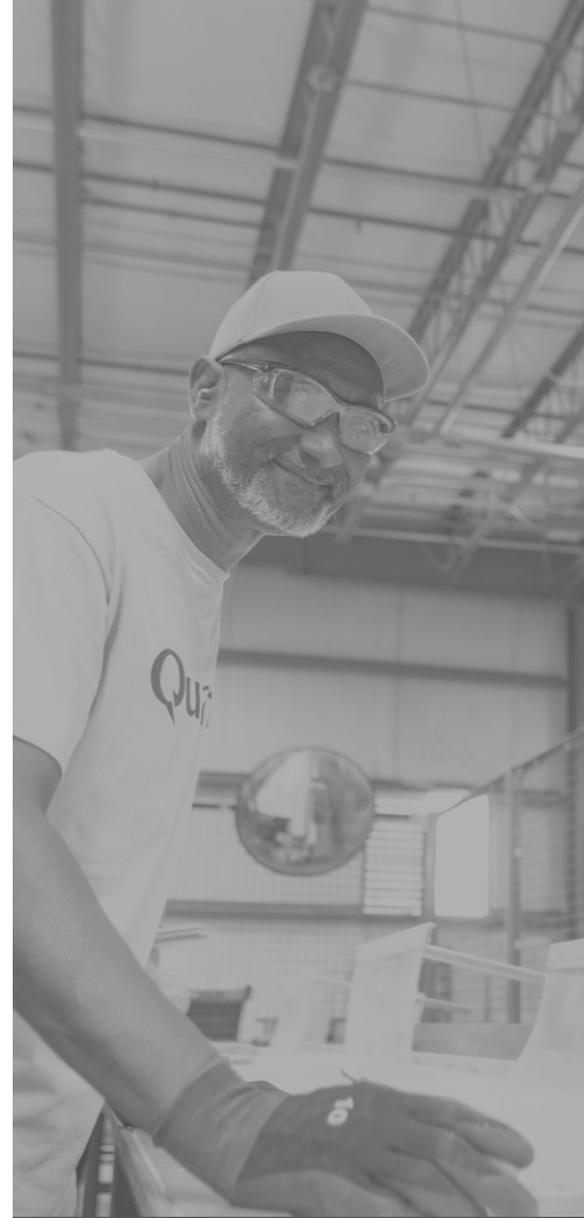
President, Hardware Solutions



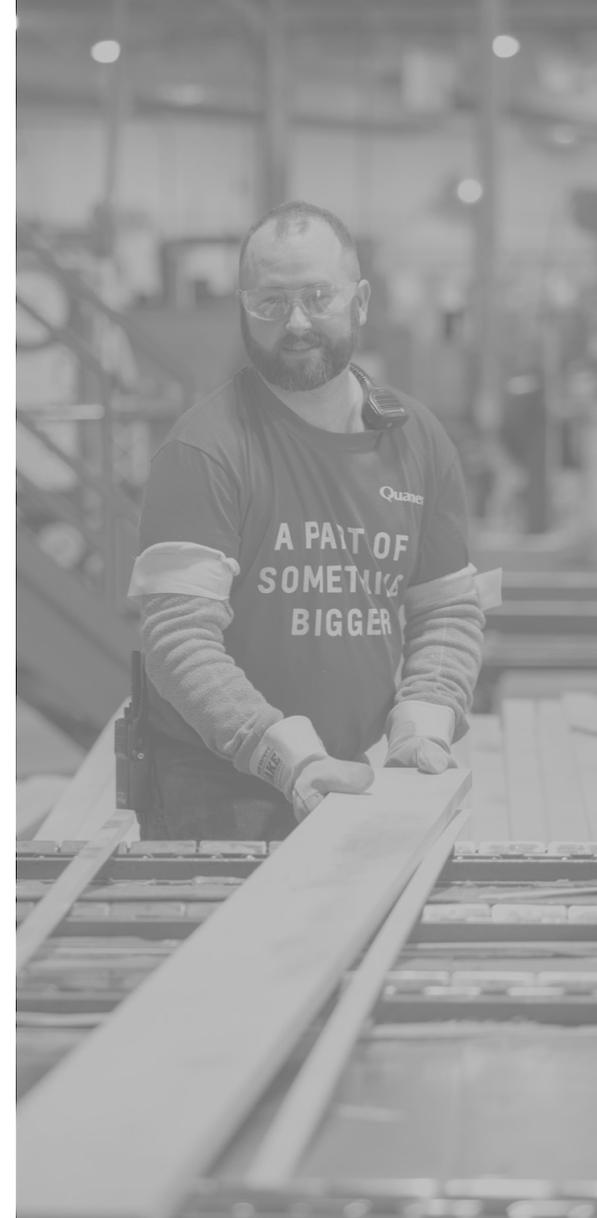
## HARDWARE SOLUTIONS

Window & Door Hardware  
(North America & International)

Screens & Other Fenestration  
Components



## EXTRUDED SOLUTIONS



## CUSTOM SOLUTIONS



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# HARDWARE SOLUTIONS AT-A-GLANCE

## OPERATING SEGMENT OVERVIEW

- Manufactures window and door hardware, screens and other fenestration components
- 22 manufacturing locations and 9 warehouses across the world

# of Employees

**3,453**



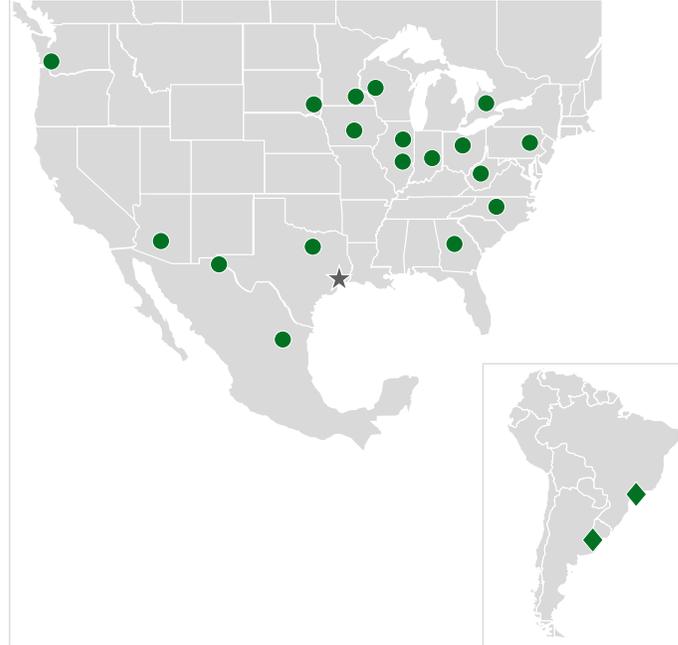
~50%  
Hardware Solutions

~50%  
Rest of Quanex

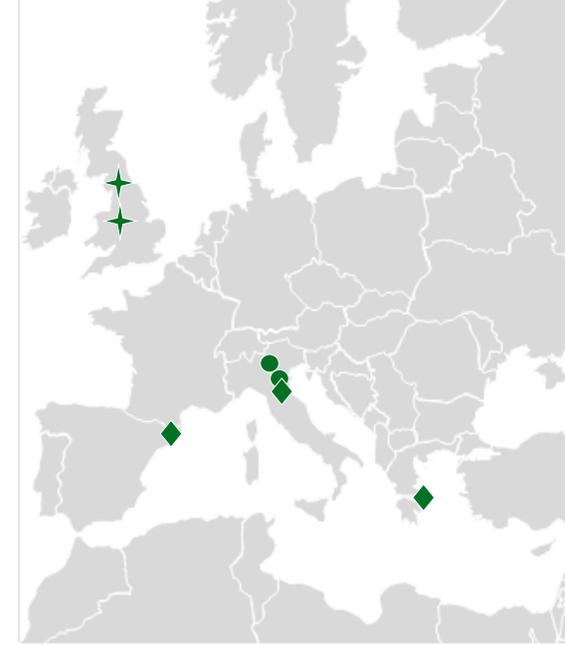


## Manufacturing Footprint

### NORTH AMERICA



### EUROPE



### ASIA



◆ Warehouse

✦ Manufacturing & Warehouse

● Manufacturing

# WINDOW & DOOR HARDWARE | NORTH AMERICA

## PRODUCT LINE OVERVIEW

Produces a broad range of high quality and highly customized window and door components

- Highly engineered products with strong value impact for customers relative to their cost
- Over 100 years of quality engineered solutions
- Well established customer base
- Strong NA manufacturing footprint and distribution capabilities

## KEY BRANDS & PRODUCTS



### Door Hardware



ROLLERS



SECONDARY LOCKS



MORTISE LOCKS



LIFT N SLIDE



HANDLESETS



SCREEN ROLLERS

### Window Hardware



TILT-N-TURN



SKYLIGHTS



SASH LIFTS



BALANCES

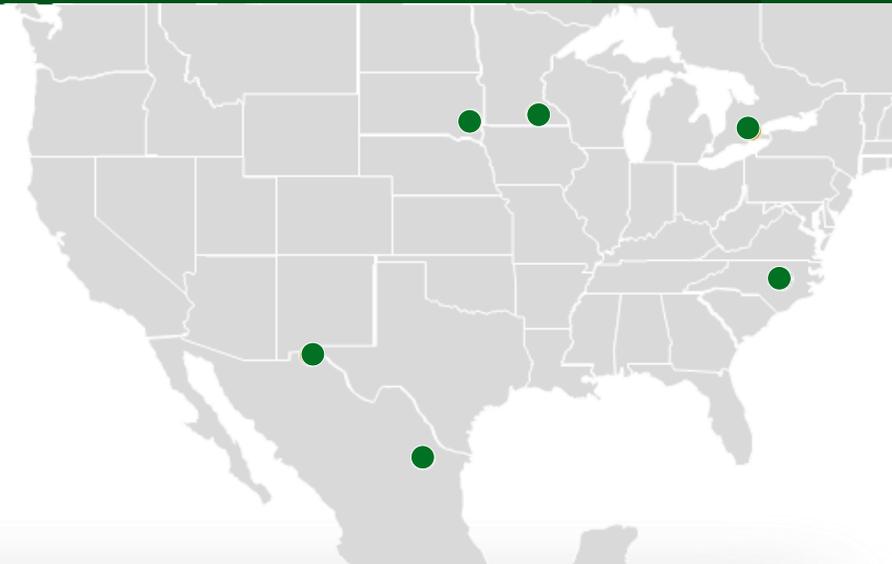


TILT LATCHES



LOCKS

## MANUFACTURING FOOTPRINT

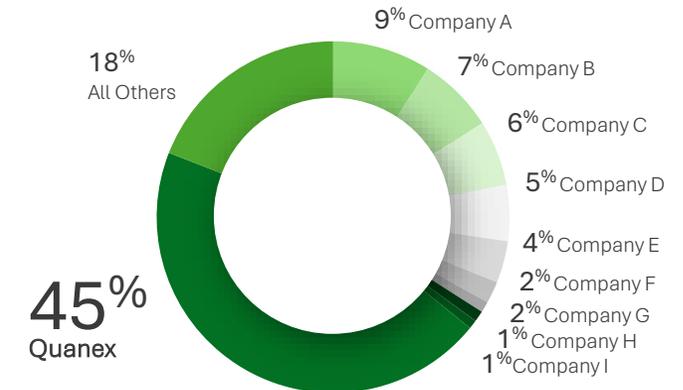


● Manufacturing

## MARKET SHARE<sup>1</sup>

~\$781M

Market Size



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Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Anthony Innovations, Caldwell, GU, Hoppe, Interlock, Radisson, Rockwell, Roto and Vision.

# WINDOW & DOOR HARDWARE | NORTH AMERICA

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Strategic partner for customers, with long-standing relationships
  - Reputation for quality products with unparalleled support capabilities
  - Top 10 customers account for ~87% of sales
- Value-added services include co-development, application engineering, integrated supply chain and accredited testing

### COMMODITY COST DYNAMICS AND CONTROLS

- Continued favorable pricing anticipated in 2025 for the majority of the raw metal commodities next year except for Zinc
- Pricing mechanisms in place to pass along Zinc pricing changes to customers
- Customer specific commodity programs exist for certain strategic accounts relating to Steel/Stainless Steel
- Mechanisms are in place to pass tariff increases onto customers through tariff and surcharge programs
- Mitigation efforts ongoing to near shore, insource, or move product out of China to reduce potential exposure to foreign policies

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	21%
Customer B	12%
Customer C	10%
Customer D	10%
Customer E	4%
Customer F	3%
Customer G	2%
Customer H	2%
Customer I	2%
Customer J	1%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
<b>Quanex</b>	<b>45%</b>
Company A	9%
Company B	7%
Company C	6%
Company D	5%
Company E	4%
Company F	2%
Company G	2%
Company H	1%
Company I	1%

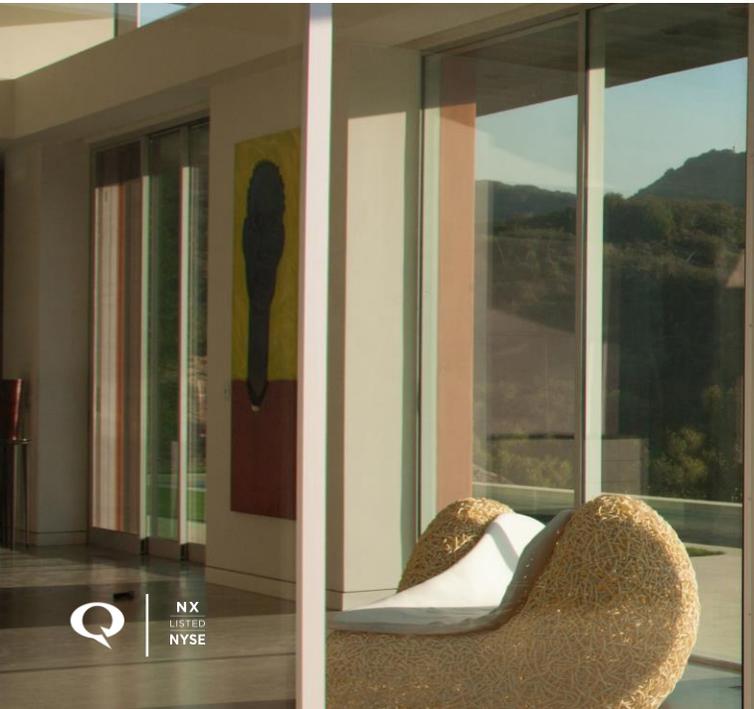


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# WINDOW & DOOR HARDWARE NORTH AMERICA



## STRENGTHS

Full solution provider with strong technical expertise, value-added services, and a broad portfolio

### CASEMENT WINDOW H/W

- Reputation for quality products with unparalleled support capabilities
- Vertically integrated with multi-location manufacturing
- Robust IP portfolio

### SLIDING PATIO DOOR H/W

- Broad manufacturing & distribution footprint
- Tier 1 relationships
- Contemporary designs and flush mount handles

### HINGED PATIO DOOR H/W

- Reputation for quality products with support capabilities – application/design engineering
- Manufacturing & distribution footprint with locations in Mexico (lower cost labor)

### BALANCES

- Vertically integrated with dual manufacturing capability for block and tackle balances

### SLIDING WINDOW H/W

- Lawrence Industries has best in class delivery and rapid tooling capabilities for injection molded hardware products

## OPPORTUNITIES

Focused on protecting and growing share through NPD development

### CASEMENT WINDOW H/W

- Continued harmonization and repositioning of the portfolio
- Accelerate innovation with Next Generation Casement hardware
- Energy efficiency standards and contemporary trends driving market to seek better performing windows – expanded casement reach potential
- Leverage NA manufacturing capabilities to mitigate import tariffs

### SLIDING PATIO DOOR H/W

- Accelerate innovation in large format doors with Integrated SPD Hardware System
- Nearshoring and derisking supply chain to increase competitive position (minimize tariff)

### HINGED PATIO DOOR H/W

- Customer desire for NA manufactured product, reduction of tariffs
- Category strategy and roadmap focused on expanding distribution, taking share in Hybrid, and optimizing cost structure

### SLIDING WINDOW H/W

- Leverage NA manufacturing and Lawrence's rapid response / tooling capabilities
- Migrate low margin zinc locks to composite
- Integrated lock and latch system innovation capturing market growth

# WINDOW & DOOR HARDWARE | INTERNATIONAL

## PRODUCT LINE OVERVIEW

Produces highly engineered window and door hardware and accessories

- Well established customer base
- Industry recognized brands
- Market leading positions in core markets
- Distributor partnership model to enable efficient global coverage
- Highly-automated aluminum hardware production to support superior quality & reliability

