



The Eastern Company

Investor Presentation

THE EASTERN COMPANY

Continuous Quarterly Dividends Since 1940 | NASDAQ: EML

Forward-Looking Statements

Statements contained in this investor presentation that are not based on historical facts are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terminology such as “would,” “should,” “could,” “may,” “will,” “expect,” “believe,” “estimate,” “anticipate,” “intend,” “continue,” “plan,” “potential,” “opportunities,” or similar terms or variations of those terms or the negative of those terms. There are many factors that affect the Company’s business and the results of its operations and that may cause the actual results of operations in future periods to differ materially from those currently expected or anticipated. These factors include: risks associated with doing business overseas, including fluctuations in exchange rates and the inability to repatriate foreign cash, the impact on cost structure and on economic conditions as a result of actual and threatened increases in trade tariffs and the impact of political, economic, and social instability; the impact of tariffs, trade sanctions or political instability on the availability or cost of raw materials; the impact of higher raw material and component costs and cost inflation, supply chain disruptions and shortages, particularly with respect to steel, plastics, scrap iron, zinc, copper, and electronic components; delays in delivery of our products to our customers; the impact of global economic conditions and interest rates, and more specifically conditions in the automotive, construction, aerospace, energy, oil and gas, transportation, electronic, and general industrial markets, including the impact, length and degree of economic downturns on the customers and markets we serve and demand for our products, reductions in production levels, the availability, terms and cost of financing, including borrowings under credit arrangements or agreements, and the impact of market conditions on pension plan funded status; restrictions on operating flexibility imposed by the agreement governing our credit facility; the inability to achieve the savings expected from global sourcing of materials; lower-cost competition; our ability to design, introduce and sell new or updated products and related components; market acceptance of our products; the inability to attain expected benefits from acquisitions or dispositions or the inability to effectively integrate acquired businesses and achieve expected synergies; costs and liabilities associated with environmental compliance; the impact of climate change, natural disasters, geopolitical events, and public health crises, including pandemics and epidemics, and any related Company or government policies or actions; military conflict (including the Russia/Ukraine conflict, the conflict in the Middle East, the possible expansion of such conflicts and geopolitical consequences) or terrorist threats and the possible responses by the U.S. and foreign governments; failure to protect our intellectual property; cyberattacks; and materially adverse or unanticipated legal judgments, fines, penalties, or settlements.

The Company is also subject to other risks identified and discussed in Item 1A, Risk Factors, and Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations, of the Company’s Annual Report on Form 10-K for the fiscal year ended December 28, 2024, which was filed with the Securities and Exchange Commission (the “SEC”) on March 11, 2025, and that may be identified from time to time in our quarterly reports on Form 10-Q, current reports on Form 8-K and other filings we make with the SEC. Although the Company believes it has an appropriate business strategy and the resources necessary for its operations, future revenue and margin trends cannot be reliably predicted and the Company may alter its business strategies to address changing conditions. Also, the Company makes estimates and assumptions that may materially affect reported amounts and disclosures. These relate to valuation allowances for accounts receivable and excess and obsolete inventories, accruals for pensions and other postretirement benefits (including forecasted future cost increases and returns on plan assets), provisions for depreciation (estimating useful lives), uncertain tax positions, and, on occasion, accruals for contingent losses. Given these risks and uncertainties, you are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this presentation. The Company undertakes no obligation to update, alter, or otherwise revise any forward-looking statements, whether written or oral, that may be made from time to time, whether because of new information, future events, or otherwise, except as required by law.

Statement on Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures. For a description of the non-GAAP financial measures used in this presentation, why management believes these measures are useful, and a reconciliation of such non-GAAP financial measures to the appropriate GAAP financial measures, see “Non-GAAP Financial Measures” in the Appendix of this presentation.

Statement on Materiality

The inclusion of information in this presentation does not mean that such information is material or that disclosure of such information is required.



Agenda

- The Eastern Company
- Portfolio of Success
- Company Leadership
- Three Key Strategic Initiatives
- Commitment to Action
- Our Path Forward
- Thank You

Our Mission: We strategically manage a portfolio of high-performing industrial manufacturing businesses, driving innovation and top-tier results. With disciplined capital allocation, visionary leadership, and a strong track record of shareholder returns, we are poised for sustained growth and long-term value creation.

