



ENCORE WIRE®

NASDAQ : WIRE

Electrifying the Future

September 30, 2022

Rich History of Organic Growth



- 1989** ● **PLANT 1**
Founded as 68,000 square foot industrial warehouse manufacturing residential wire
- 1992** ● **INITIAL PUBLIC OFFERING**
NASDAQ ticker symbol: WIRE
- 1994** ● **BUILT PLANT 2**
Expansion of product line into large gauge commercial wire. Secondary public offering.
- 1997** ● **BUILT DISTRIBUTION CENTER**
- 1998** ● **BUILT COPPER ROD MILL**
- 1999** ● **BUILT PLASTIC MILL**
- 2001** ● **BUILT PLANT 3**
Expansion of Circuit Wire product offerings
- 2004** ● **EXPANDED DISTRIBUTION CENTER**
480,000 square feet and 60 dock doors; Railroad track
- 2006** ● **BUILT PLANT 4**
Expansion of product line to include armored cable



- BUILT CORPORATE HEADQUARTERS** ● **2007**
- OPENED PLANT 5** ● **2008**
Expansion of product line to include industrial cable
- BUILT ENCORE TECHLAB** ● **2010**
LEED® Platinum certified R&D Center
First of its kind in North Texas
- BUILT PLANT 6** ● **2012**
Expansion of product line to include aluminum building wire
- EXPANDED PLANT 6** ● **2014**
Increased aluminum plant capacity from 252,000 to 452,000 square feet
- EXPANDED PLANT 4** ● **2016**
Increased armored cable plant capacity 161,000 square feet to 321,000
- BUILT MODERN SERVICE CENTER** ● **2021**
- OPENED PLANT 7** ● **2022**
Over 400,000 square feet of incremental manufacturing capacity

Investment Appeal



WORLD CLASS OPERATIONS

100% Organic Growth

- No Goodwill
- No Extraordinary Charges

Industry Gold Standard

Low Cost Producer

Vertical Integration

Single-Site Campus Model

Sustainable Manufacturing

- Copper Scrap/PVC Recycling
- Rigorous Emissions Control
- LEED Platinum R&D Center



SPEED & RELIABILITY

Exceptional Customer Service

- Deep Supplier Relationships
- Localized, Domestic Supplier Base
- Proven Distribution Model

Industry Leading Delivery

- Target 100% Order Fill Rate
- Ship Orders in 24-48 Hours

Build & Ship Model

- Disciplined Inventory Control

Rigorous Cost Management

Operational Flexibility

Safety, Quality & Innovation



PROFITABLE GROWTH

Superior Returns

CAGR (FY 2012 – FY 2021)

- Net Income: 26.9%
- EBITDA: 23.1%
- Book Value: 11.3%

Strong Balance Sheet

- Cash: \$573.6 Million
- Debt: \$0

Strong Reinvestment

Capital Expenditures

- 2022: \$140 - \$150 Million
- 2023: \$150 - \$170 Million
- 2024: \$80 - \$100 Million

Electrifying the Future



Current Environment

Our products distribute power from the transmission grid to the wall outlet or switch, and everything in between. CAPEX and vertical initiatives competitively position Encore as a key supplier in the transition to sustainable future power solutions.

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results

DATA CENTERS

Our manufacturing scale and flexibility, coupled with our value-added services, drive jobsite efficiencies as data center requirements continue to increase in size, speed to completion, and product diversity.

RENEWABLES

GreenConnect™ products provide power generation and distribution solutions for Solar, Electric Vehicle Charging (EV), Battery Storage, and Utility applications.

HEALTHCARE

Our diversified product portfolio is well positioned to supply mission critical healthcare expansion and facility upgrades while powering lifesaving equipment.

COMMERCIAL

In addition to traditional commercial applications, smaller-scale power generation/distribution investments and onsite renewable energy will require capacity expansion and upgrades to distribution infrastructure.

INDUSTRIAL

Our products are designed for a wide-range of applications including oil & gas, petrochemical, battery plants, waste-water, and automotive manufacturing, just to name a few. Continued focus on on-shoring manufacturing should spur continued demand.