## KEY BRANDS & PRODUCTS



HINGES



HANDLES



TILT AND TURN



SLIDING SYSTEMS



ACTUATORS



FASTENERS



HOME SECURITY



ARMS

## MANUFACTURING FOOTPRINT

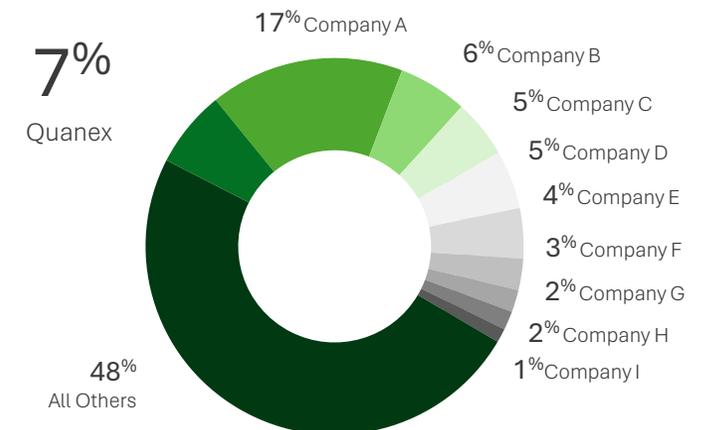


◆ Warehouse    ✦ Manufacturing & Warehouse    ● Manufacturing

## MARKET SHARE<sup>1</sup>

~\$3.3B

Market Size



# WINDOW & DOOR HARDWARE | INTERNATIONAL

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Well established customer base
  - Low customer concentration with Top 10 customers accounting for ~16% of sales
- Distributor partnership model to enable efficient global coverage
- Routes to market primarily via OEMs and distributors & wholesalers

### COMMODITY COST DYNAMICS AND CONTROLS

- Main commodities (zinc die-casting, extruded aluminum and aluminum die-casting) have the raw material content quoted on LME
- Each SKU has a detailed cost breakdown that enables precise monitoring of relevant raw material movements
- The raw material cost is calculated on the previous quarter average with all suppliers

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	3%
Customer B	2%
Customer C	2%
Customer D	2%
Customer E	2%
Customer F	1%
Customer G	1%
Customer H	1%
Customer I	1%
Customer J	1%

### TOP 10 COMPETITORS

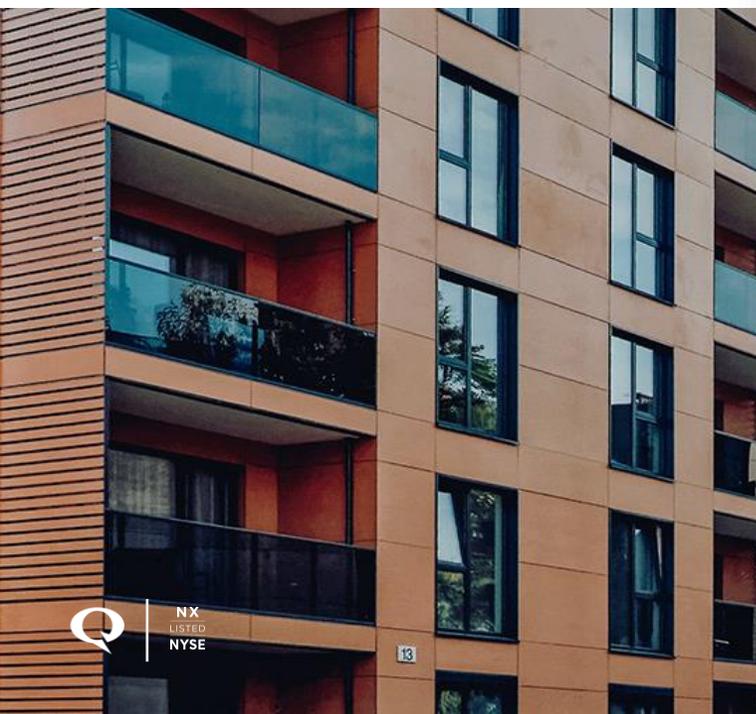
COMPETITOR	EST. MARKET SHARE <sup>1</sup>
Company A	17%
<b>QUANEX</b>	<b>7%</b>
Company B	6%
Company C	5%
Company D	5%
Company E	4%
Company F	3%
Company G	2%
Company H	2%
Company I	1%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: : Assa Abloy Brands, Dorma Kaba, GU, Hoppe, Master & FAPIM, Roto, Siegenia, STAC, and Winkhaus.

# WINDOW & DOOR HARDWARE INTERNATIONAL



## STRENGTHS

### CASEMENT WINDOW H/W

- Strong heritage and reputation of GIESSE brand achieved thanks to Quality Innovation Design DNA and number of patents registered every year
- International geographic
- Technical expertise and support offered along the entire sales process
- CHIC product offers stronger returns to the company

### INTERNAL DOOR H/W

- Strong brand heritage on handles - Reguitti
- Wide range of Reguitti quality products covering any type of material door (wood, Al, PVC, glass), more than 60 handle finishes available in all major materials
- Ability to satisfy large range of aesthetics from traditional to minimal clean shapes

### EXTERNAL DOOR H/W

- Wide range of hinge products
- Customization for the different profiles
- CHIC Door - new concealed hinge that has captured strong share

## OPPORTUNITIES

### CASEMENT WINDOW H/W

- Solution for ALU16 to increase market share on residential
- Sustainable solutions to be ready for the new era of compliance and performance
- Automation to enable sustainability/energy efficiency through smart ventilation

### INTERNAL DOOR H/W

- Increase innovation capability to develop new opening solutions
- Expand in non-Italian core markets
- Explore DIY and online sales channels
- Develop a door manufacturer strategy, by increasing co-design capability and service level with selected key players

### EXTERNAL DOOR H/W

- Current split is less than fair share - room for growth
- Opportunities to fill some of the gaps through innovation
- Increase the solutions offered leveraging on synergies with ERA on locks, door closer, panic exits

### SLIDING WINDOW H/W

- Upgrade HIGHDEA systems to preserve outstanding performance
- High performance compact L&S systems to answer to needs of higher internal comfort
- Automation for convenient opening of bigger and heavier sashes with triple glazing, required to satisfy higher needs of insulating performance

# SCREENS & OTHER FENESTRATION COMPONENTS

## PRODUCT LINE OVERVIEW

- Largest portfolio of screen solutions for windows and patio doors, as well as exterior and patio door thresholds and other precision products
- 12 production facilities (~1,150,000 sq. ft.)
- Well established customer base
- Highly integrated in customer supply chain
- Customizable manufacturing and best-in-class lead times
- Strong relationships with largest OEMs across sectors

## KEY BRANDS & PRODUCTS

Window and Door Screens



Thresholds

Imperial 5H Thresholds  
 Imperial 7Y Thresholds  
 Imperial 5E Thresholds  
 Imperial 5Y Thresholds



Unifying Metal and Thermoplastic



**RollTrusion™**  
 Integrated metal & plastic technology. QUANEX

Door Jamb and System

**IMPERICLAD**  
 WATER IMPERVIOUS DOOR SYSTEM



## MANUFACTURING FOOTPRINT

● Manufacturing

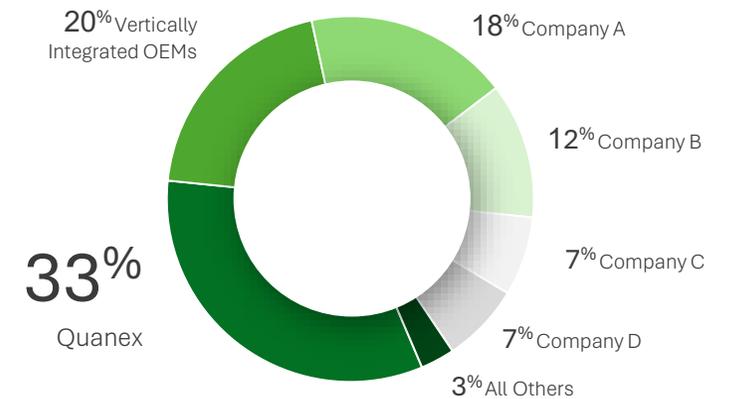


## MARKET SHARE<sup>1</sup>

U.S. Window Screens

**~\$500M**

Market Size



NX  
 LISTED  
 NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
 (1) Comp Group FlexScreen, RiteScreen, Screenco, and Screenfab.

# SCREENS & OTHER FENESTRATION COMPONENTS

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Well established customer base
  - Top 10 customers account for ~87% of sales and have an average relationship of ~20 years with Quanex
  - 200 + active customers
- Quanex has been able to broaden its overall customer base and incorporate cost passthrough mechanisms to temper supply chain concentration risks

### COMMODITY COST DYNAMICS AND CONTROLS

- Most of Quanex's screen/screen door customers are on a pricing structure that includes a moving aluminum adjustment mechanism

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	38%
Customer B	14%
Customer C	8%
Customer D	7%
Customer E	6%
Customer F	5%
Customer G	3%
Customer H	3%
Customer I	2%
Customer J	1%

### TOP 10 COMPETITORS

COMPETITOR (U.S. WINDOW SCREENS)	EST. MARKET SHARE <sup>1</sup>
<b>QUANEX</b>	<b>33%</b>
Vertically Integrated OEMs	20%
Company A	18%
Company B	12%
Company C	7%
Company D	7%

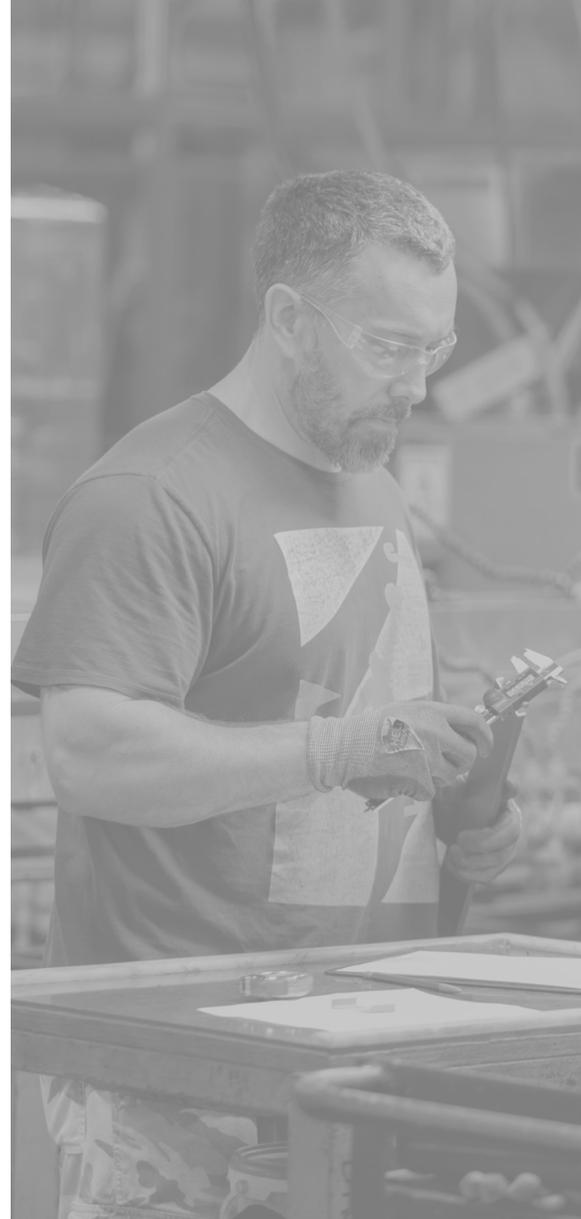


NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group FlexScreen, RiteScreen, Screenco, and Screenfab.

# CHRIS ALDERSON

President, Extruded Solutions



## HARDWARE SOLUTIONS



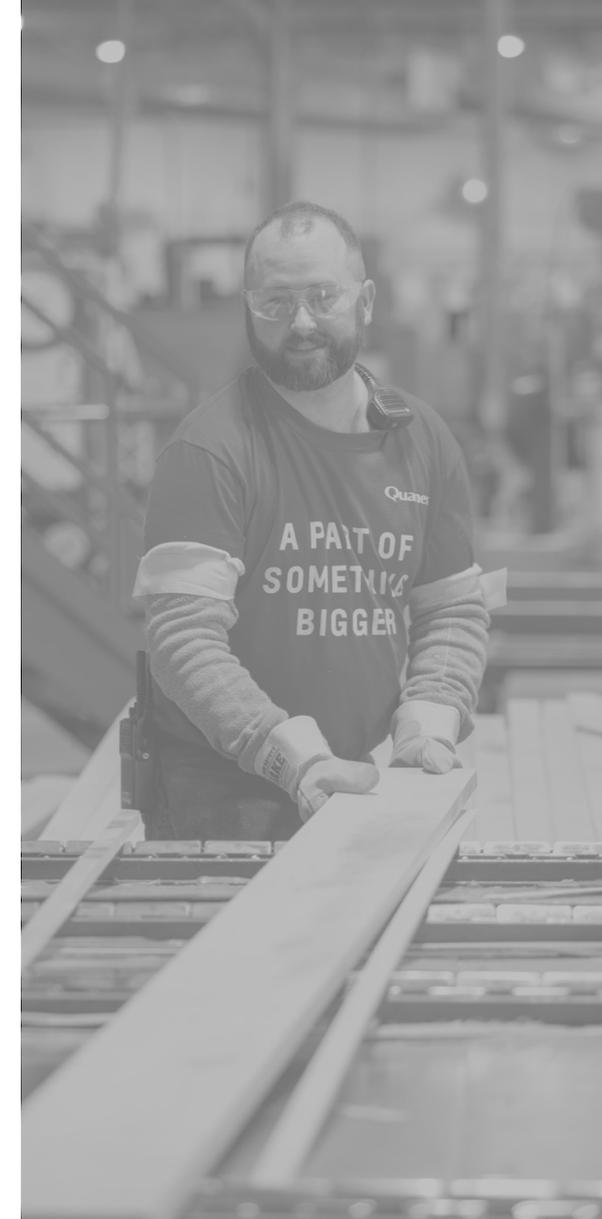
## EXTRUDED SOLUTIONS

Insulating Glass Spacers  
(North America & International)

Vinyl / PVC Extrusions  
(North America & International)

Sealing Solutions

Miscellaneous Specialty Products



## CUSTOM SOLUTIONS

# EXTRUDED SOLUTIONS AT-A-GLANCE

## OPERATING SEGMENT OVERVIEW

- Manufactures IG spacer products, vinyl and composite profiles used in the assembly of windows, doors, conservatories and roofs, fencing, decking, piling and fascia trims
- 11 manufacturing locations and 6 warehouses across the globe

# of Employees

**1,765**



**~30%**

Extruded Solutions

**~70%**

Rest of Quanex



NX LISTED NYSE

## Manufacturing Footprint

### NORTH AMERICA



### EUROPE



### ASIA



### AUSTRALIA



◆ Warehouse ● Manufacturing

# INSULATING GLASS SPACERS | NORTH AMERICA

## PRODUCT LINE OVERVIEW

Highly engineered products focused on improving window and patio door thermal and energy efficiency

- Produces highly engineered IG spacer products using compound extrusion and laminating technology
- Creators of market leading double glazing spacer systems
- Well established customer base secured by long-term contracts
- Operates one facility in U.S. (~375,000 sq. ft.)

## KEY BRANDS & PRODUCTS

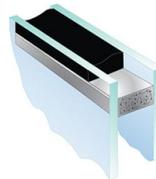
SINGLE SEAL SPACERS

Duralite®  
Duraseal®  
Decoseal®

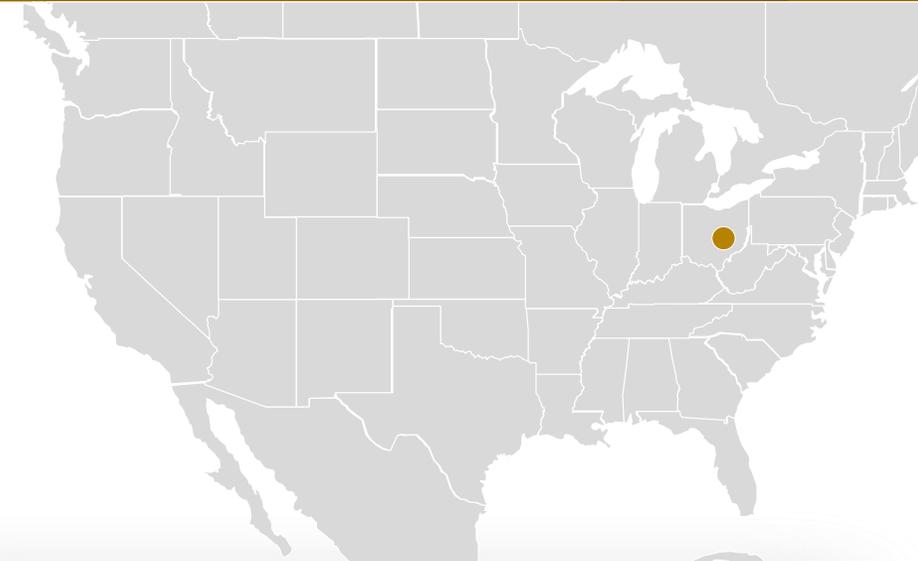


DUAL SEAL SPACERS

Super Spacer®

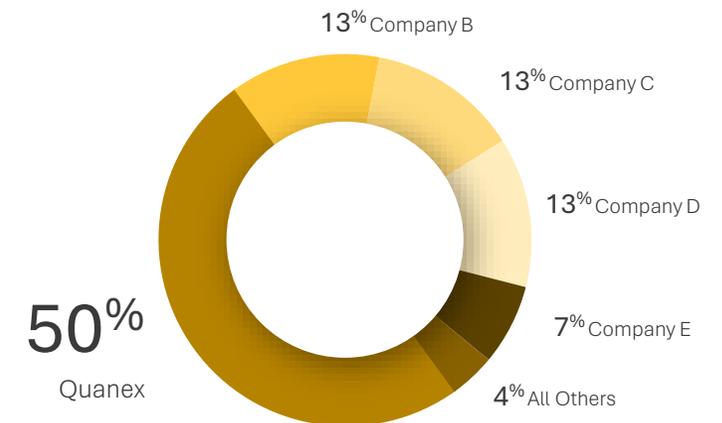


## MANUFACTURING FOOTPRINT



## MARKET SHARE<sup>1</sup>

~\$300M  
Market Size



# INSULATING GLASS SPACERS | NORTH AMERICA

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- The IG Spacer segment maintains a broad, well diversified supplier and customer base, the latter allowing for significant cross-selling opportunities across Quanex's other product segments.
- Low customer concentration with Top 10 customers accounting for approximately 23% of total revenue

### COMMODITY COST DYNAMICS AND CONTROLS

- Dura products are butyl based with costs generally aligning with petroleum
- Surcharge/Petroleum band program in place to protect against fluctuations in butyl base raw material cost
- Silicone based products have seen availability of silicone increase, but costs remain high compared to historical rates

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	3%
Customer B	3%
Customer C	3%
Customer D	2%
Customer E	2%
Customer F	2%
Customer G	2%
Customer H	2%
Customer I	2%
Customer J	1%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
<b>QUANEX</b>	<b>49%</b>
Company A	13%
Company B	13%
Company C	13%
Company D	7%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Allmetal, GED, Quanex Metal and Tremco.