- Holding company for multiple distinct manufacturing businesses that offer engineered solutions within their respective end markets.
- Committed to achieving performance in the top decile of each of our markets, focusing on quality, on-time delivery, cost discipline and employee safety.
- Experienced leadership team with a proven track record of successfully navigating global supply chain disruptions and prior tariff cycles to drive performance and support customer partnerships.
- Disciplined capital allocation and targeted investments to drive sustained growth.
- Strong and consistent dividend payment – 338 quarterly dividends over 84 years – and stock repurchases of \$5.2M over the past 3 years.

2024 Results

Revenue

\$286M +4.8% YoY

Adjusted EBITDA

\$27.1

Adjusted Return on Sales

4.1%

Adjusted EPS

\$2.29

Adjusted ROCE and ROIC

8.2% and 7.8%

Number of employees

1,246



2025 will be a year focused on enhancing our strategic growth plans, eliminating bureaucracy and optimizing cash flow

Portfolio of Successful Businesses

Foster a culture of continuous learning and professional growth opportunities for every associate throughout the company



Global manufacturer and designer of access hardware systems, providing custom-engineered industrial, vehicular and specialty hardware to a wide variety of industries.

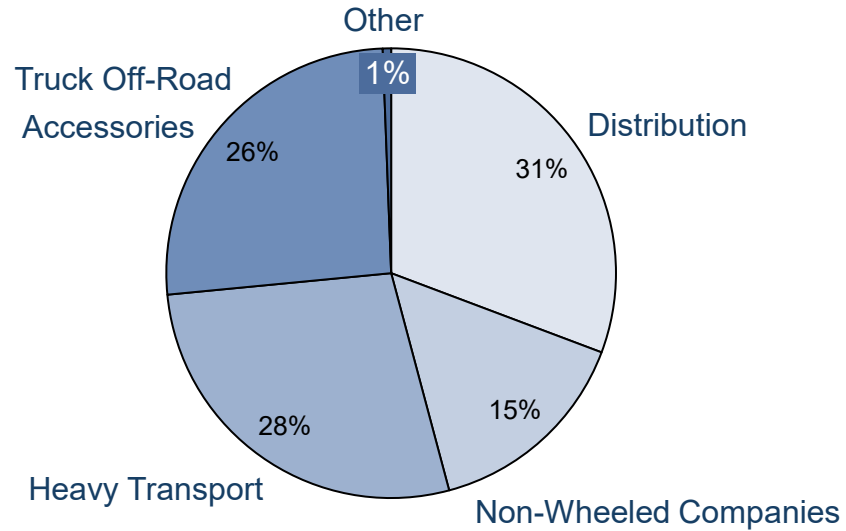


Innovator in vision systems and components to truck, recreational and specialty vehicle OEMs and 4,000+ aftermarket distribution locations in North America.



Leading provider of engineered turn-key packaging as well as blow mold and injection blow mold tooling serving diverse markets, including truck, automotive, packaged consumer goods and pharmaceuticals.

Revenue by Market



Manufacturing Capabilities

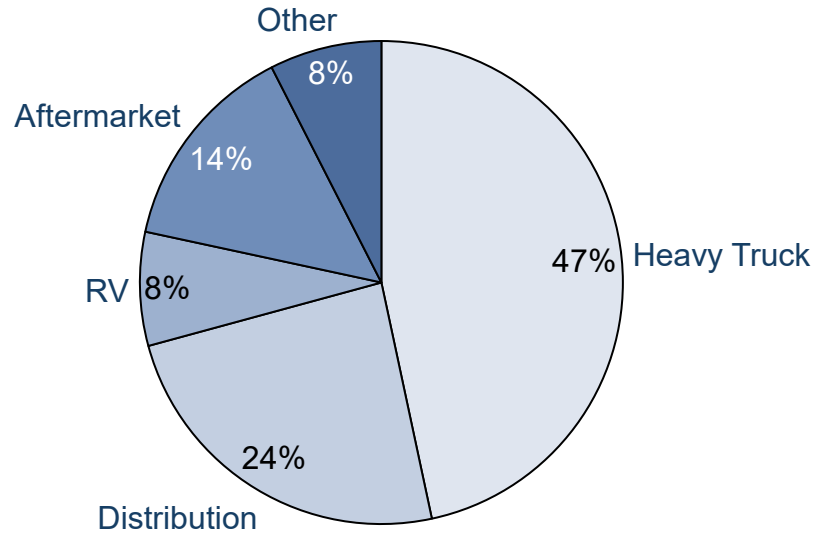
- Electromechanical Solutions
- Lightweight Solutions
- Dual-Sourcing Locations
- Stamping & Skilled Assembly
- Engineered Solutions & Designing