RESIDENTIAL

In addition to traditional residential applications, onsite renewable energy, battery storage, and EV charging solutions will require capacity expansion and upgrades to distribution infrastructure.

The Bipartisan Infrastructure Law and Inflation Reduction Act should drive incremental, long-term demand for our products. Our single-campus, build-to-ship business model allows us to quickly pivot and adapt to ever-changing market demands and needs.

Competitive Advantages



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

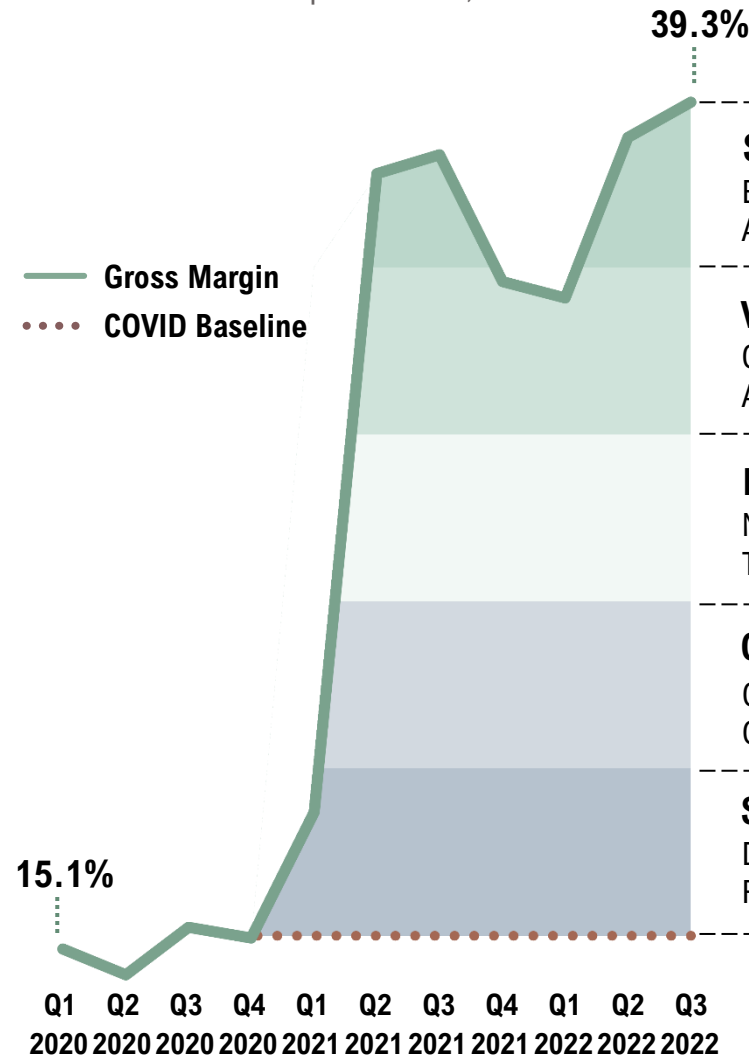
Reinvestment

Financial Strength

Proven Results

GROSS MARGIN

as of September 30, 2022



- Despite raw material commodity volatility (up and down), gross margins and spreads remain elevated driven by continued raw material availability constraints and the general inability of the sector to meet demand for the timely delivery of finished goods.

Service

Build-to-ship model allows for efficient customization of orders
Ability to quickly ship complete orders encourages brand awareness and solidifies long-term relationships

Verticals

Copper rod and plastics mills allow for precise fabrication of material inputs
Acceptance of raw materials in multiple shapes and forms reduces COGS

Logistics

New modern service center allows for rigorous inventory control and world-class logistics
Target: 100% complete orders shipped in 24 - 48 hours

Operations

CAPEX initiatives increase overall capacity, automation, reduce costs and work-in-progress touches
One campus model allows for plug-and-play of talent in different facilities as customer needs change

Supply Chain

Deep, long-term supplier relationships allow for timely procurement of necessary raw materials
Raw material tightness and finished goods scarcity have supported higher prices and margins

- Vertical integration and expansion initiatives are increasing capacity and efficiencies, positioning us to profitably capture market share.