# INSULATING GLASS SPACERS NORTH AMERICA



## STRENGTHS

Large and diverse customer base with well established products & brands

Excellent thermal properties with multiple color offerings

Products made with complex chemistry that are hard to duplicate

Outstanding customer service with short lead times

## OPPORTUNITIES

Increased automation to make spacer systems more competitive

Continued growth due to the push for energy-efficient products

Labor shortages will continue to drive customers to automation or outsourcing

Energy Star 7 will continue to steer customers towards our dual seal products

# INSULATING GLASS SPACERS | INTERNATIONAL

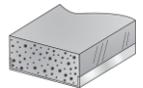
## PRODUCT LINE OVERVIEW

Highly engineered products focused on improving window and patio door thermal efficiency

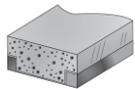
- Produces highly engineered IG spacer products using compound-extrusion and laminating technology
- Operates 2 facilities in Europe (~ 135,000 sq. ft.)
- International sales growth engine
- Diverse customer base generating cross-selling opportunities

## KEY BRANDS & PRODUCTS

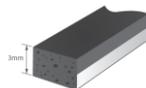
### Dual Seal Spacers



Super Spacer®



T-Spacer,  
T-Spacer SG, TriSeal



Heritage

### Single Seal Spacers

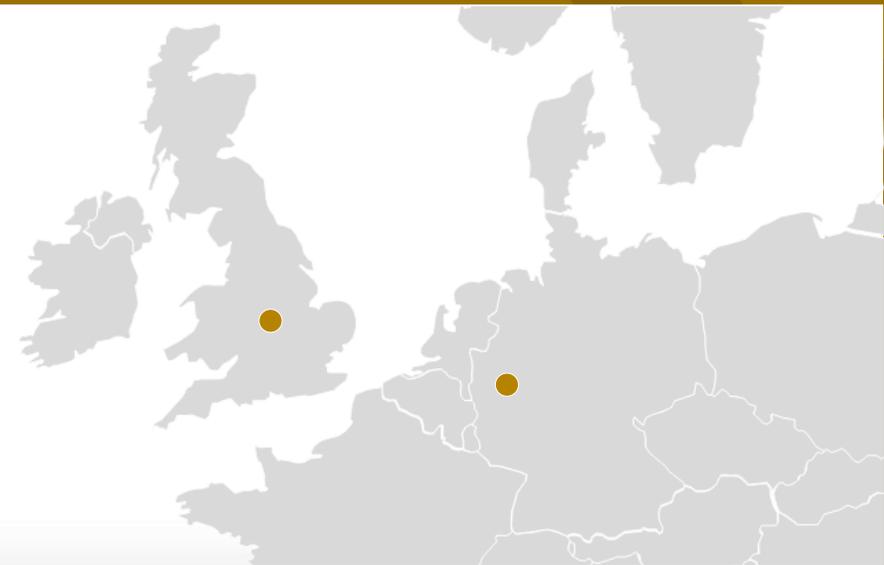
Duralite®

Decoseal®

Edgetech  
A SUBSIDIARY OF Quanex



## MANUFACTURING FOOTPRINT

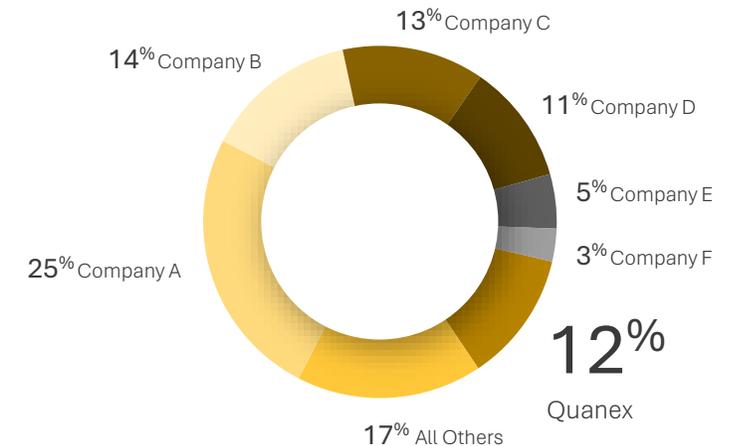


## MARKET SHARE<sup>1</sup>

European IG Spacers

~\$1.1B

Market Size



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.

(1) Comp Group: Ensinger Thermix, Fenzi Group, Roll Tech, Swiss Spacer, Technoform and Thermoseal.

# INSULATING GLASS SPACERS | INTERNATIONAL

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- The International IG Spacer segment serves customers in over 50 countries covering Europe, Asia & New Zealand
- Low customer concentration with Top 10 customers accounting for approximately ~42% of total revenue

### COMMODITY COST DYNAMICS AND CONTROLS

- Actively qualifying new materials as alternatives to meet supply/demand shifts
- Global purchasing coordination to maximize supply chain availability

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	21%
Customer B	4%
Customer C	3%
Customer D	3%
Customer E	2%
Customer F	2%
Customer G	2%
Customer H	2%
Customer I	2%
Customer J	2%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
Company A	25%
Company B	14%
Company C	13%
<b>QUANEX</b>	<b>12%</b>
Company E	11%
Company F	5%
Company G	3%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Ensinger Thermix, Fenzi Group, Roll Tech, Swiss Spacer, Technoform and Thermoseal.

# INSULATING GLASS SPACERS INTERNATIONAL

## STRENGTHS

Strong brand equity

Market leader in flexible spacers

Wide product range - Product/Market combination

Trust & reputation

Proven quality and service

Manufacturing footprint

Loyal customer base

## OPPORTUNITIES

Transition to full spacer and sealant system supplier

Greater focus on innovation and NPD

Tightening of energy codes & standards

International sales penetration

Lower cost automated IG lines

# VINYL/PVC EXTRUSIONS | NORTH AMERICA

## PRODUCT LINE OVERVIEW

Produces vinyl profiles that constitute the framing materials used in the assembly of windows and doors

- 2 manufacturing facilities (500,000 sq-ft)
- Strong relationships with the top door and window manufacturers
- Well-established customer base secured by long-term contracts

## KEY BRANDS & PRODUCTS

Window Profiles



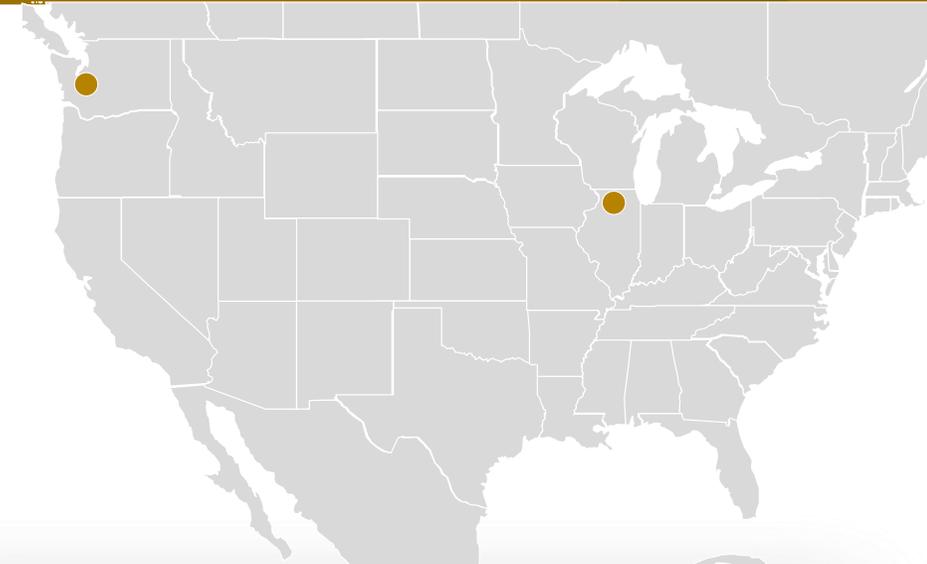
Door Profiles



Materials and Finishes



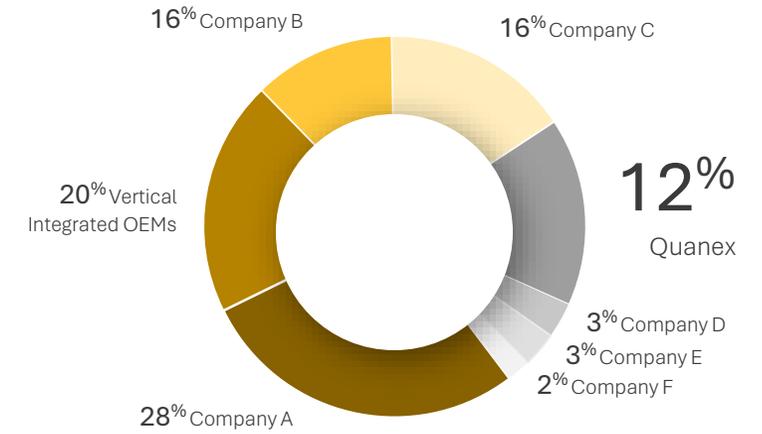
## MANUFACTURING FOOTPRINT



● Manufacturing

## MARKET SHARE<sup>1</sup> Vinyl Profiles

~\$1.2B  
Market Size



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Chelsea, Deceuninck, Rehau, Veka and Vision.

# VINYL/PVC EXTRUSIONS | NORTH AMERICA

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Top 10 customers account for ~83% of sales and have an avg. relationship of ~18 years with Quanex
- ~65 active customers
- High customer retention due to significant costs of moving

### COMMODITY COST DYNAMICS AND CONTROLS

- Quanex has an established price pass-through mechanism with customers for resin, which accounts for 80% pass through
- Micro ingredients are minor compound ingredients and don't have existing pricing mechanisms

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	19%
Customer B	17%
Customer C	11%
Customer D	9%
Customer E	9%
Customer F	5%
Customer G	4%
Customer H	4%
Customer I	4%
Customer J	4%

### TOP 10 COMPETITORS

COMPETITOR (VINYL PROFILES ONLY)	EST. MARKET SHARE <sup>1</sup>
Company A	28%
Vertical Integrated OEMs	20%
Company B	16%
Company C	16%
<b>QUANEX</b>	<b>12%</b>
Company D	3%
Company E	3%
Company F	2%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Chelsea, Deceuninck, Rehau, Veka and Vision.

# VINYL/PVC EXTRUSIONS NORTH AMERICA

## STRENGTHS

Early entrant into the fenestration market and today offers several patented house systems.

Vertically integrated in-house compounding capabilities and manufacturing

Geographic footprint in the Midwest & West with redundant capabilities

Extrunet quick change & manufacturing 4.0 technologies in the Kent facility

## OPPORTUNITIES

Mikron has a light weight residential and heavy weight commercial product offering which creates opportunities as commercial R&R grows

Leverage expertise and established market presence with complex co-extruded profiles driving a higher value products.

Profile lamination



NX  
Listed  
NYSE

# VINYL/PVC EXTRUSIONS | INTERNATIONAL

## PRODUCT LINE OVERVIEW

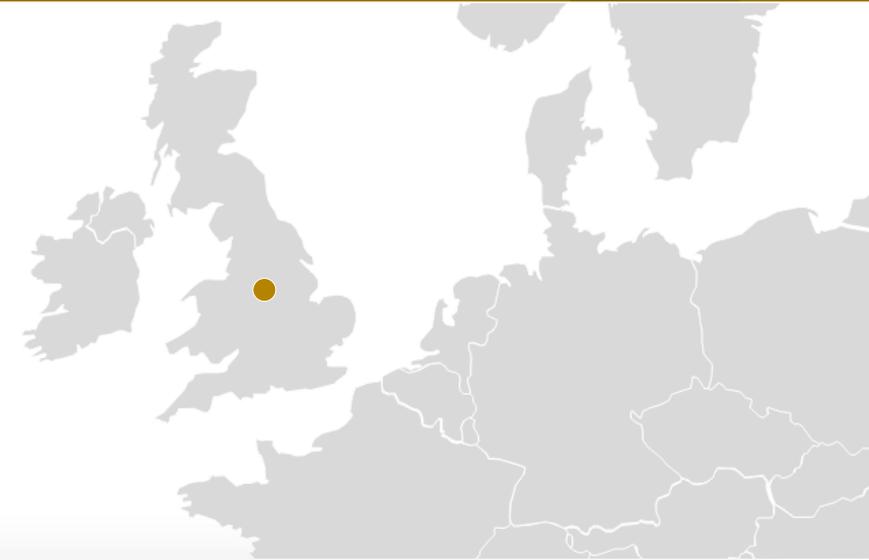
Produces vinyl and composite profiles used in the assembly of windows, doors, conservatories and roofs, fencing, decking, piling and fascia trims

- Single site location with main extrusion hall of ~ 267,500 sq. ft and lamination & warehousing totaling ~400,000 sq. ft.
- Strong partnership with fabricators and installers, solidified by automated Avantek window fabrication machinery
- Diversified customer base throughout the U.K. and Ireland

## KEY BRANDS & PRODUCTS

Other	Windows	Doors	Components	Manufacturing Machine Distribution / Stockist
  Fencing	 Passive House Windows  Bi-Fold Windows	 Vinyl Bi-fold Doors  Sliding Patio Doors	 Lantern Roofs  Conservatory Roofs  Roofline & Trims	   

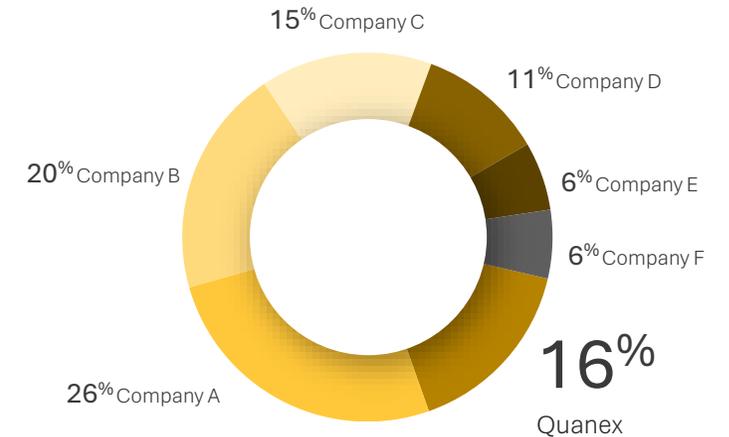
## MANUFACTURING FOOTPRINT



## MARKET SHARE<sup>1</sup>

PVC Profile

~\$804M  
Market Size



Note: Market analysis based on Company management assumptions combined with internal and industry data.

(1) Comp Group: Deceunick, Epwin, Eurocell, Profine, Rehau, and Veka.

# VINYL/PVC EXTRUSIONS | INTERNATIONAL

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- No single customer represents over 10% of sales and only two vendors represent over 10% of cost of sales. Segment supply chain dynamics are stable and not anticipated to change
- 338 active customers with an average relationship of over 8 years
- Top 10 customers account for 32% of total revenue

### COMMODITY COST DYNAMICS AND CONTROLS

- Primary raw material is PVC resin, with TiO2 and impact modifiers in smaller volumes
- Recent resin increases have been a function of global demand outstripping global capacity
- Do not have contractual cost pass throughs like the U.S., however, have been successful increasing price to offset increased costs

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	6%
Customer B	5%
Customer C	4%
Customer D	4%
Customer E	3%
Customer F	2%
Customer G	2%
Customer H	2%
Customer I	2%
Customer J	2%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
Company A	26%
Company B	20%
<b>QUANEX - Liniar</b>	<b>16%</b>
Company C	15%
Company D	11%
Company E	6%
Company F	6%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Deceunick, Epwin, Eurocell, Profine, Rehau, and Veka.