Key 2025 Initiatives

- Commercial-Focused Initiatives
- New Product Development
- Nimble Supply Chain



Eberhard's tradition of engineered excellence sets up their mission to grow, elevate, and inspire their team and customers by delivering quality, innovative secure access solutions and world-class experiences



LEAN Focused

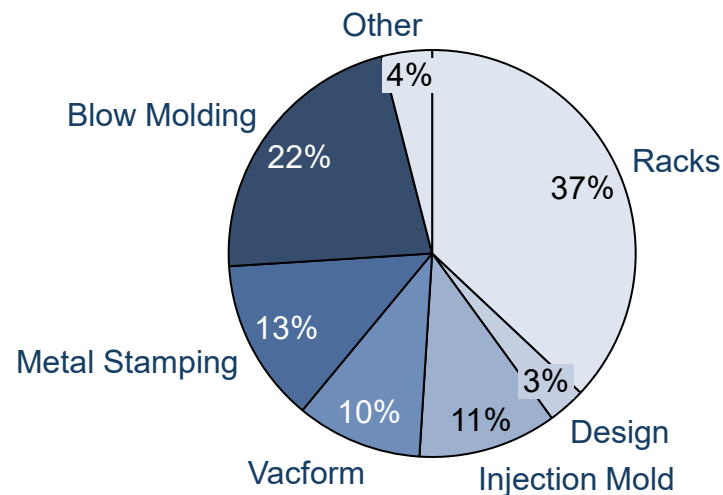
Nimble Supply Chain



In-Glass LED Indicator

Velvac strives to be the trusted global leader in innovative vehicle and vision solutions

Revenue by Market



Manufacturing Capabilities

Rack Fabrication and Design

Cradle-to-grave Thermoforming

Metal Fabrication

Precision Machining

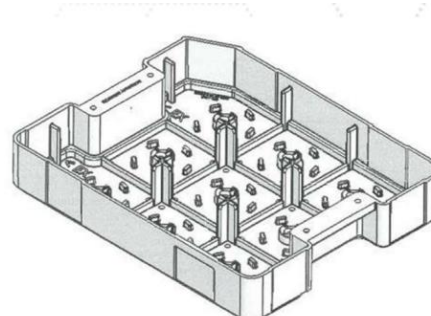
Injection Molding Solutions

Key 2025 Initiatives

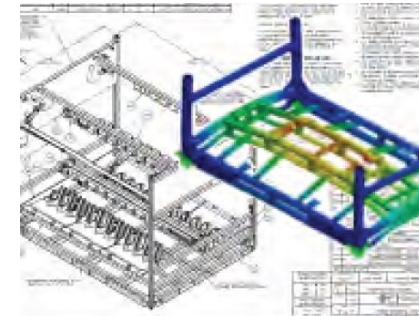
Business Rationalization

Operational Efficiency Improvements

Commercial Growth Initiatives



Battery Tray Design



Rack Design



Seat Pallets

Big 3 is focused on operational excellence and delivering custom solutions and products that improve our customers' efficiency

The Eastern Company Leadership Team

Change agent committed to accelerating operational and financial improvements and drive growth through M&A.