Market Dynamics



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results

- Capacity remains strained in our industry as it struggles to meet current demand for timely delivery of finished goods
 - Margin sensitivity has been less dependent on underlying commodity prices as backlogs grow
 - 18 - 24 month lead times for equipment required to increase capacity across industry
- Challenges facing our industry have not meaningfully changed over the past year
 - We currently expect recalibration to a new normal to occur gradually over time
- Long-term market dynamics are bullish for raw material costs
 - “Green Economy” transition forecast to drive structural copper deficit as renewable energy, electric vehicles scale globally
 - Miners need CAPEX of over \$100B to close potential annual supply deficit of 4.7mt by 2030^[1]
 - Deficit may increase markedly in accelerated energy transition scenario

GLOBAL COPPER SUPPLY & DEMAND

Past and Projected, in million metric tons

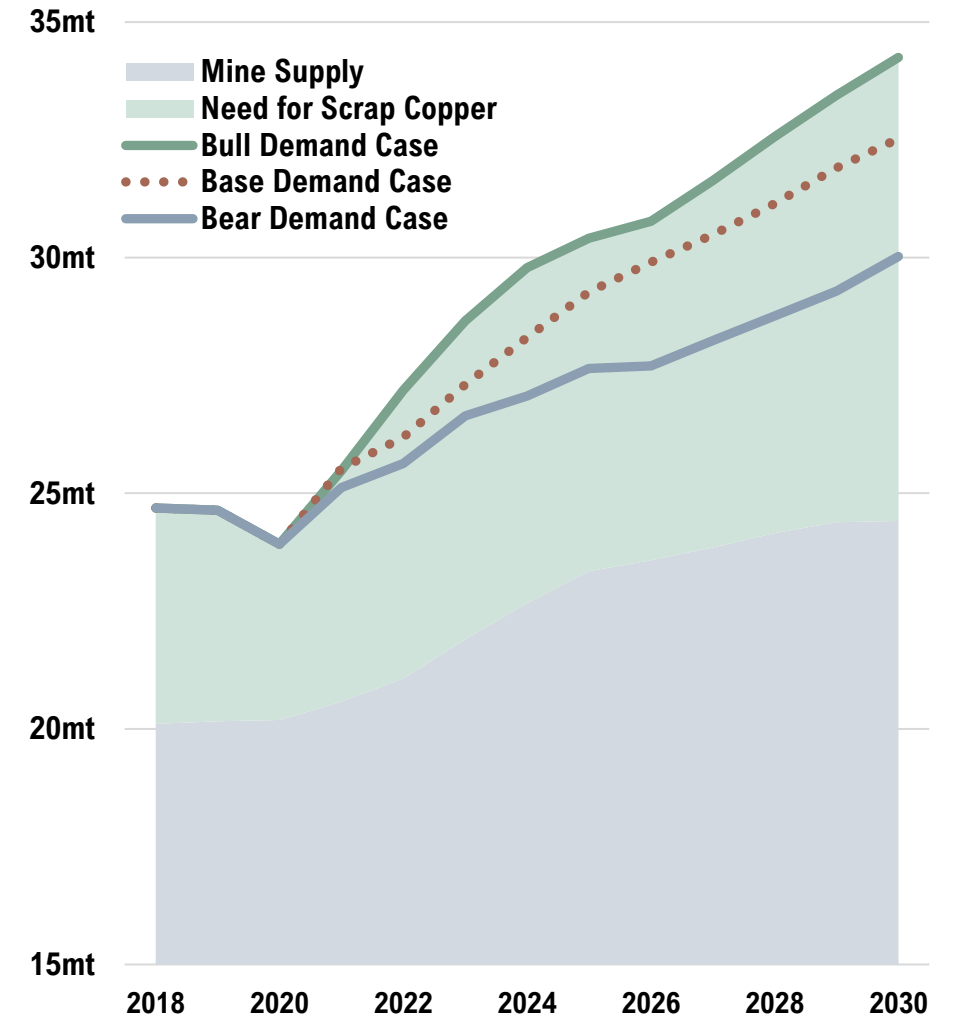


Chart Source: Citi Research, ICA, IPCC, BNEF, Wood Mackenzie; data as of October 2021
[1] Source: CRU Group; 2022 CRU World Copper Conference

Gold Standard in the Industry



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results



SAFETY

Comprehensive safety program creating a world class culture by engaging employees, identifying and eliminating risk, and training employees to be successful.