# VINYL/PVC EXTRUSIONS INTERNATIONAL

## STRENGTHS

Well established brand (Recognized & Trusted)

Reputation for Innovation, Quality and Service Excellence

Outperforming key competitors on key financial metrics

Lowest scrap levels in the UK

Highly skilled engineers (Avantek)

Well invested manufacturing facilities/headroom for growth

## OPPORTUNITIES

Continue to gain market share  
take advantage of competitor instability/poor service

Eco friendly range/improved sustainability via own in house closed loop recycling center

Solar installation to reduce costs & CO<sub>2</sub>

Zero90 window system following tighter energy codes

Government New House Build targets (1.5M by 2030)

Investment in Social Housing following a change in government

# SEALS

## PRODUCT LINE OVERVIEW

Producer of high-performance sealing solutions

- Trusted brands such as Q-LON and Foam-Tite have serviced the industry for over 60 years
- Works with customers to design dedicated solutions
- Uses a wide range of materials and manufacturing technologies to meet the fenestration market's form, fit, and function requirements
- Full range of differentiated seals for both sliding and closing applications

## KEY BRANDS & PRODUCTS

Brush  
Seals



Foam  
Seals



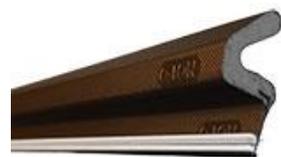
Extruded  
Seals



**Schlegel**

Weather  
Seals

**Amesbury Truth**



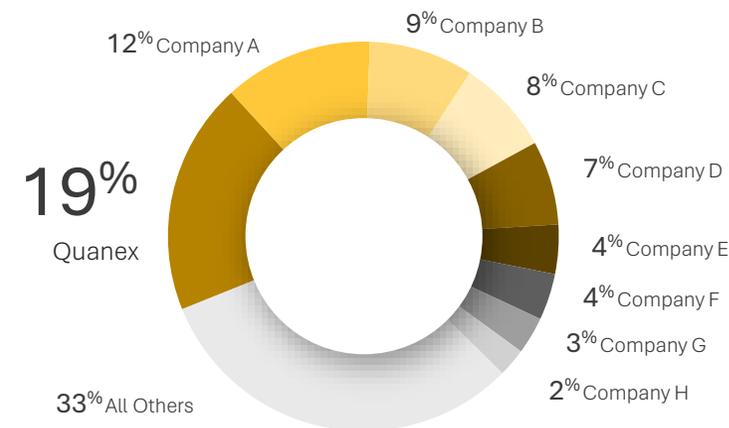
## MANUFACTURING FOOTPRINT



◆ Warehouse ● Manufacturing

## MARKET SHARE<sup>1</sup>

**~\$468M**  
Market Size<sup>2</sup>



# SEALS

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Low customer concentration with Top 10 customers account for ~35% of sales
- Customer relationships augmented by broadest seals portfolio in the fenestration industry, co-design expertise and in-house tolling capabilities

### COMMODITY COST DYNAMICS AND CONTROLS

- Being mainly plastic, there is a correlation with oil prices
- In North America, TPE prices have held flat since 2023 despite feedstock / market increases
- Continuous scouting is done with significant wins to diversify the geography of the supply base and then extend the benefits to other locations of our company

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	10%
Customer B	5%
Customer C	4%
Customer D	3%
Customer E	3%
Customer F	2%
Customer G	2%
Customer H	2%
Customer I	2%
Customer J	2%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
<b>QUANEX</b>	<b>19%</b>
Company A	12%
Company B	9%
Company C	8%
Company D	7%
Company E	4%
Company F	4%
Company G	3%
Company H	2%
Company I	1%



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.

(1) Comp Group: Coda Products, CooperStandard, Deventer, FenSeal, Local EPDM, Local TPE/PVC, STAC, Tecseal, Trelleborg and Ultrafab.

# SEALS



## STRENGTHS

Broadest seals portfolio in the fenestration industry

Design expertise

In-house tooling capabilities

Co-design service to help customers' progress and differentiation vs their competitors through innovative bespoke solutions, offered and made

Q-LON seen as reference product in foam seals, due to unique combination of performance, aesthetic and certifications

Strong brand awareness and reputation

## OPPORTUNITIES

Innovate and grow share through customer NPD leveraging our design capabilities

Market share increase through dedicated Commercial Strategy developing partnerships with timber door manufacturers in Europe and GCC

Product innovation of recently launched around the corner seal

Customer stickiness programs (Returnable Reel Programs, In-line Insertion, Logistics)

Research and development for new resins: Bio resins / Secondary sources / new product development and new markets

# MISC. SPECIALTY PRODUCTS

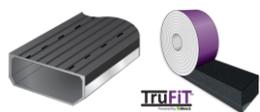
## PRODUCT LINE OVERVIEW

History of performance and product knowledge of specialty products

- Solar panel sealant solutions improve panel longevity and maximize power
- Flashing tape is a self-adhesive tape that protects the heads and jambs of rectangular windows and doors from bulk water intrusion, air leakage and more
- PFR's consist of sealants, clips, equipment, and Q-glaze silicone

## KEY BRANDS & PRODUCTS

### Ancillary Products



TruPlas, TruFit, TruSieve, IG sealants

### Flashing Tape



### Muntin End Clips



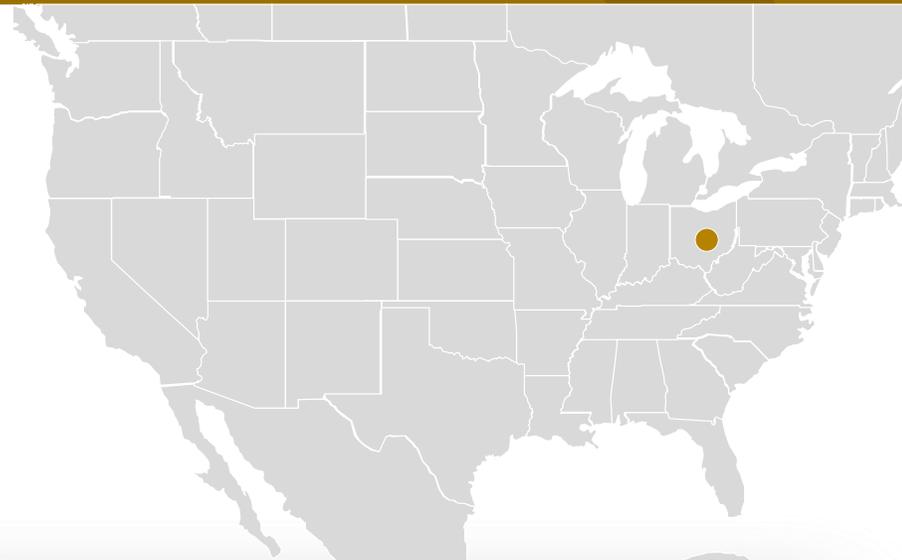
IntelliClip®

### Solar



Solar Module Sealant

## MANUFACTURING FOOTPRINT



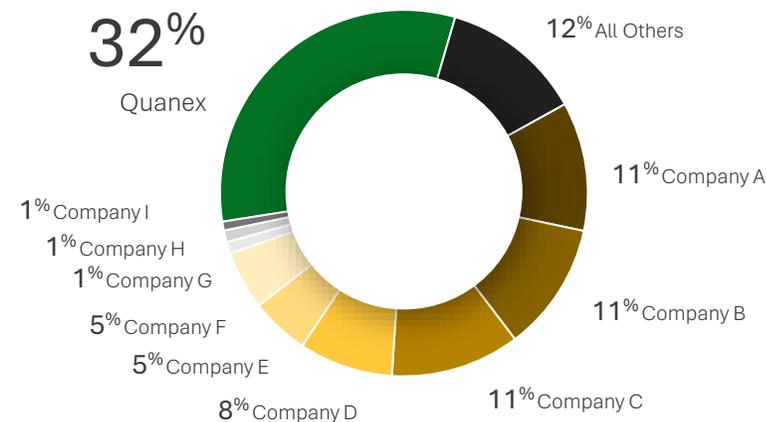
● Manufacturing

## MARKET SHARE<sup>1</sup>

Solar & Flashing Tape

~\$97M

Market Size



NX  
LISTED  
NYSE

Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Berry, Blueskin, Iaca, Kangda, Komerling, Tonsan, Typar, Vycor and ZIP.

# MISC. SPECIALTY PRODUCTS

## STRENGTHS

### SOLAR

- History of performance and quality
- Strong technical support
- Quanex name is present in a lot of technical developmental papers.
- Support of academic & customer development activities
- Mixing capacity in the US

### FLASHING TAPE

- Knowledge of product through relationship with market leader
- Good quality and shipping record
- Good relationship with Supply Chain Master Scheduler

### PFR'S

- Higher performing products and better structural characteristics than competitive material

## OPPORTUNITIES

### SOLAR

- Working with external PV R&D groups (academic & manufacturer's) to develop new technology modules with edge sealant
- New PV technologies that require an edge seal
- Engaged with other large manufacturers to develop edge seal use
- Use of edge seal in other areas of a module - such as the electrical through hole

### FLASHING TAPE

- Use of wide-format coating equipment to be competitive with other toll & private label manufacturer

### PFR'S

- Launch the new low-cost sealant

# CUSTOM SOLUTIONS

**JOHN SLEVA**

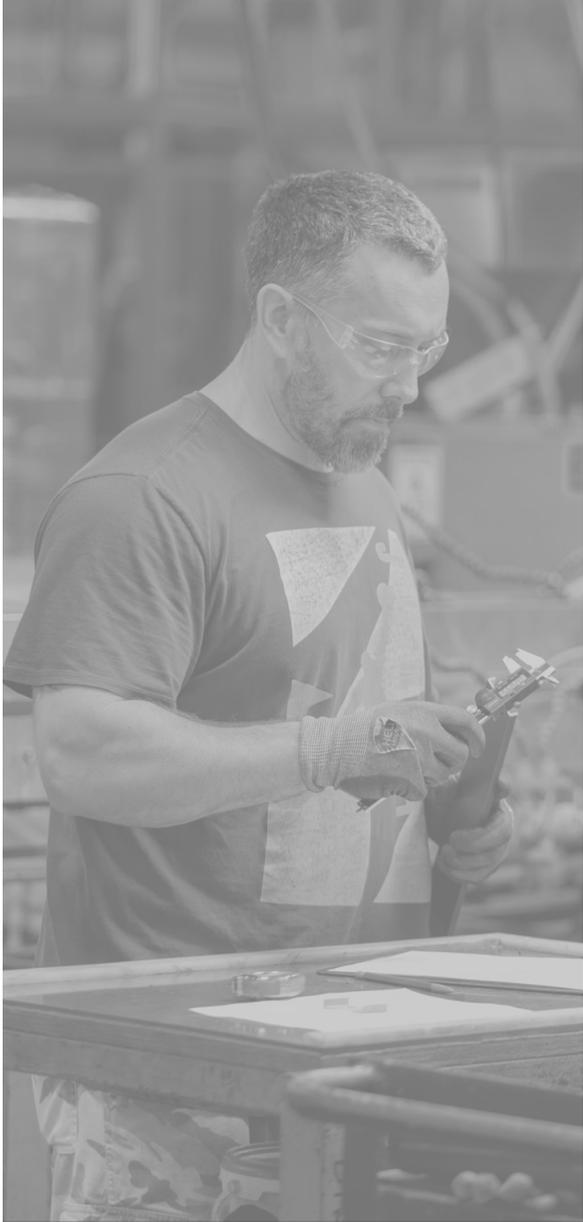
President, Wood Solutions

**JIM NIXON**

President, Custom Mixing Solutions

**PETER SANTO**

President, Access Solutions



**HARDWARE SOLUTIONS**



**EXTRUDED SOLUTIONS**



**CUSTOM SOLUTIONS**

Wood Solutions

Custom Mixing Solutions

Access Solutions



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# CUSTOM SOLUTIONS AT-A-GLANCE

## OPERATING SEGMENT OVERVIEW

- Manufactures high-quality hardwood and engineered wood components, technically advanced rubber compounds and specialty access solutions
- 15 manufacturing locations and 3 warehouses across North America

# of Employees

**1,542**



~ **20%**

Custom Solutions

~ **80%**

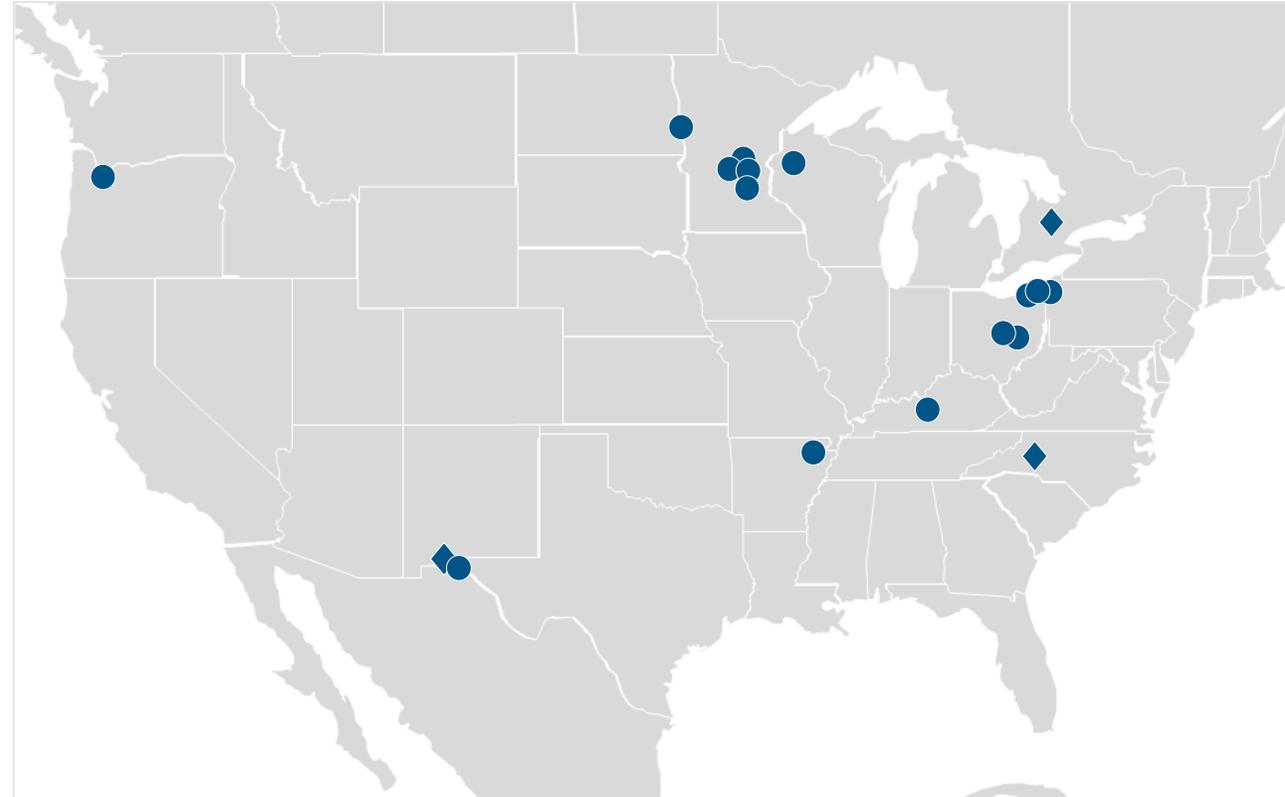
Rest of Quanex



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## Manufacturing Footprint

### NORTH AMERICA



◆ Warehouse ● Manufacturing

# WOOD SOLUTIONS

## PRODUCT LINE OVERVIEW

Single-source supplier of high-quality hardwood and engineered wood cabinet doors and drawer fronts and components for kitchen and bath OEMs

- Close working relationship with top cabinet OEMs
- Best-in-class service levels
- Unrivaled breadth of product
- Opportunity to expand into adjacent wood product categories
- Nationwide reach with 11 production facilities and 1 warehouse location

## KEY BRANDS & PRODUCTS

Components



Wine Rack Lattice



Cabinet Moldings



Drawers



Turnings



Corbels



Cabinet Doors



Face Frame Assemblies



Organization



Drawer Fronts



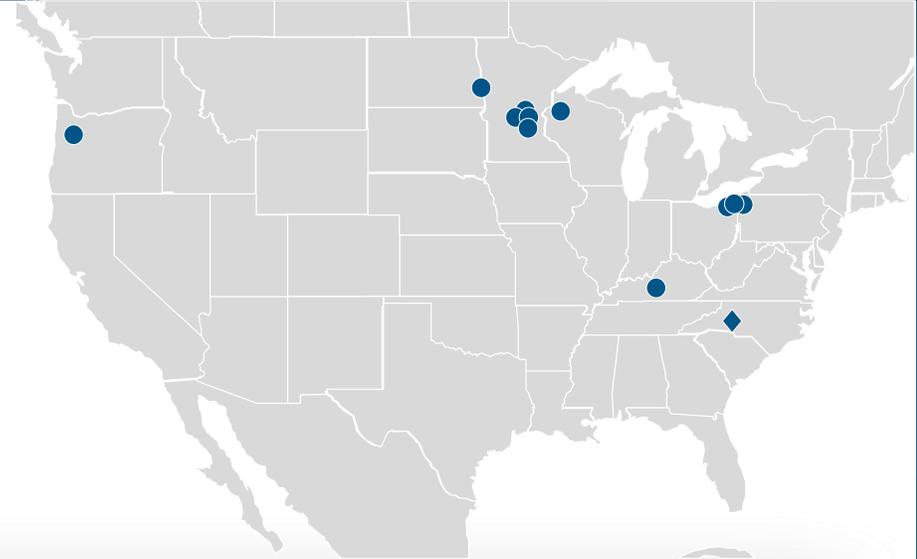
Valences



Shelf Supports



## MANUFACTURING FOOTPRINT

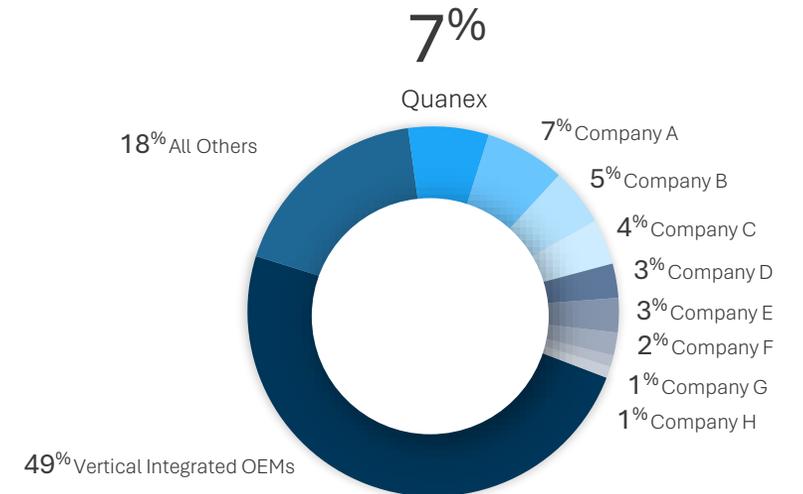


## MARKET SHARE<sup>1</sup>

Domestic Kitchen Cabinet Component

~\$2.6B

Market Size



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Note: Market analysis based on Company management assumptions combined with internal and industry data.