**RYAN
SCHROEDER**

President &
Chief Executive Officer

20+ years of experience in manufacturing and leadership roles

Joined Eastern in 2024

Previously CEO of Plaskolite LLC (2020-2023) and President of IMI Norgren (2016-2020)

Experience in a variety of management roles at Parker Hannifin (2003-2016)

MBA University of Minnesota and BA from Michigan State University

The Eastern Company Leadership Team

Strong, empowered leaders with years of success across multiple industries.



NICHOLAS VLAHOS
Vice President &
Chief Financial Officer

20+ years of finance and business experience
Previously VP of Finance, Treasurer and Secretary of Eastern (2022-2023)
Joined Eastern as Treasurer (2017)
Director of Finance, Accounting and Human Resources at Fisher Technology, Inc. (2013-2017)
MBA and BA from Central Connecticut State University



ZACHARY GORNY
President,
Eberhard Manufacturing

20+ years of experience in manufacturing
Joined Eberhard in December 2024
Previously Vice President and General Manager at IMI Plc
Focus on developing a commercial and product development organization that will capitalize on Eberhard's strong brand within the industry
MBA from DePaul University and a B.S. Supply Chain Management from Arizona State University

The Eastern Company Leadership Team

Strong, empowered leaders with years of success across multiple industries.



DAN MCGREW
President & CEO,
Velvac

30+ years of experience in manufacturing and leadership roles in US, Mexico and Canada

Joined Velvac in 2013 as Chief Operating Officer, promoted to CEO in 2023

Led a remarkable acceleration in production in 2024 that strengthened our position with our core customers and significantly improved results

BS in Business Management from the University of Pittsburgh and graduate studies at Duquesne University



EMILIO RUFFOLO
President,
Big 3 Precision Products

20+ years of experience in manufacturing

Recognizing internal talent, Emilio was promoted to President of Big 3 to help improve operational excellence

Previously Sr. Director of Global Operations at Eberhard

Experience in a variety of roles within finance and plant operations

MBA and BS in Business Management; University of Wisconsin-Parkside

Three Strategic Initiatives to Propel Eastern into the Future

1

**Commercial
Excellence**

2

**Value-Adding Mergers
& Acquisitions**

3

**Operating Efficiency
& Continuous
Improvement**

Empowering expert, focused leadership to build high-performing teams and drive long-term shareholder value

Strategic Initiatives

Commercial Excellence

- Increase market share within existing markets through targeted marketing and sales initiatives
- Drive innovation through the development of new products and services to meet evolving customer demands
- Optimize sales channels to maximize reach and revenue

Value-Adding Mergers & Acquisitions

- Leverage market expertise to strategically expand our product offerings geographically and into new customer segments
- Strengthen innovation and competitive advantages through strategic bolt-on acquisitions
- Focus on cultural and strategic alignment
- Seek to acquire companies that share our goals and values

Operating Efficiency & Continuous Improvement

- Standardize and streamline key operational processes to reduce inefficiencies and improve consistency
- Empower leaders across each company to encourage ongoing innovation, feedback and collaboration
- Align operations to deliver superior customer value and satisfaction, and multiple sourcing options to readily handle tariffs and price fluctuations

	December 2024	February 2025	March 2025	April 2025	May 2025
Actions	Evaluated and Recruited New Leadership at Big 3 Precision	Long-Term 5-year Plans Launched for Each Company	Product Roadmaps Initiated	Consolidated Rack Manufacturing Footprint	Reduction in Workforce Announced
Outcome / Impact	Promoted Emilio Ruffolo to President; Strengthening Leadership	Unified Long-Term Vision	Enhanced Commercial Focus	Improved Operational Efficiency	\$4M of Annual Savings