QUALITY

Produce UL certified building wire utilizing some of the most sophisticated wire and cable manufacturing and in-line testing equipment available in the industry. Our team of production and quality personnel are highly trained, continuously improve our processes, and consistently build the best quality product in the marketplace.



SERVICE

Sales-driven production allows us to focus on customer needs, specifically regarding delivery dates and details. We strive for the best order fill rates in the business (100% within 24-48 hours), which has allowed us to consistently grow market share.



INNOVATION



Rigorous Cost Control



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results

All manufacturing and distribution operations are on a single site:
460 acres with over **3.0 million** square feet under roof.

Single-site campus saves us significant costs in:

- Freight
- Internal Handling
- In-process Inventory

Copper recycling helps us reduce input material costs



Single-Site Campus Advantage



Current Environment

World Class Operations

Low Cost Producer

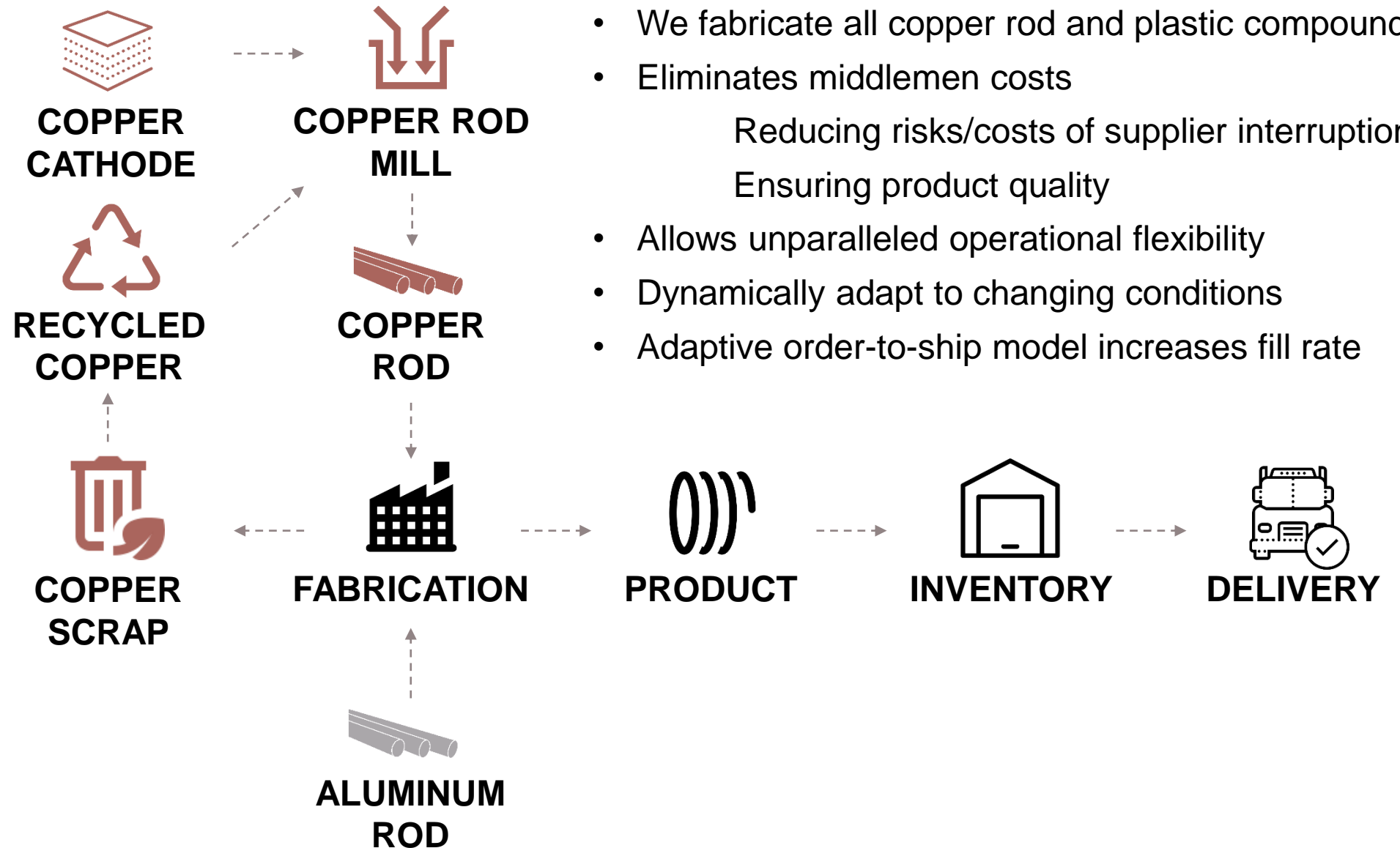
Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results