1) Comp Group: Appalachian Wood, Conestoga, Décor-Active, Elias, ILCAM, Indiana Dimension, Olon and Southern Finishing.

# WOOD SOLUTIONS

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Quanex has cultivated a longstanding customer base which includes the largest cabinet OEMs in the industry
- 100 active customers with an average relationship of over 23 years
- Top 10 customers account for ~83% of total revenue

### COMMODITY COST DYNAMICS AND CONTROLS

- Pricing of hardwood products is typically based on pricing listed in the weekly published Hardwood Market Report (HMR)
- Hardwood raw material pricing mechanisms are calculated on a systematic basis with movement collars both up and down (Usually ~90-day lag)
- Freight costs have returned to normal and raw material supply is adequate to meet current demand, no surcharges were used in 2024

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	29%
Customer B	15%
Customer C	7%
Customer D	6%
Customer E	6%
Customer F	5%
Customer G	4%
Customer H	4%
Customer I	4%
Customer J	3%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
Vertical Integrated OEMs	49%
All Others	18%
<b>QUANEX</b>	<b>7%</b>
Company A	7%
Company B	5%
Company C	4%
Company D	3%
Company E	3%
Company F	2%
Company G	1%
Company H	1%



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Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Appalachian Wood, Conestoga, Décor-Ative, Elias, ILCAM, Indiana Dimension, Olon and Southern Finishing.

# WOOD SOLUTIONS



## STRENGTHS

### SEMICUSTOM

- Regional JIT door service across the U.S. from OR to OH; consistent quality and service; short lead times, strong customer service

### STOCK

- Able to combine a wide range of customer sizes and specifications to maximize lumber yield in our rough mills
- Heavy investment in automated rough mill equipment
- Broad product offering – “one stop shop”

## OPPORTUNITIES

### SEMICUSTOM

- Staff weekend/night shifts to help increase capacity in existing plants

### STOCK

- Focus on value added opportunities for existing products to enhance margin and reduce competition e.g., doors and assembled drawer boxes

### OTHER MARKETS

- Expand Revenue in nonkitchen and bath markets (e.g., flooring, millwork)

# CUSTOM MIXING SOLUTIONS

## PRODUCT LINE OVERVIEW

Technically advanced rubber compounding facility supporting niche and specialized products for the custom mixing market

- Well-invested industrial plant with capacity available to support 40% growth without major further investments
- Specialty in intermeshing mixing lines that provide optimum dispersion and efficient throughput for dense and sponge compounds
- Strong supply chain, being able to offer customers short lead times
- Highly customer centric company, offering development support with an experienced team in compound design and optimization for technical apps
- State-of-the-art mixing equipment and controls

## KEY BRANDS & PRODUCTS

Custom Compounds



Compounds for Extrusion



High-performance Compounds



Sponge Compounds



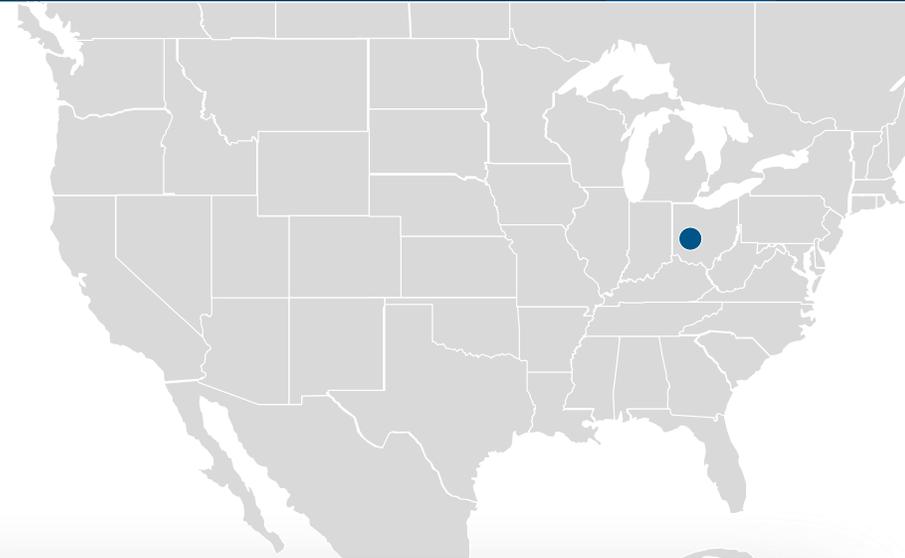
Black & Color Compounds



Compounds for Molding



## MANUFACTURING FOOTPRINT

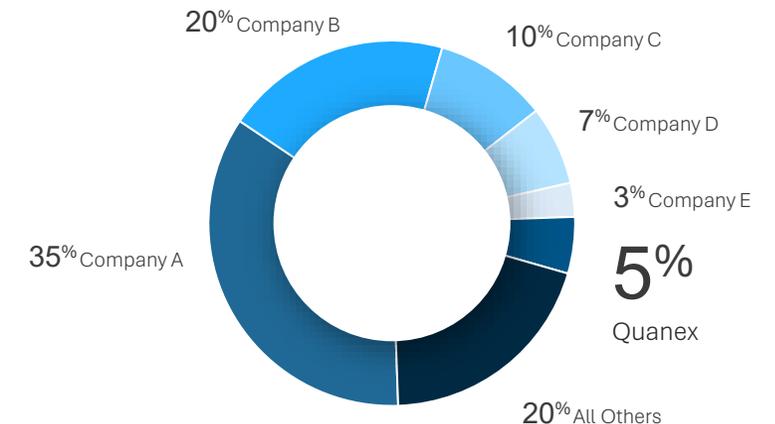


- Manufacturing

## MARKET SHARE<sup>1</sup>

Custom rubber compounds

**~\$1.0B**  
Market Size<sup>2</sup>



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Note: Market analysis based on Company management assumptions combined with internal and industry data.

(1) Comp Group: Airboss, ChemTechnologies, Dyna-Mix, Hexpol and Mountville Rubber.

(2) Excludes silicone and tire market.

# CUSTOM MIXING SOLUTIONS

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Geography – United States (mostly regional)
- 81 active customers with an average relationship of 7 years
- Top 10 customers account for ~85% of total revenue

### COMMODITY COST DYNAMICS AND CONTROLS

- Raw Material dependency on crude oil and natural gas
- EPA regulations and recent increases in North American tire production have led tighter market capacity for carbon black
- Refined petrochemical oils used in rubber formulations are coupled to the lube, gasoline and fuel markets
- EP elastomers in automotive parts are closely related to US automobile production; auto production in the US decreased around 18% in 2020 due to the pandemic

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	21%
Customer B	13%
Customer C	12%
<b>QUANEX - IG Systems, Inc.</b>	<b>9%</b>
Customer E	8%
Customer F	7%
Customer G	5%
Customer H	4%
Customer I	4%
Customer J	2%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
Company A	35%
Company B	20%
Company C	10%
Company D	7%
<b>QUANEX</b>	<b>5%</b>
Company E	3%
All Others	20%



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Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Airboss, ChemTechnologies, Dyna-Mix, Hexpol and Mountville Rubber.

# CUSTOM MIXING SOLUTIONS



## STRENGTHS

Product quality and customer service

State of the art machinery

Clean, climate-controlled facility

Market diversification

New product development (IP)

## OPPORTUNITIES

Organic growth – Increase capacity on site or new location

Inorganic growth – Strategic partnership or acquisition

Vertical integration – Suppliers & customers

Additional plant automation

# ACCESS SOLUTIONS

## PRODUCT LINE OVERVIEW

Industry leader in the design and manufacture of specialty access solutions for industrial, commercial and U.S. residential applications

- Manufacturing facilities across the U.S. and in the U.K. for access to European and Middle East markets with strategic distribution points in all markets
- Strong sales reps across the U.S. and the U.K. with comprehensive product and industry knowledge
- Developing agent network in new markets
- Commercial product range is highly specified with sales driven by the architectural design community in all markets
- Significant differentiation through product certification and patented technology
- Long-standing relationships with key strategic partners

## KEY BRANDS & PRODUCTS

### COMMERCIAL PRODUCTS

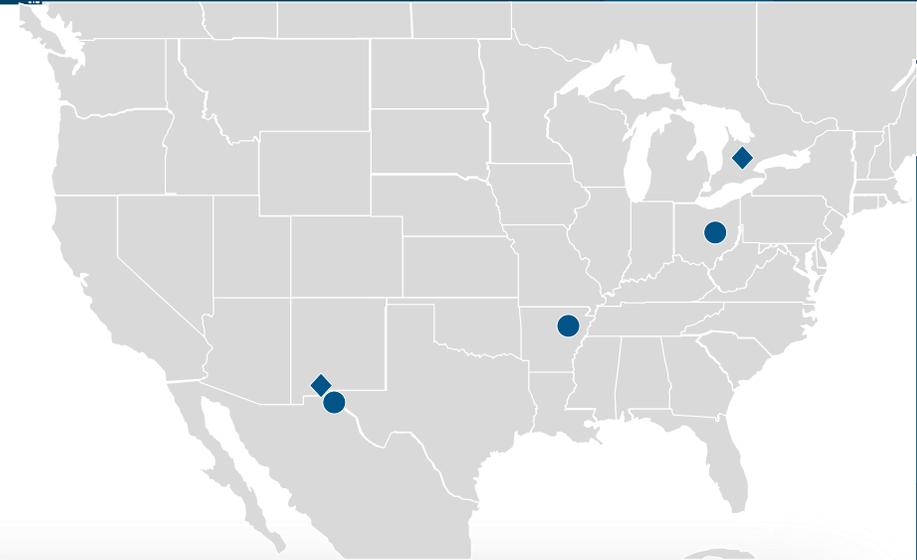
- Access Products
- Fire Safety Products
- Safety & Security Products

### RESIDENTIAL PRODUCTS

- Basement access
- Egress Window Wells



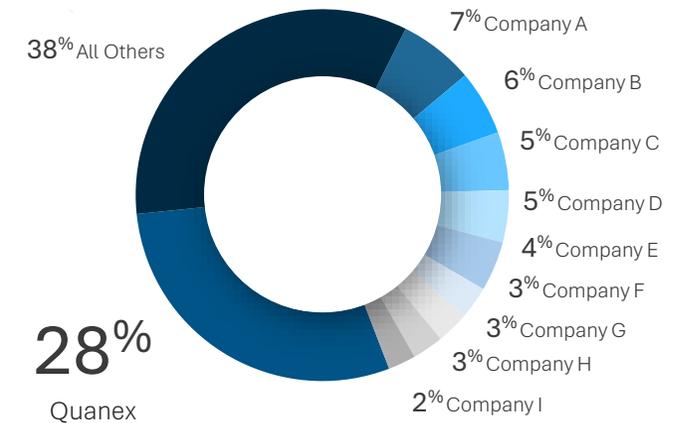
## MANUFACTURING FOOTPRINT



- Manufacturing
- ◆ Warehouse

## MARKET SHARE<sup>1</sup>

~\$365M  
Market Size



Note: Market analysis based on Company management assumptions combined with internal and industry data.  
(1) Comp Group: Babcock Davis/Nystrom, Boman Kemp, Gordon, Halliday, Kent Stainless, Selo, Surepan, The Access Panel Company, and USF Fabrication.

# ACCESS SOLUTIONS

## Customer & Competitor Profile

### CUSTOMER DYNAMICS

- Low customer concentration with Top 10 customers accounting for ~37% of sales
- Strong and long-established specification presence with architectural design community
- Focused on large projects
- Long-standing and durable relationships with national distribution networks
- Developing U.S. residential relationships with retail channel
- Representative network with strong distributor relationships

### COMMODITY COST DYNAMICS AND CONTROLS

- Raw material pricing for steel and aluminum has been relatively stable
- Various supply chain initiatives have reduced costs through engineering modifications, selection of alternative materials, and supplier changes
- Government mandated wage increases have impacted labor costs

### TOP 10 CUSTOMERS

CUSTOMER	% OF SALES
Customer A	8%
Customer B	8%
Customer C	6%
Customer D	4%
Customer E	3%
Customer F	2%
Customer G	2%
Customer H	2%
Customer I	1%
Customer J	1%

### TOP 10 COMPETITORS

COMPETITOR	EST. MARKET SHARE <sup>1</sup>
<b>QUANEX</b>	<b>28%</b>
Company A	7%
Company B	6%
Company C	5%
Company D	5%
Company E	4%
Company F	3%
Company G	3%
Company H	3%
Company I	2%



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Note: Market analysis based on Company management assumptions combined with internal and industry data.

(1) Comp Group: Babcock Davis/Nystrom, Boman Kemp, Gordon, Halliday, Kent Stainless, Selo, Surepan, The Access Panel Company, and USF Fabrication.

# ACCESS SOLUTIONS



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## STRENGTHS

Strong brand awareness with Bilco

Significant presence and reputation in the commercial construction space

Well-established relationships with distribution partners across the U.S.

Developing retail presence in the U.S.

One-stop shop for commercial access solutions (roof, wall & underground)

Custom manufacturing/design capabilities for specialty and bespoke access solutions

Geographically centralized/low-cost manufacturing locations

Global scale gives local presence for access solutions in international markets

## OPPORTUNITIES

Immediate potential to capitalize on the recent investment in state-of-the-art manufacturing facility in U.K.

Geographic expansion into target European markets of Benelux, the Nordic region and DACH

Exploit the projected infrastructure development planned over the next 10 years in India, Saudi Arabia and U.A.E.

Continue to develop representative network across U.S.

Establish national representative network in Canada

Product development and range extension through NPD and targeted acquisitions

Execution of manufacturing modernization plan in U.S. plants

Increase low-cost manufacturing in Mexico

# FINANCIAL OVERVIEW

The background of the slide features a complex financial visualization. It includes a candlestick chart with green and blue bars, overlaid with a green line graph and a blue line graph. The entire scene is set against a dark blue background with floating binary code (0s and 1s) and glowing light effects.

**SCOTT ZUEHLKE**  
SVP, CFO & Treasurer

# TYMAN ACQUISITION DRIVING MEANINGFUL FINANCIAL GROWTH

## FY 2025 GUIDANCE

**~\$1.84 – \$1.86B**

NET SALES

- Year-over-year sales growth driven by contribution from legacy Tyman assets combined with slight volume growth expected in 2H related to improvement in consumer confidence
- Demand softness expected throughout 1H
- Pricing pressure in international markets
- Negative foreign exchange translation impact expected

**~\$270 – \$280M**

ADJUSTED EBITDA

- Year-over-year margin expansion expected due to contribution from legacy Tyman assets, realization of cost synergies and increased operational leverage related to anticipated volume uptick in 2H

**~\$100M**

FREE CASH FLOW

- Free cash flow ramp in 2H due to seasonality
- Continued focus on working capital management and potential improvement for legacy Tyman businesses

Note: Please see Non-GAAP Terminology and Definitions Disclaimers referenced in Safe Harbor Statement on slide 2. A reconciliation of the forward-looking Adjusted EBITDA and Free Cash Flow non-GAAP financial measures on this slide to the most directly comparable GAAP financial measures is not provided in this presentation because Qualex is unable to provide such reconciliation without unreasonable effort.