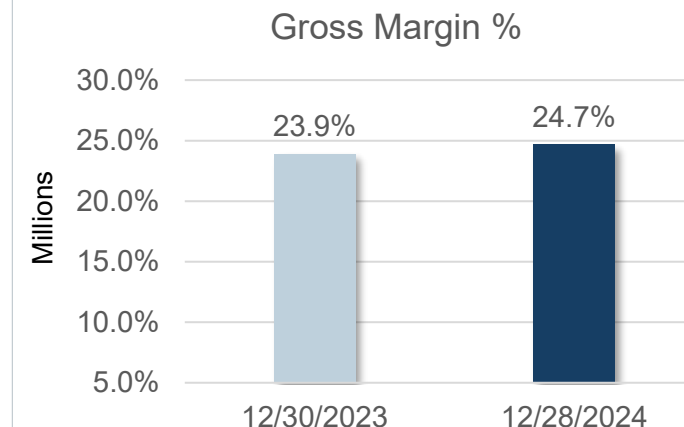
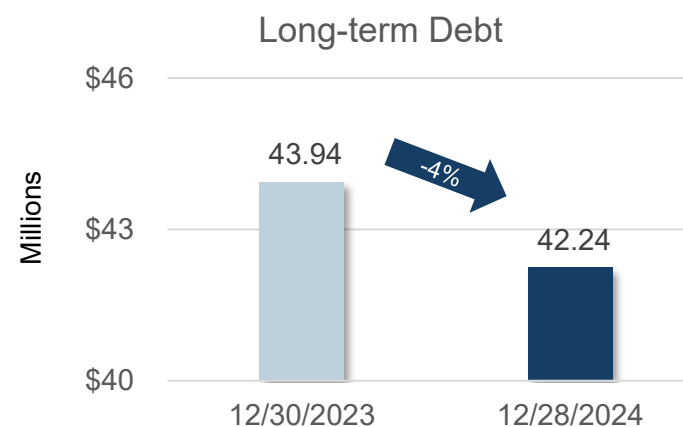
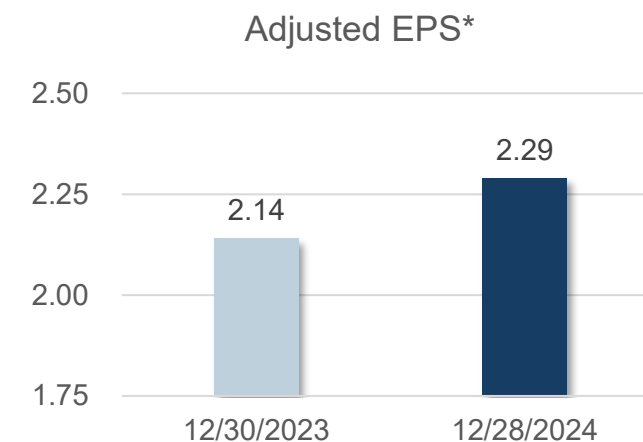
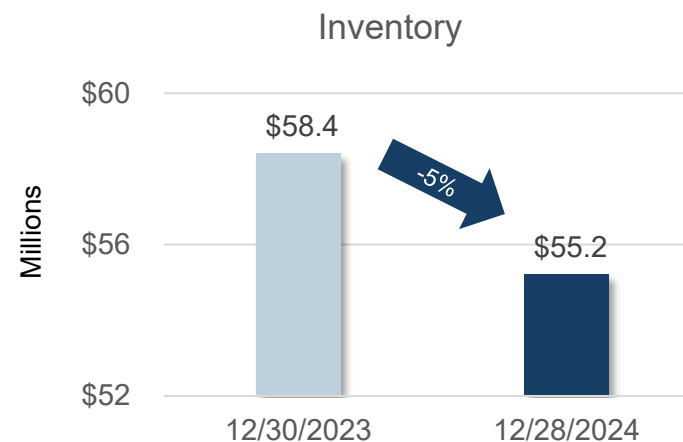
Financial Improvements – 2024 YoY Comparison

Net cash provided by
operating activities
\$19.3M

Inventory down 5%
versus year-end 2023

Long-term debt down
\$1.7 million

Gross Margin improved
by 0.8% YoY



*See slide [24] in the appendix

As we look ahead, our unwavering focus remains on operational excellence, adaptability and strategic growth. Our top priorities for the remainder of the year include:

Strategic Growth & Operational Focus:

Continuously refining our growth strategies, eliminating bureaucracy and optimizing cash flow to deliver superior operational results.

Big 3 Transformation: Executing on our major transformation initiatives to unlock new levels of performance and efficiency.

Cost Discipline: Aggressively driving cost reductions across every area of our business to protect margins and enhance value.