Greener Manufacturing



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

Financial Strength

Proven Results

Our environmental initiatives reduce cost while minimizing our impact on the planet.



**COPPER
RECYCLING**

We recycle 100% of on-site copper scrap.



**LEED PLATINUM
TECHLAB**



**RoHS COMPLIANT
PLASTIC MILL**



**LED ENERGY
CONSERVATION**



**WASTE REDUCTION
EVAPORATORS**



**RODMILL WATER
FILTRATION**



**BAGHOUSE AIR
EMISSIONS CONTROL**



**PRIVATE WATER
TOWER**

Campus well system provides over 80% of total annual water use.

Reinvesting for Future Growth



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

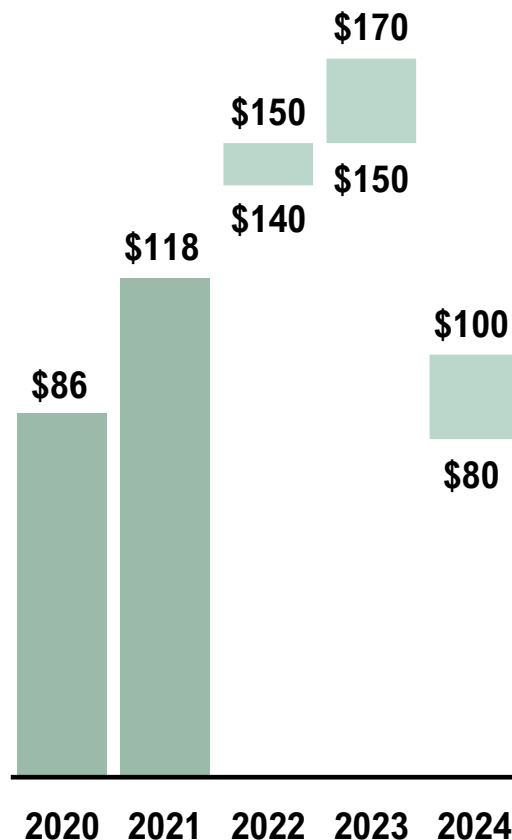
Financial Strength

Proven Results

AMBITIOUS PLANS

\$ million, year end and projected

CAPEX



NEW SERVICE CENTER

Completed: Q2 2021

- 720,000 square foot service center at North end of campus.
- Modernization of logistics allows for increased throughput and provides the bandwidth necessary to capture incremental sales volume.

OPENED PLANT 7

Completed: Q3 2022

- Repurpose existing distribution center to create Plant 7, expanding manufacturing capacity and extending market reach.

INCREMENTAL INVESTMENTS

Completion: FY 2023 - 2025

- Expand vertical integration to reduce costs.
- Modernize select wire manufacturing facilities to increase capacity and efficiency.

Our Strong Balance Sheet and Operating Cash Flow should provide ample allowance for funding.