(1) Excludes intangible amortization. Company excludes amortization charges for acquisition-related intangible assets for purposes of calculating certain non-GAAP measures as the adjusted measures are used in the management of the business and believed by the Company to be representative of core operations. The Company believes adjusted measures facilitate more consistent comparisons of operating results over time as the amount and timing of such charges are significantly impacted by the timing, size, number and nature of acquisitions.



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## OTHER MODELING ASSUMPTIONS

GROSS MARGIN **~29%**

SG&A **~\$260-265M**

Adj. D&A <sup>(1)</sup> **~\$60-65M**

INTEREST EXPENSE **~\$55M**

TAX RATE **~23.5%**

CAPEX **~80-85M**

# POTENTIAL ESTIMATED TARIFF EXPOSURE

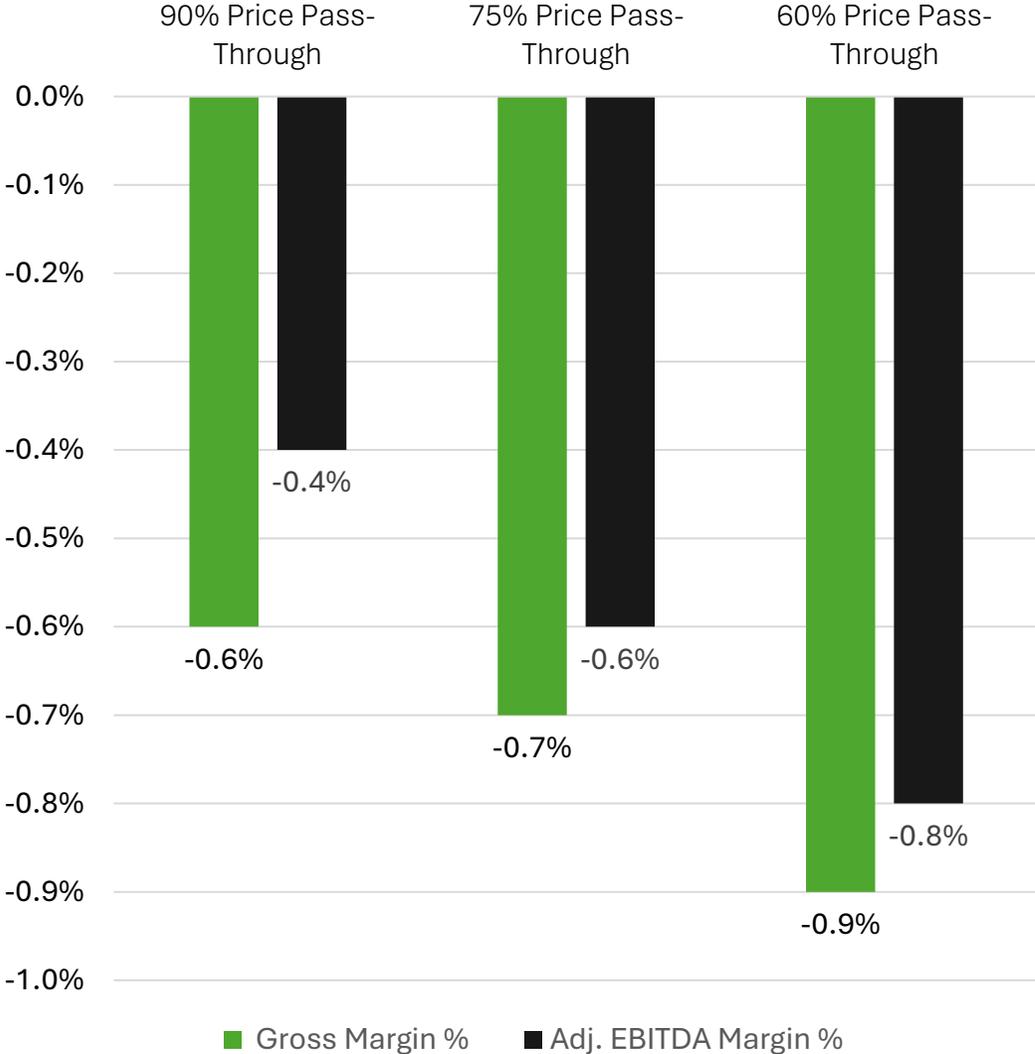
## FY 2025E COGS EXPOSURE

Country	FY25E % of Total COGS	Incremental Tariff Rate
China	~5%	10%
Canada	~2%	25%
Mexico	~9%	25%
Other	~1%	0%

## ACTIONS

- Ongoing and continuous assessment of supply chain vulnerability
- Exploring alternate supply sources
- Evaluating potential demand shifts
- Developing and implementing strategies to mitigate potential tariff impacts

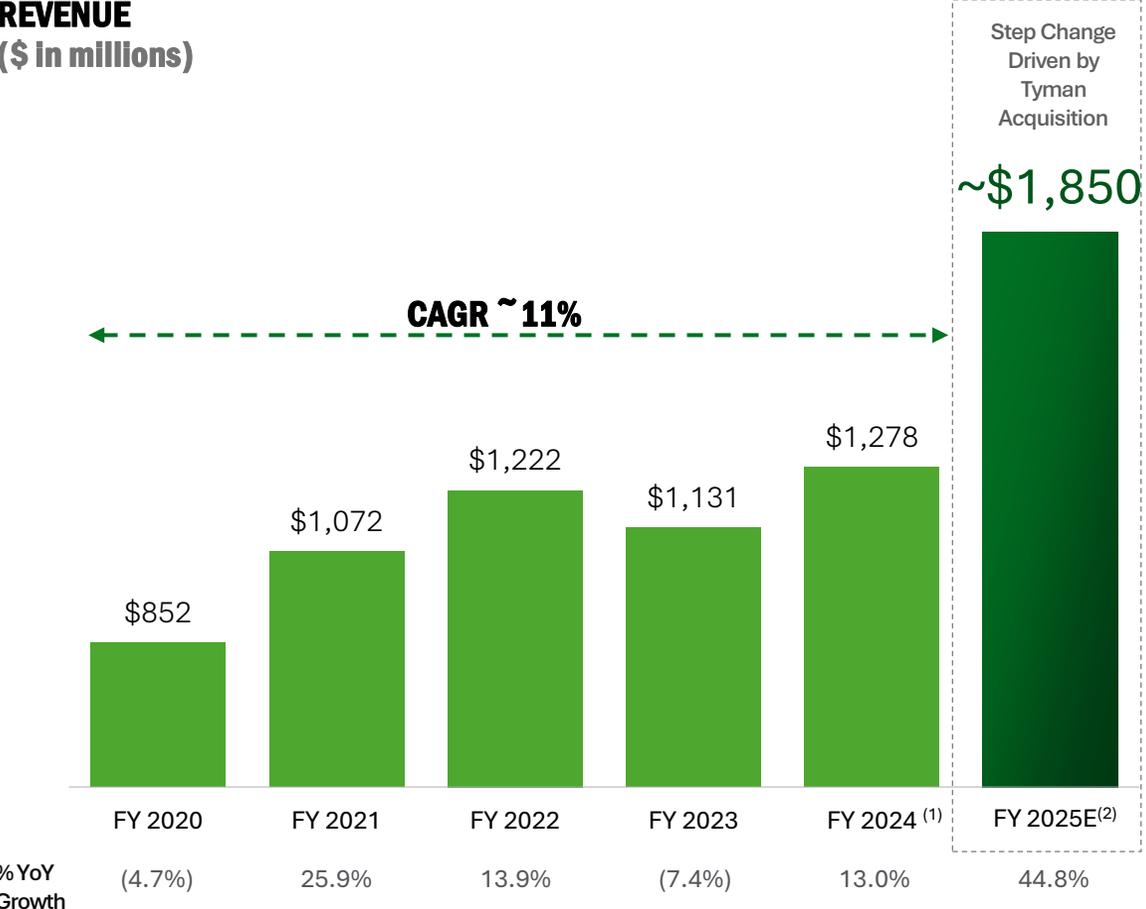
## POTENTIAL ESTIMATED MARGIN EXPOSURE



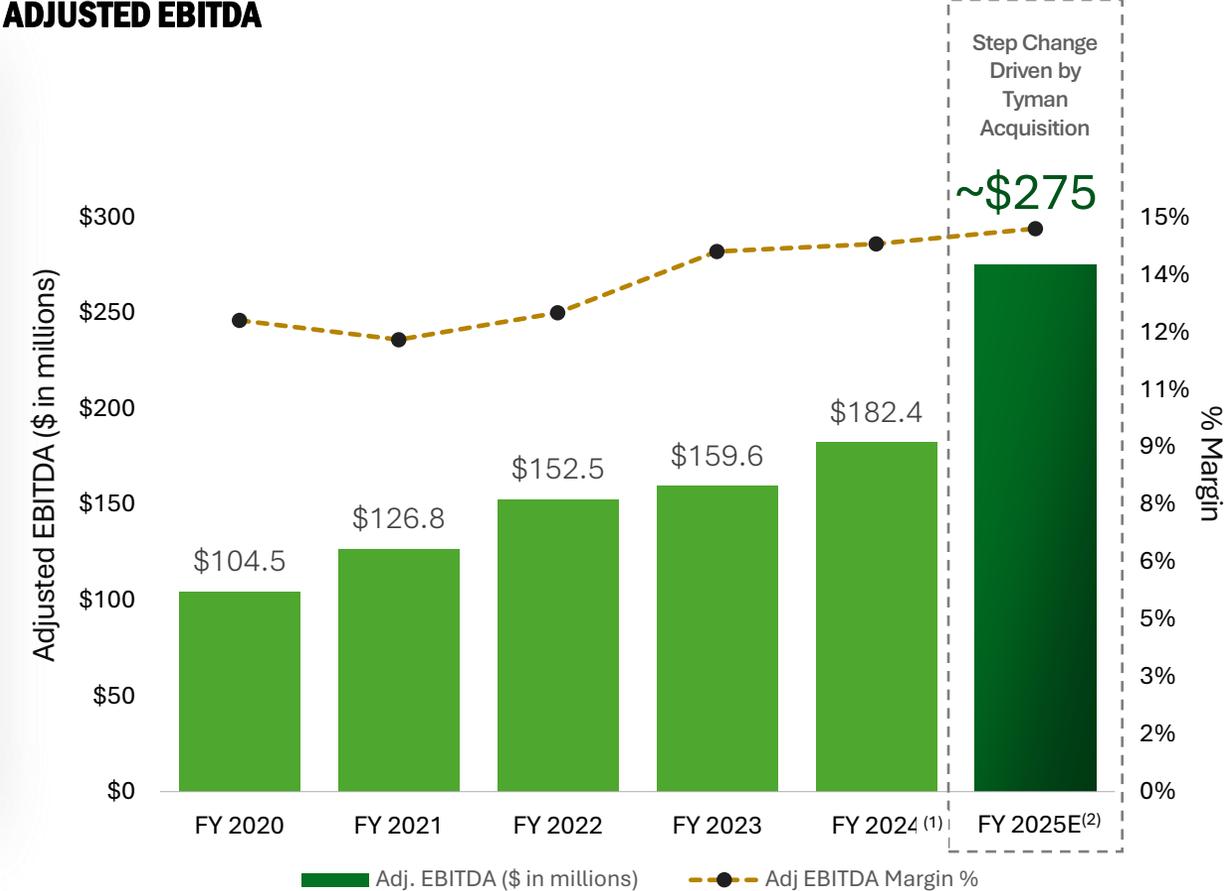
Source: Preliminary management estimates.  
 Tariff effective date assumptions: February 1, 2025 for China; March 1, 2025 for Canada & Mexico.

# BUILDING ON TRACK RECORD OF GROWTH AND MARGIN EXPANSION

## REVENUE (\$ in millions)



## ADJUSTED EBITDA



Note: EBITDA adjusted to exclude non-recurring items referenced in Safe Harbor Statement on slide 2. Please reference the Appendix for a reconciliation of Adjusted EBITDA to Net Income. A reconciliation of the forward-looking Adjusted EBITDA and Free Cash Flow non-GAAP financial measures on this slide to the most directly comparable GAAP financial measures is not provided in this presentation because Quanex is unable to provide such reconciliation without unreasonable effort.

Source: Company filings and guidance.  
 (1) Legacy Tyman results included in 4Q24 financials.  
 (2) Mid-point of Company guidance for Fiscal Year 2025.

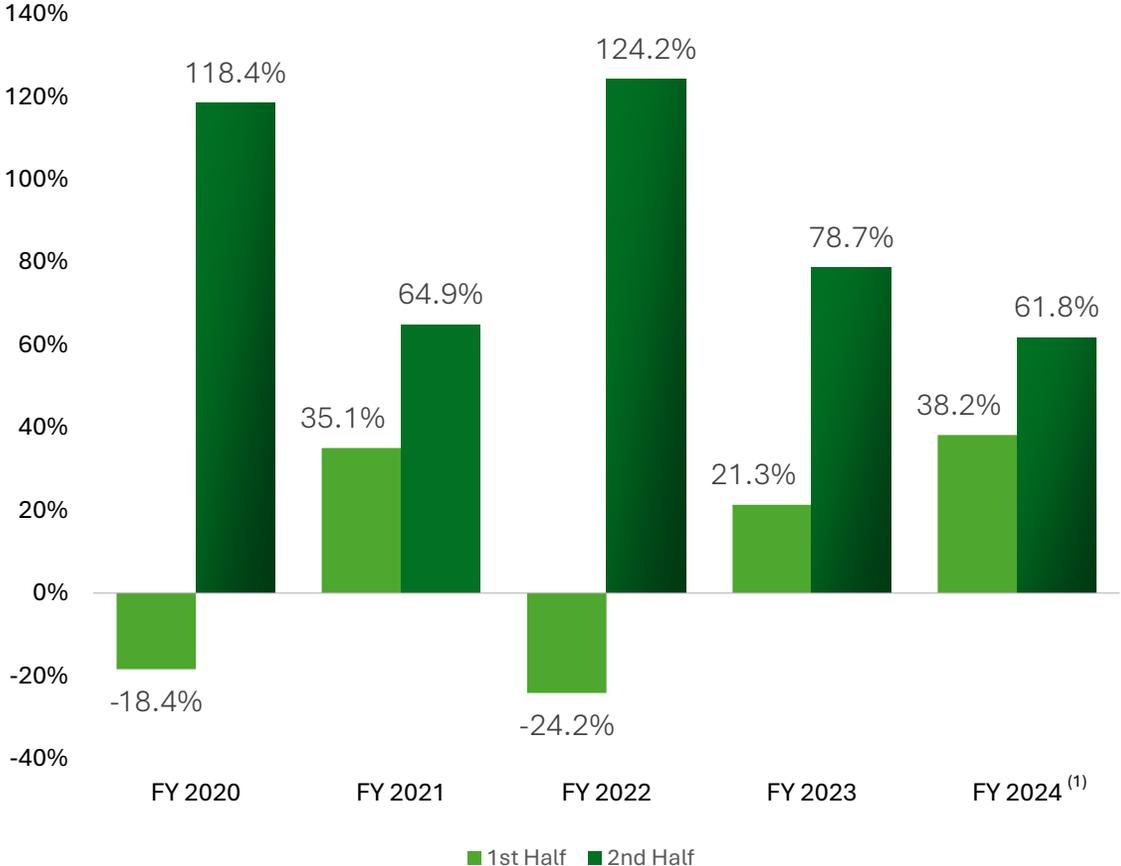


# ENHANCING PROFITABILITY IN SECOND HALF OF FISCAL YEAR DUE TO SEASONALITY

## FREE CASH FLOW (% of total)

**1<sup>ST</sup> HALF**  
~10% of Annual FCF (5-Yr Avg.)

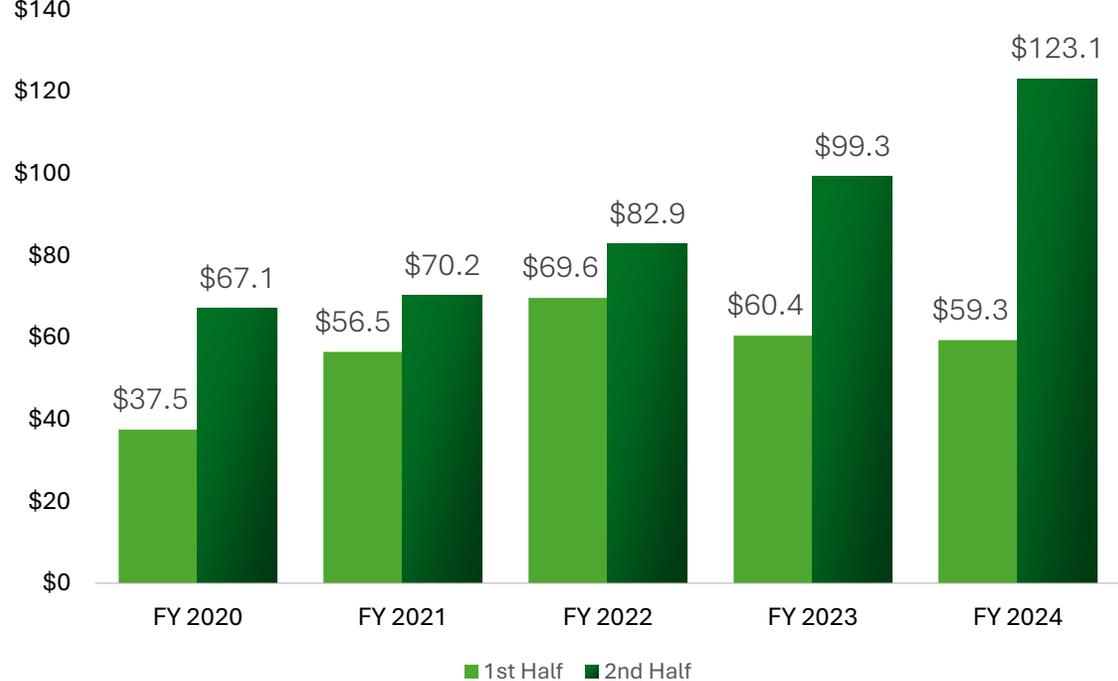
**2<sup>ND</sup> HALF**  
~90% of Annual FCF (5-Yr Avg.)