Aggressive Tariff Management: Proactively managing tariffs and market shifts in real time, ensuring we remain margin-neutral and ready to pivot as needed.

Nimble Supply Chains: Building flexible, resilient supply chains that offer customers multiple sourcing options addressing costs, domestic sourcing, lead times and tariffs.

Strong Leaders: Our seasoned entrepreneurial focused teams, battle-tested through COVID-19 and prior tariff cycles, are fully prepared to manage volatility and lead us to top-decile performance prioritizing safety, quality, on-time-delivery and cost controls.

We are more committed than ever to delivering industry-leading results and creating lasting value for our shareholders

June 2025 – Investor Presentation

Appendix

Note Regarding Non-GAAP Financial Information

This presentation includes certain non-GAAP financial measures. The non-GAAP financial measures we provide in this report should be viewed in addition to, and not as an alternative for, results prepared in accordance with U.S. GAAP.

To supplement the consolidated financial statements prepared in accordance with U.S. GAAP, we have presented Adjusted Earnings Per Share from Continuing Operations and Adjusted EBITDA from Continuing Operations, which are considered non-GAAP financial measures. The non-GAAP financial measures presented may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures in the same way. These measures are not substitutes for their comparable U.S. GAAP financial measures, such as net sales, net income from continuing operations, diluted earnings per share from continuing operations, or other measures prescribed by U.S. GAAP, and there are limitations to using non-GAAP financial measures.

Adjusted Earnings Per Share from Continuing Operations is defined as earnings per share from continuing operations excluding, when incurred, certain per share gains or losses that we do not believe reflect our ongoing operations, including, for example, the impacts of impairment losses, gains/losses on the sale of subsidiaries, property and facilities, transaction expenses primarily relating to acquisitions and divestitures, factory start-up costs, factory relocation expenses, executive severance, and restructuring costs. We believe that Adjusted Earnings Per Share from Continuing Operations provides important comparability of underlying operational results, allowing investors and management to access operating performance on a consistent basis from period to period.

Adjusted EBITDA from Operations is defined as net income from continuing operations before interest expense, provision for income taxes, and depreciation and amortization and excluding, when incurred, the impacts of certain losses or gains that we do not believe reflect our ongoing operations, including, for example, impairment losses, gains/losses on sale of subsidiaries, property and facilities, transaction expenses primarily relating to acquisitions and divestitures, factory start-up costs, factory relocation expenses, executive severance, and restructuring expenses. Adjusted EBITDA from Operations is a tool that can assist management and investors in comparing our performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our underlying operations.

Management uses such measures to evaluate performance period over period, to analyze the underlying trends in our business, to assess our performance relative to our competitors, and to establish operational goals and forecasts that are used in allocating resources. These financial measures should not be considered in isolation from, or as a replacement for, U.S. GAAP financial measures.

We believe that presenting non-GAAP financial measures in addition to U.S. GAAP financial measures provides investors greater transparency to the information used by our management for its financial and operational decision-making. We further believe that providing this information better enables our investors to understand our operating performance and to evaluate the methodology used by management to evaluate and measure such performance. This Appendix includes a reconciliation of these non-GAAP financial measures to the appropriate GAAP financial measures.

Top Ten Institutional Stockholders

Institution	EML Shares	% S/O
1 Gabelli Funds	662,419	10.8%
2 Barington Companies Investors LLC	630,100	10.3%
3 Minerva Advisors LLC	507,487	8.3%
4 Dimensional Fund Advisors LP	395,525	6.5%
5 The Vanguard Group, Inc.	290,933	4.8%
6 Russell Investment Management LLC	276,978	4.5%
7 BlackRock Institutional Trust	259,808	4.2%
8 EARNEST Partners	200,000	3.3%
9 North Star Investment Management Corp.	137,921	2.3%
10 Geode Capital Management	132,213	2.2%

**Holdings as of May 31, 2025*

Memo: As of 3/12/2025 All Directors, Nominees, and Executive Officers owned 1,041,499 shares (or 17.0%)

Consolidated Income Statement

CONSOLIDATED STATEMENTS OF INCOME

\$ in millions (except per share data)