## ADJUSTED EBITDA (\$ in millions)

**1<sup>ST</sup> HALF**  
~40% of Annual Adj. EBITDA (5-Yr Avg.)

**2<sup>ND</sup> HALF**  
~60% of Annual Adj. EBITDA (5-Yr Avg.)



Note: Please see Non-GAAP Terminology and Definitions Disclaimers referenced in Safe Harbor Statement on slide 2. Please reference the Appendix for a reconciliation of Adjusted EBITDA to Net Income and Free Cash Flow.

(1) FY24 Free Cash Flow reflects ~\$38 million in one-time cash costs related to the acquisition of Tyman.

# INCREASING LONG-TERM TOTAL SHAREHOLDER RETURNS

## CAPITAL ALLOCATION PRIORITIES

### MAINTAIN HEALTHY, YET EFFICIENT, BALANCE SHEET

Net leverage ratio<sup>1</sup> target of 1.0x - 1.5x, which may fluctuate depending on market cycles and M&A opportunity set (e.g., Tyman acquisition)

### COMMITTED TO PAYING DIVIDEND

Quarterly dividend of \$0.08 per share

Ensuring predictable shareholder distributions without limiting ability to invest organically, pursue M&A or repurchase shares

### OPPORTUNISTICALLY DEPLOY CASH INTO AREAS WITH THE HIGHEST RISK-ADJUSTED RETURNS AND ABOVE MINIMUM HURDLE RATE

#### Organic investments

Often highest risk-adjusted returns, though limited in quantum relative to Quanex's strong FCF generation

#### Strategic M&A

Maintaining a disciplined and countercyclical approach while benchmarking against organic growth opportunities; leveraging core competencies as we strive to expand and establish leading market positions in attractive niches

#### Opportunistic share repurchases

Repurchasing shares at attractive prices with reduced risk given insight into our business; \$59.1M remaining on current authorization

### RETURN EXCESS CASH TO SHAREHOLDERS

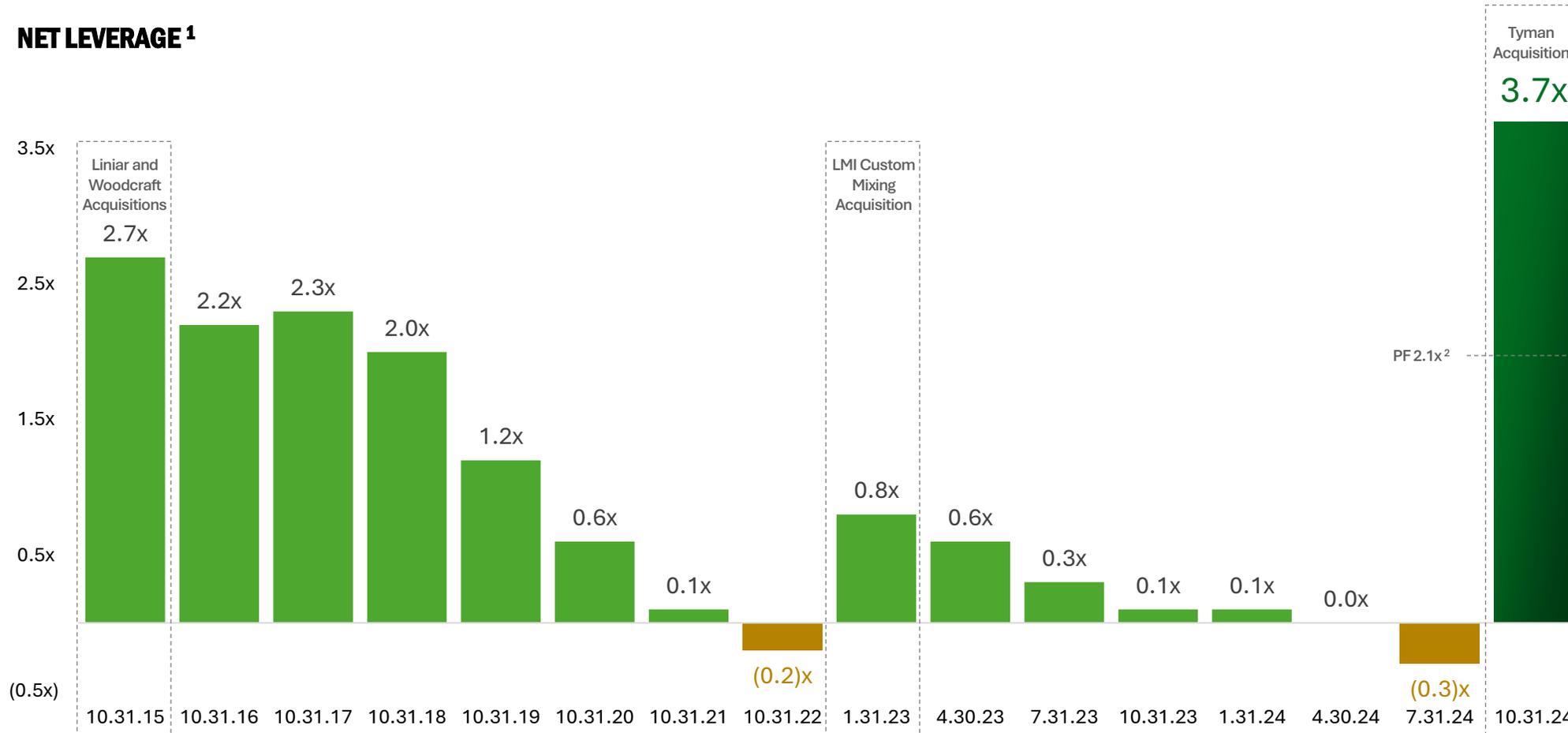
#### Share repurchases

#### Dividends

Returning excess cash to shareholders via share repurchases or dividends if no sufficiently attractive opportunities to deploy surplus capital are available

# SOLID TRACK RECORD OF DELEVERAGING POST-ACQUISITION

## NET LEVERAGE <sup>1</sup>



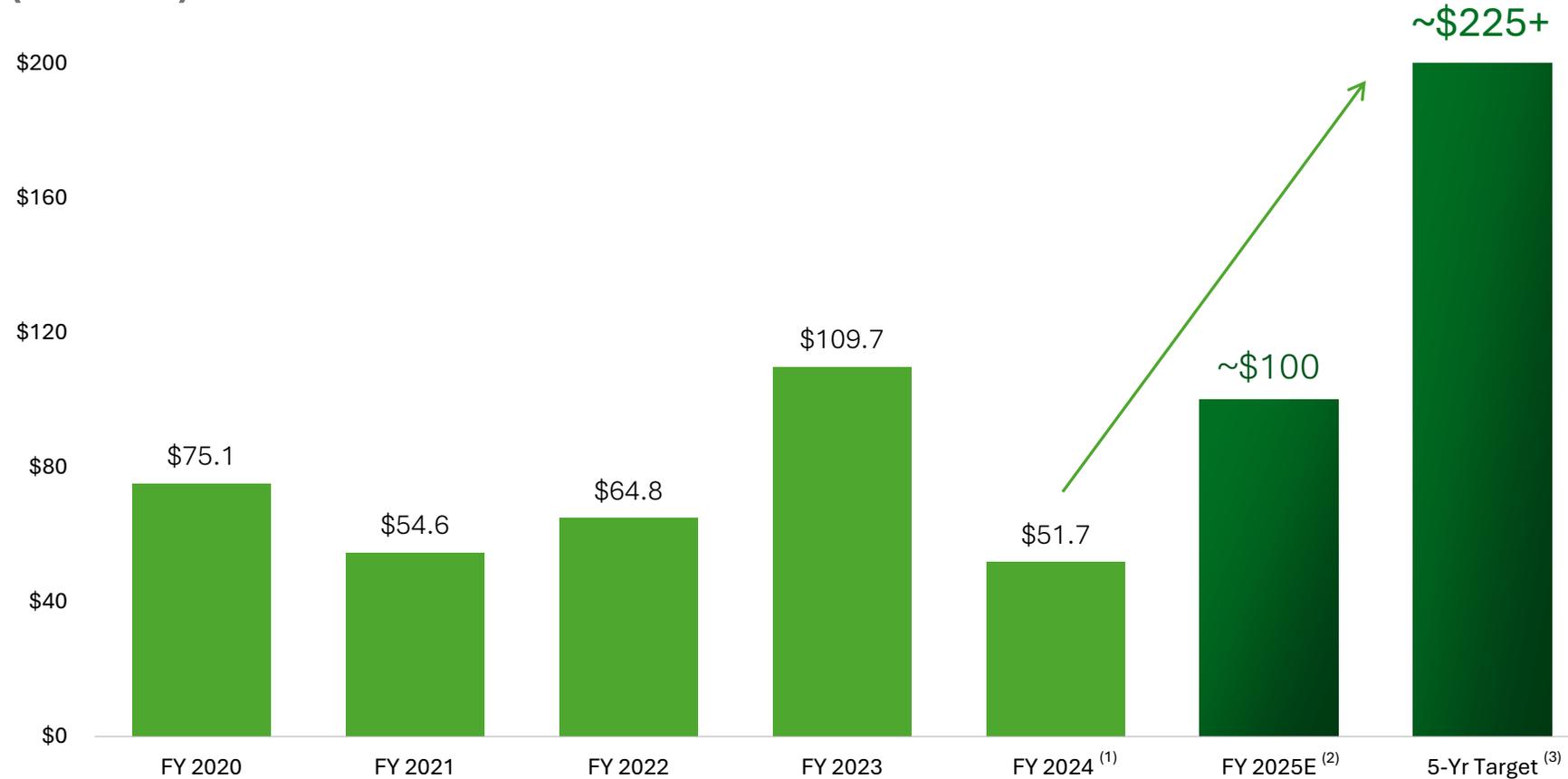
**~1.0x - 1.5x**  
NET LEVERAGE RATIO TARGET

Note: Please refer to the Safe Harbor Statement on slide 2 for further information regarding Net Leverage and reference the Appendix for a reconciliation of Net Debt and Net Leverage Ratio.

- 1) Net Leverage Ratio defined as Net Debt/LTM Adjusted EBITDA. Total Debt Includes real-estate lease liabilities considered "finance" leases under U.S. GAAP.
- 2) Pro Forma Net Leverage Ratio excludes real-estate leases that are considered "finance" leases under U.S. GAAP and is calculated on a pro forma basis to include the following:
  - LTM Adjusted EBITDA from the Tyman acquisition
  - \$30 million of EBITDA for the synergy target related to the acquisition
  - Cash and equivalent amount on the balance sheet as of 10.31.24

# STRONG FREE CASH FLOW GENERATION EXPECTED TO IMPROVE FURTHER

## FREE CASH FLOW (\$ in millions)



## FREE CASH FLOW PRIORITIES

- Debt paydown, explore capital allocation options through M&A, stock repurchases and dividend increases
- Improve working capital profile of legacy Tyman
- Continue to focus on maintaining a healthy balance sheet profile and provide strategic flexibility

Note: Please reference the Appendix for a reconciliation of Free Cash Flow. A reconciliation of the forward-looking Free Cash Flow non-GAAP financial measures on this slide to the most directly comparable GAAP financial measures is not provided in this presentation because Quanex is unable to provide such reconciliation without unreasonable effort.

(1) FY24 Free Cash Flow includes ~\$38 million in one-time cash costs related to the acquisition of Tyman.

(2) Includes ~\$15 million in one-time costs related to achieving cost synergies.

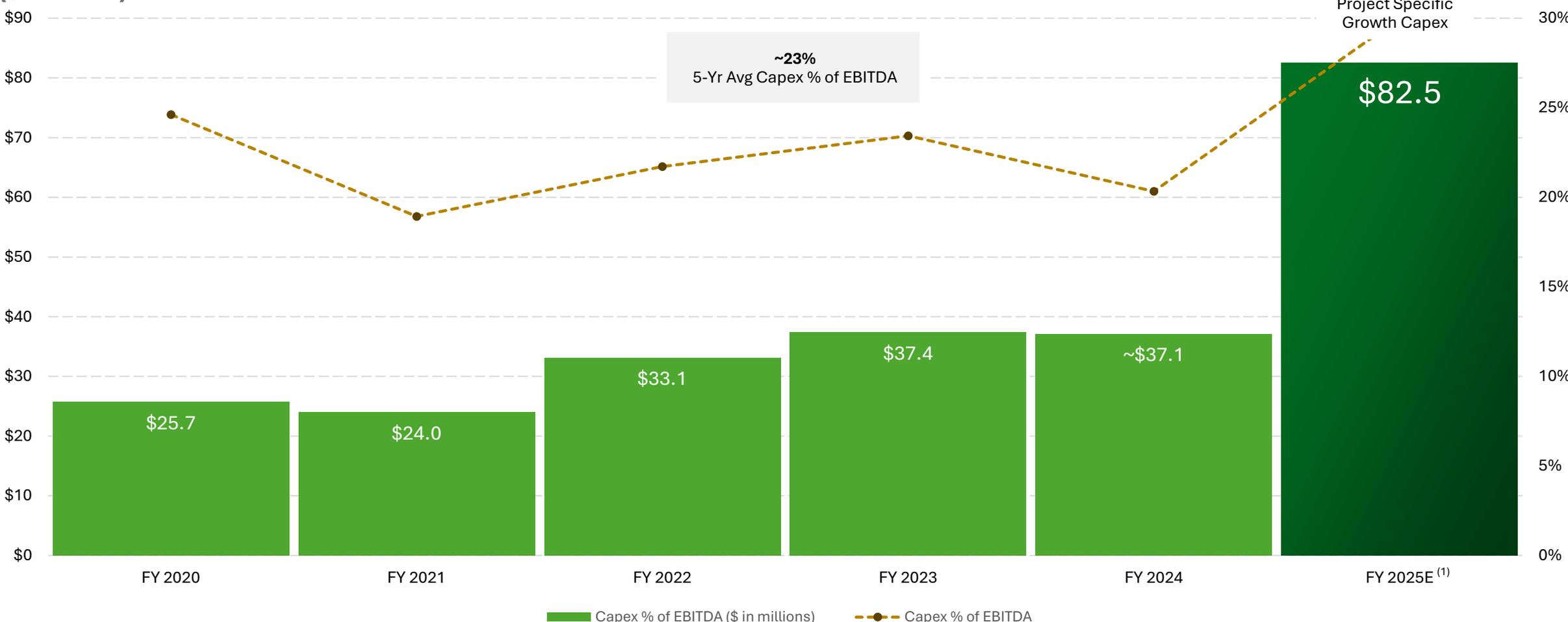
(3) Assumes no acquisitions or divestitures.