	Three Months Ended	
	March 29, 2025	March 30, 2024
Net sales	\$ 63.3	\$ 64.6
Gross margin	14.2	15.5
Product development expense	(1.1)	(1.4)
Selling and administrative expenses	(9.8)	(10.7)
Operating profit	3.2	3.4
Interest expense	(0.6)	(0.7)
Other income	(0.2)	0.0
Income from continuing operations before income taxes	2.4	2.7
Income taxes	(0.5)	(0.6)
Net income from continuing operations	\$ 1.9	\$ 2.1
Discontinued Operations (see note B)		
Income (Loss) from operations of discontinued unit	\$ 0.0	\$ (0.2)
Income tax (expense) benefit	(0.0)	0.1
Net gain (loss) on discontinued operations	\$ 0.0	\$ (0.2)
Net Income	\$ 1.9	\$ 1.9
Earnings per share from continuing operations:		
Basic	\$ 0.31	\$ 0.34
Diluted earnings per share from continuing operations	\$ 0.31	\$ 0.34
Gain (loss) per share from discontinued operations:		
Basic	\$ 0.01	\$ (0.03)
Diluted	\$ 0.01	\$ (0.03)
Total earnings per share:		
Basic	\$ 0.32	\$ 0.31
Diluted	\$ 0.32	\$ 0.31
Cash dividends per share:	\$ 0.11	\$ 0.11

Strong Balance Sheet and Continued Focus on Covenants

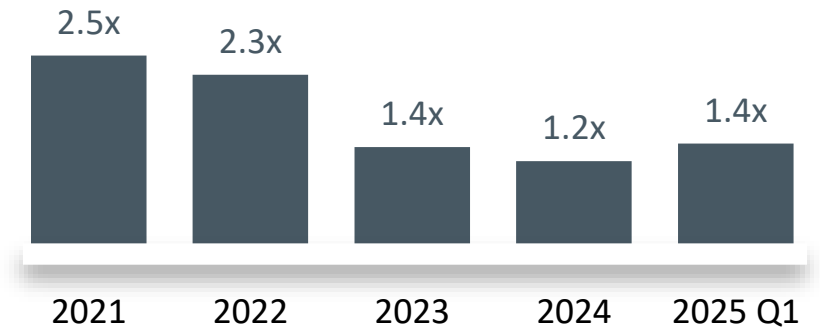
CONSOLIDATED BALANCE SHEETS

\$ in millions

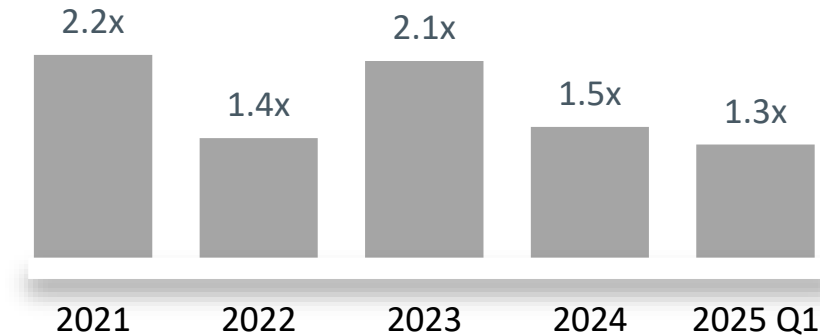
	March 29, 2025 (unaudited)	March 30, 2024
Current Assets		
Cash and cash equivalents	\$ 7.9	\$ 14.0
Marketable Securities	2.3	2.1
Accounts receivable, net	33.5	35.5
Inventories	55.4	55.2
Other current assets	10.5	8.8
Total Current Assets	109.6	115.6
Property, Plant and Equipment, net	27.7	27.5
Goodwill	58.6	58.5
Trademarks	3.8	3.9
Patents and other intangibles	8.4	8.8
Other	24.3	21.0
Total Other Assets	95.0	92.2
TOTAL ASSETS	\$ 232.3	\$ 235.3
Current Liabilities		
Accounts payable	\$ 20.4	\$ 19.7
Accrued compensation	4.2	5.5
Other accrued expenses	3.7	9.6
Current portion of operating lease liability	3.8	3.1
Current portion of finance lease liability	0.8	0.8
Current portion of long-term debt	4.0	3.6
Other current liabilities	0.3	0.5
Current liabilities held for sale	2.4	2.1
Total Current Liabilities	39.6	44.8
Long-term debt, less current portion	37.6	38.6
Accrued pension and other post-retirement benefits	16.6	16.5
Other	17.6	14.7
Total Liabilities	111.3	114.6
Total Shareholders' Equity	121.0	120.7
Total Liabilities & Shareholders' Equity	\$ 232.3	\$ 235.3