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# INVESTING FOR SUSTAINABLE LONG-TERM GROWTH

## CAPEX (\$ in millions)



**ANTICIPATE ANNUAL CAPEX OF ~20-25% OF EBITDA BEYOND FY25**



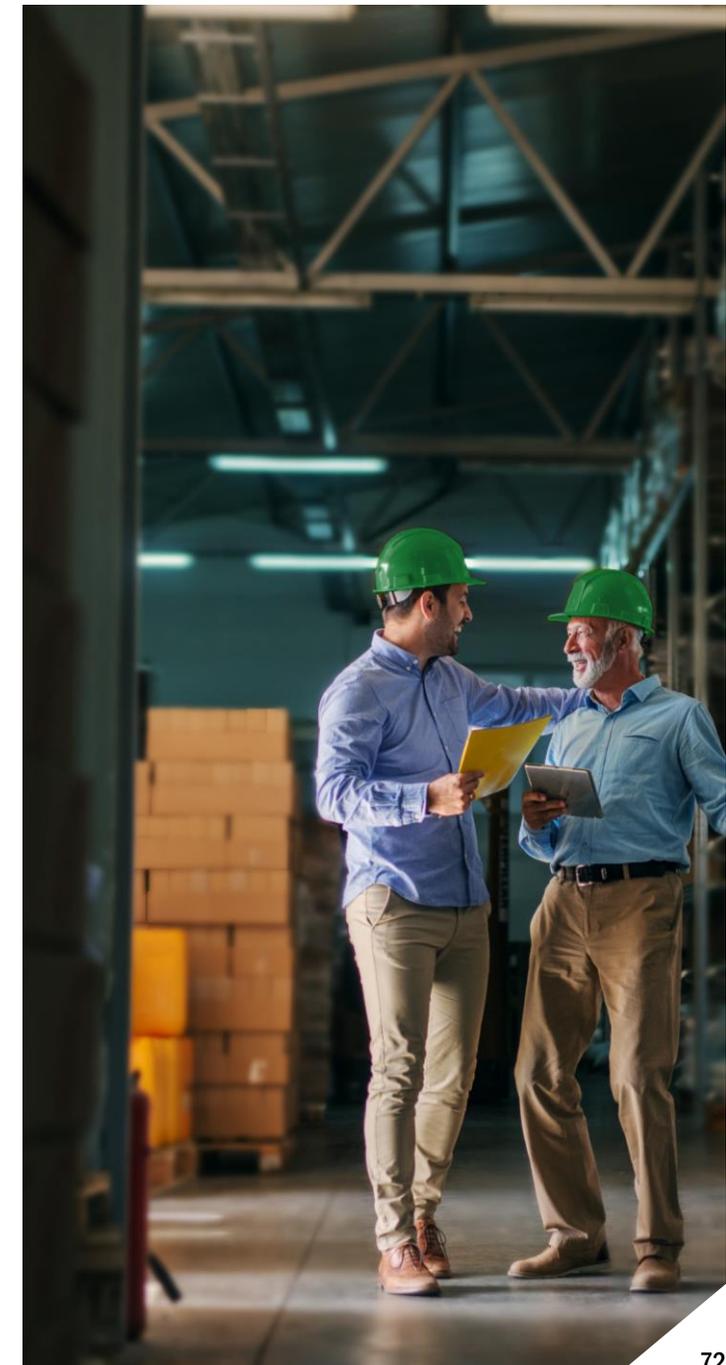
(1) Mid-point of Company guidance for Fiscal Year 2025.

# GROWING MANUFACTURING BUSINESS WITH CORE CAPABILITIES & BROAD APPLICATIONS

- 01** A global market leader focused on niche products and aligned with top OEMs across all product categories
- 02** Strong free cash flow generation, healthy balance sheet with significant liquidity
- 03** Material science and process engineering expertise enables expansion into adjacent markets
- 04** Flexible business model with ability to respond to changing market dynamics
- 05** Capital allocation strategy focused on increasing total shareholder returns



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# QA

A DISCUSSION WITH  
OUR PRESENTERS

## EXECUTIVE TEAM



**GEORGE  
WILSON**

Chairman,  
President & CEO



**SCOTT  
ZUEHLKE**

SVP,  
CFO & Treasurer

## BUSINESS SEGMENT PRESIDENTS



**PETER  
SANTO**

President,  
Access Solutions



**BOB  
DANIELS**

President,  
Hardware Solutions



**JIM  
NIXON**

President,  
Mixing Solutions



**JOHN  
SLEVA**

President,  
Wood Solutions



**CHRIS  
ALDERSON**

President,  
Extruded Solutions

# APPENDIX



# GAAP/NON-GAAP RECONCILIATION (UNAUDITED)

## FY24, FY23, FY22, FY21 & FY20 Adjusted Net Income & Adjusted EBITDA to Net Income

Reconciliation of Adjusted Net Income	Twelve Months Ended October 31, 2024		Twelve Months Ended October 31, 2023		Twelve Months Ended October 31, 2022		Twelve Months Ended October 31, 2021		Twelve Months Ended October 31, 2020	
	Net Income		Net Income		Net Income		Net Income		Net Income	
Net income as reported	\$	33,059	\$	82,501	\$	88,336	\$	56,980	\$	38,496
Net Income reconciling items from below		47,303		8,401		581		1,609		2,218
Adjusted net income	\$	<u>80,362</u>	\$	<u>90,902</u>	\$	<u>88,917</u>	\$	<u>58,589</u>	\$	<u>40,714</u>
Reconciliation of Adjusted EBITDA	Twelve Months Ended October 31, 2024		Twelve Months Ended October 31, 2023		Twelve Months Ended October 31, 2022		Twelve Months Ended October 31, 2021		Twelve Months Ended October 31, 2020	
	Reconciliation		Reconciliation		Reconciliation		Reconciliation		Reconciliation	
Net income as reported	\$	33,059	\$	112,290	\$	88,336	\$	56,980	\$	38,496
Income tax expense		9,023		18,191		21,427		23,114		11,804
Other, net		(7,849)		5,335		(1,041)		(754)		(280)
Interest expense		20,593		7,945		2,559		5,530		5,245
Depreciation and amortization		60,328		42,842		40,109		42,732		47,229
EBITDA		115,154		153,567		151,390		124,602		102,494
EBITDA reconciling items from below		67,229		6,028		1,114		2,160		2,020
Adjusted EBITDA	\$	<u>182,383</u>	\$	<u>159,595</u>	\$	<u>152,504</u>	\$	<u>126,762</u>	\$	<u>104,514</u>
Reconciling Items	Twelve Months Ended October 31, 2024		Twelve Months Ended October 31, 2023		Twelve Months Ended October 31, 2022		Twelve Months Ended October 31, 2021		Twelve Months Ended October 31, 2020	
	Income Statement	Reconciling Items								
Net sales	\$	1,277,862	\$	1,130,583	\$	1,221,502	\$	1,072,149	\$	851,573
Cost of sales		972,238		853,059		953,004		831,541		658,750
Selling, general and administrative		190,470		123,957		117,108		115,967		89,707
Restructuring charges		-		-		-		39		622
EBITDA		115,154		153,567		151,390		124,602		102,494
Depreciation and amortization		60,328		42,866		40,109		42,732		47,229
Operating income		54,826		110,701		111,281		81,870		55,265
Interest expense		(20,593)		(8,136)		(2,559)		(2,530)		(5,245)
Other, net		7,849		(5,519)		1,041		754		280
Income before income taxes		42,082		97,046		109,763		80,094		50,300
Income tax expense		(9,023)		(14,545)		(21,427)		(23,114)		(11,804)
Net income	\$	<u>33,059</u>	\$	<u>82,501</u>	\$	<u>88,336</u>	\$	<u>56,980</u>	\$	<u>38,496</u>

(1) Expense related to plant closure.

(2) Loss on damage to a manufacturing facility caused by weather.

(3) Transaction and advisory fees; (net gain) on a sale of a plant of \$4.2 million in the twelve months ended October 31, 2024, loss on a sale of a plant of \$1.8 million in the twelve months ended October 31, 2021; executive severance charges of \$1.3 million in the twelve months ended October 31, 2020.

(4) Amortization of step-up for purchase price adjustments on inventory and accounts receivable.

(5) Restructuring charges related to the closure of manufacturing plant facilities.

(6) Accelerated depreciation related to the closure of a North American Cabinet Components plant.

(7) Foreign currency transaction losses (gains).

(8) (Gain) on foreign exchange forward currency contract.

(9) Pension settlement (refund) expense.

(10) Tax impact of net income reconciling items.

# GAAP/NON-GAAP RECONCILIATION (UNAUDITED)

## Free Cash Flow

(\$ in thousands)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Fiscal 2020
Cash (used for) provided by operating activities	(\$3,657)	\$6,129	\$45,089	\$53,235	\$100,796
Capital expenditures	(\$9,312)	(\$7,001)	(\$4,360)	(\$5,053)	(\$25,726)
<b>Free Cash Flow</b>	<b>(\$12,969)</b>	<b>(\$872)</b>	<b>\$40,729</b>	<b>\$48,182</b>	<b>\$75,070</b>

(\$ in thousands)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Fiscal 2021
Cash (used for) provided by operating activities	(\$3,395)	\$32,355	\$18,475	\$31,153	\$78,588
Capital expenditures	(\$5,246)	(\$4,553)	(\$6,207)	(\$8,002)	(\$24,008)
<b>Free Cash Flow</b>	<b>(\$8,641)</b>	<b>\$27,802</b>	<b>\$12,268</b>	<b>\$23,151</b>	<b>\$54,580</b>

(\$ in thousands)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Fiscal 2022
Cash (used for) provided by operating activities	(\$21,651)	\$19,770	\$51,735	\$48,111	\$97,965
Capital expenditures	(\$7,370)	(\$6,415)	(\$5,703)	(\$13,633)	(\$33,121)
<b>Free Cash Flow</b>	<b>(\$29,021)</b>	<b>\$13,355</b>	<b>\$46,032</b>	<b>\$34,478</b>	<b>\$64,844</b>

(\$ in thousands)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Fiscal 2023
Cash (used for) provided by operating activities	\$3,135	\$35,325	\$64,099	\$44,493	\$147,052
Capital expenditures	(\$7,582)	(\$7,492)	(\$7,376)	(\$14,940)	(\$37,390)
<b>Free Cash Flow</b>	<b>(\$4,447)</b>	<b>\$27,833</b>	<b>\$56,723</b>	<b>\$29,553</b>	<b>\$109,662</b>

(\$ in thousands)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Fiscal 2024
Cash (used for) provided by operating activities	\$3,854	\$33,091	\$46,388	\$5,479	\$88,812
Capital expenditures	(\$9,580)	(\$7,603)	(\$6,252)	(\$13,651)	(\$37,086)
<b>Free Cash Flow</b>	<b>(\$5,726)</b>	<b>\$25,488</b>	<b>\$40,136</b>	<b>(\$8,172)</b>	<b>\$51,726</b>

# GAAP/NON-GAAP RECONCILIATION (UNAUDITED)

## Net Debt & Net Leverage

The following table reconciles the Company's Net Debt which is defined as total debt principal of the Company plus finance lease obligations minus cash.

Capitalization (\$ in thousands)	FY15 10.31.15	FY16 10.31.16	FY17 10.31.17	FY18 10.31.18	FY19 10.31.19	FY20 10.31.20	FY21 10.31.21	FY22 10.31.22	Q1 1.31.23	Q2 4.30.23	Q3 7.31.23	FY23 10.31.23	Q1 1.31.24	Q2 4.30.24	Q3 7.31.24	FY24 10.31.24
Cash & Cash Equivalents	\$23,125	\$25,526	\$17,455	\$29,003	\$30,868	\$51,621	\$40,061	\$55,093	\$43,055	\$43,496	\$73,252	\$58,474	\$44,422	\$56,149	\$93,966	\$97,744
Senior Secured Revolving Credit Facility <sup>(1)</sup>	-	120,000	84,000	195,000	142,500	103,000	38,000	13,000	100,000	80,000	55,000	15,000	10,000	-	-	222,500
Term Loan A Facility	-	148,125	138,750	-	-	-	-	-	-	-	-	-	-	-	-	493,750
Term Loan B Facility	310,000															
ABL Revolver	10,500															
Industrial Revenue Bond	500	400														
Finance/Capital Leases and Other	6,900	3,683	18,764	17,042	15,865	15,321	15,537	19,202	55,122	55,262	55,792	55,000	55,211	55,217	55,007	50,300
<b>Total Debt</b>	<b>\$327,900</b>	<b>\$272,208</b>	<b>\$241,514</b>	<b>\$212,042</b>	<b>\$158,365</b>	<b>\$118,321</b>	<b>\$53,537</b>	<b>\$32,202</b>	<b>\$155,122</b>	<b>\$135,262</b>	<b>\$110,792</b>	<b>\$70,000</b>	<b>\$65,211</b>	<b>\$55,217</b>	<b>\$55,007</b>	<b>\$766,550</b>
<i>Net Debt</i>	<i>\$304,775</i>	<i>\$246,682</i>	<i>\$224,059</i>	<i>\$183,039</i>	<i>\$127,497</i>	<i>\$66,700</i>	<i>\$13,476</i>	<i>(\$22,891)</i>	<i>\$112,067</i>	<i>\$91,766</i>	<i>\$37,540</i>	<i>\$11,526</i>	<i>\$20,789</i>	<i>(\$932)</i>	<i>(\$38,959)</i>	<i>\$668,806</i>
Stockholders' Equity	395,295	367,831	406,847	423,763	330,187	355,759	419,782	464,835	475,688	492,727	525,955	545,554	555,029	566,122	594,136	1,010,746
<b>Total Capitalization</b>	<b>\$723,195</b>	<b>\$640,039</b>	<b>\$648,361</b>	<b>\$635,805</b>	<b>\$488,552</b>	<b>\$474,080</b>	<b>\$473,319</b>	<b>\$497,037</b>	<b>\$630,810</b>	<b>\$627,989</b>	<b>\$636,747</b>	<b>\$615,554</b>	<b>\$620,240</b>	<b>\$621,339</b>	<b>\$649,143</b>	<b>\$1,777,296</b>
<b>Net Debt/LTM Adj. EBITDA <sup>(2)</sup></b>	<b>2.7x</b>	<b>2.2x</b>	<b>2.3x</b>	<b>2.0x</b>	<b>1.2x</b>	<b>0.6x</b>	<b>0.1x</b>	<b>(0.2)x</b>	<b>0.8x</b>	<b>0.6x</b>	<b>0.3x</b>	<b>0.1x</b>	<b>0.1x</b>	<b>(0.0)x</b>	<b>(0.3)x</b>	<b>3.7x</b>



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Note: Net Leverage Ratio defined as Net Debt/LTM Adjusted EBITDA. Total Debt Includes real-estate lease liabilities considered "finance" leases under U.S. GAAP.

(1) Excludes outstanding letters of credit and deferred financing fees.

(2) LTM Adjusted EBITDA excludes non-recurring items.

# LEGACY QUANEX GAAP/NON-GAAP RECONCILIATION (UNAUDITED)

## Adjusted Net Income and Adjusted EBITDA

(USD in millions unless otherwise stated)

	Twelve months Ended October 31, 2024	
	Reconciliation	
Revenue	\$	1074
<b>Reconciliation of Adjusted Net Income</b>		
Net (loss) income as reported		51
<i>EBITDA reconciling items</i>		28
<i>Pension settlement (refund) expense</i>		(25)
<i>Losses (gains) on FX forward currency contract and FX transaction losses (gains)</i>		(7)
<i>Tax impact of net income reconciling items.</i>		(13)
Adjusted net income	\$	34
<b>Reconciliation of Adjusted EBITDA</b>		
Net (loss) income as reported		51
Income tax (benefit) expense		16
Other, net		(9)
Interest expense		18
Depreciation and amortization		44
EBITDA	\$	120
<i>(Expense) gain related to plant closure</i>		(1)
<i>Transaction and advisory fees</i>		29
EBITDA reconciling items		28
Adjusted EBITDA	\$	148

# LEGACY TYMAN GAAP/NON-GAAP RECONCILIATION (UNAUDITED)

## Adjusted EBITDA

(GBP in millions unless otherwise stated)

	<b>Twelve months Ended</b> <b>October 31, 2024</b>	
	<b>Reconciliation</b>	
Revenue	£	623
Revenue (in USD)	\$	797
Operating profit		36
<i>Quanex transaction and integration costs</i>		24
<i>Restructuring costs</i>		3
<i>CEO transition costs</i>		1
<i>Argentina devaluation costs</i>		1
Exceptional costs		30
Amortization of acquired intangible assets		11
Adjusted operating profit		77
Depreciation of PP&E and ROU assets		22
Amortization of computer software		3
Interest payable on lease liabilities		(3)
ROU asset depreciation		(8)
Share-based payments		1
Covenant EBITDA		94
Less: share-based payments- equity settled <sup>(1)</sup>		(1)
Adjusted EBITDA	£	93
Adjusted EBITDA (in USD)	\$	118
 Memo (GBP:USD exchange rate):		 1.2796



1) Adjusted EBITDA burdened by share-based payment expense to align with Quanex accounting policy.

# PRO FORMA FY 2024 RECONCILIATION

Revenue and Adjusted EBITDA

Pro Forma FY 2024			
	Legacy	Legacy	
(\$ in millions USD)	Quanex <sup>(1)</sup>	Tyman	PF FY24
Net Sales	\$1,074	\$797	\$1,871
Adj EBITDA	\$148	\$118	\$266
	13.8%	14.8%	14.2%

(1) Includes \$13.2 million in revenue related to the U.S. vinyl fencing business that was divested in 4Q24.



## INVESTOR CONTACT

### **Scott Zuehlke**

SVP, Chief Financial Officer & Treasurer

945 Bunker Hill Rd., Suite 900

Houston, TX 77024

(713) 877-5327

[scott.zuehlke@quanex.com](mailto:scott.zuehlke@quanex.com)



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