Bank Covenant Metrics

Leverage Ratio



Fixed Charge Coverage Ratio



2025 Q1 Adjusted EBITDA Walk

\$ in millions

	Three Months Ended	
	March 29, 2025	March 30, 2024
Net income from continuing operations as reported per generally accepted accounting principles (GAAP)	1.9	2.1
Interest expense	0.6	0.7
Provision for income taxes	0.5	0.6
Depreciation and amortization	1.5	1.4
Restructuring (a)	0.1	- (a)
Adjusted EBITDA from continuing operations (Non-GAAP)	\$4.6	\$4.8
Net income (loss) from discontinued operations as reported per generally accepted accounting principles (GAAP)	0.0	(0.2)
Interest expense	0.2	0.2
Provision (benefit) for income taxes	0.0	(0.1)
Depreciation and amortization		0.5
Adjusted EBITDA from discontinued operations (non-GAAP)	0.0	0.0
Net income as reported per generally accepted accounting principles (GAAP)	1.9	1.9
Interest expense	0.8	0.8
Provision for income taxes	0.5	0.6
Depreciation and amortization	1.5	1.9
Restructuring (a)	0.1	-
Total Adjusted EBITDA	\$ 4.8	\$ 5.2

(a) consists of personnel related and facility costs

Adjusted Earnings Per Share Walk

\$ in millions (except earnings per share)

	Three Months Ended	
	March 29, 2025	March 30, 2024
Net income from continuing operations as reported per generally accepted accounting principles (GAAP)	\$ 1.9	\$ 2.1
Adjustments:		
Restructuring (a)	0.1	(a)
Non-GAAP tax impact of adjustments (1)	(0.0)	(1)
Total adjustments	0.1	-
Adjusted net income from continuing operations (non-GAAP)	\$2.0	\$2.1
Adjusted earnings per share from continuing operations (non-GAAP): (Diluted)	\$0.32	\$0.34

(1) We estimate the tax effect of the items identified to determine a non-GAAP annual effective tax rate applied to the pre-tax amount in order to calculate the non-GAAP provision for income taxes

(a) consists of personnel related and facility costs

Adjusted Earnings Per Share Walk – 2024 Comparison

\$ in millions (except earnings per share)

	Twelve Months Ended	
	December 28, 2024	December 30, 2023
Net income from continuing operations as reported per generally accepted accounting principles (GAAP)	\$ 13.2	\$ 11.8
Adjustments:		
Severance and accrued compensation	1.4	1.8 (a)
Greenwald final sale adjustment	-	0.4 (b)
Non-GAAP tax impact of adjustments (1)	(0.3)	(0.5) (1)
Total adjustments	1.0	1.6
Adjusted net income from continuing operations (non-GAAP)	\$14.2	\$13.4
Adjusted earnings per share from continuing operations (non-GAAP): (Diluted)	\$2.29	\$2.14

(1) Estimate of the tax effect of the items identified to determine a non-GAAP annual effective tax rate applied to the pretax amount in order to calculate the non-GAAP provision for income taxes

(a) Expenses associated with accrued compensation and severance related to the elimination of the Chief Operating Officer position and the departure of two former Chief Executive Officers

(b) Final settlement of working capital adjustment associated with Greenwald sale

THANK YOU.

Nicholas Vlahos
Chief Financial Officer



3 Enterprise Drive
Suite 408
Shelton, Connecticut
(203) 729-2255
info@easterncompany.com