Strong Balance Sheet



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

Reinvestment

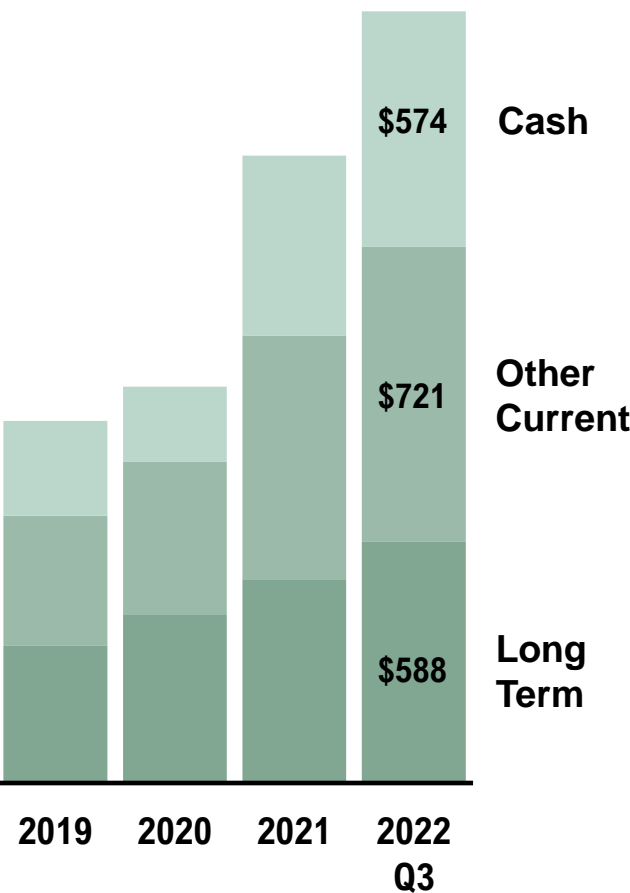
Financial Strength

Proven Results

STRONG ASSET GROWTH

\$ million, quarter and year end

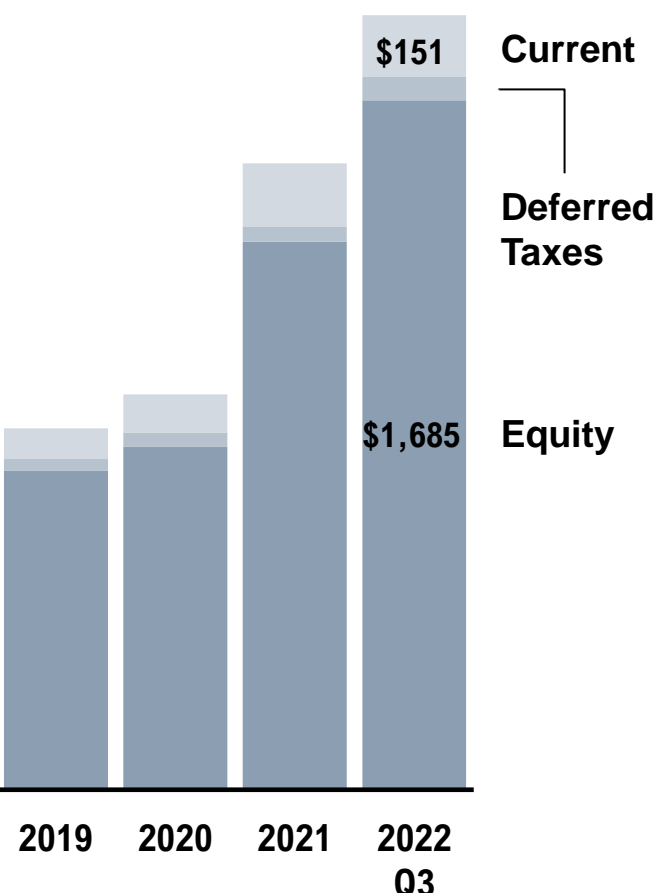
ASSETS



STRONG EQUITY GROWTH

\$ million, quarter and year end

LIABILITIES



FINANCIAL HIGHLIGHTS

as of September 30, 2022

CASH	\$573.6 Million
Current Ratio	8.6x
Unused Revolver	\$200 Million
TOTAL DEBT	\$0
Goodwill	\$0
Inventory Turn (Finished Goods)	13.9x
TBV/Share	\$85.38
Shares Repurchased (2022)	1,893,769

Earnings Per Share & Book Value



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

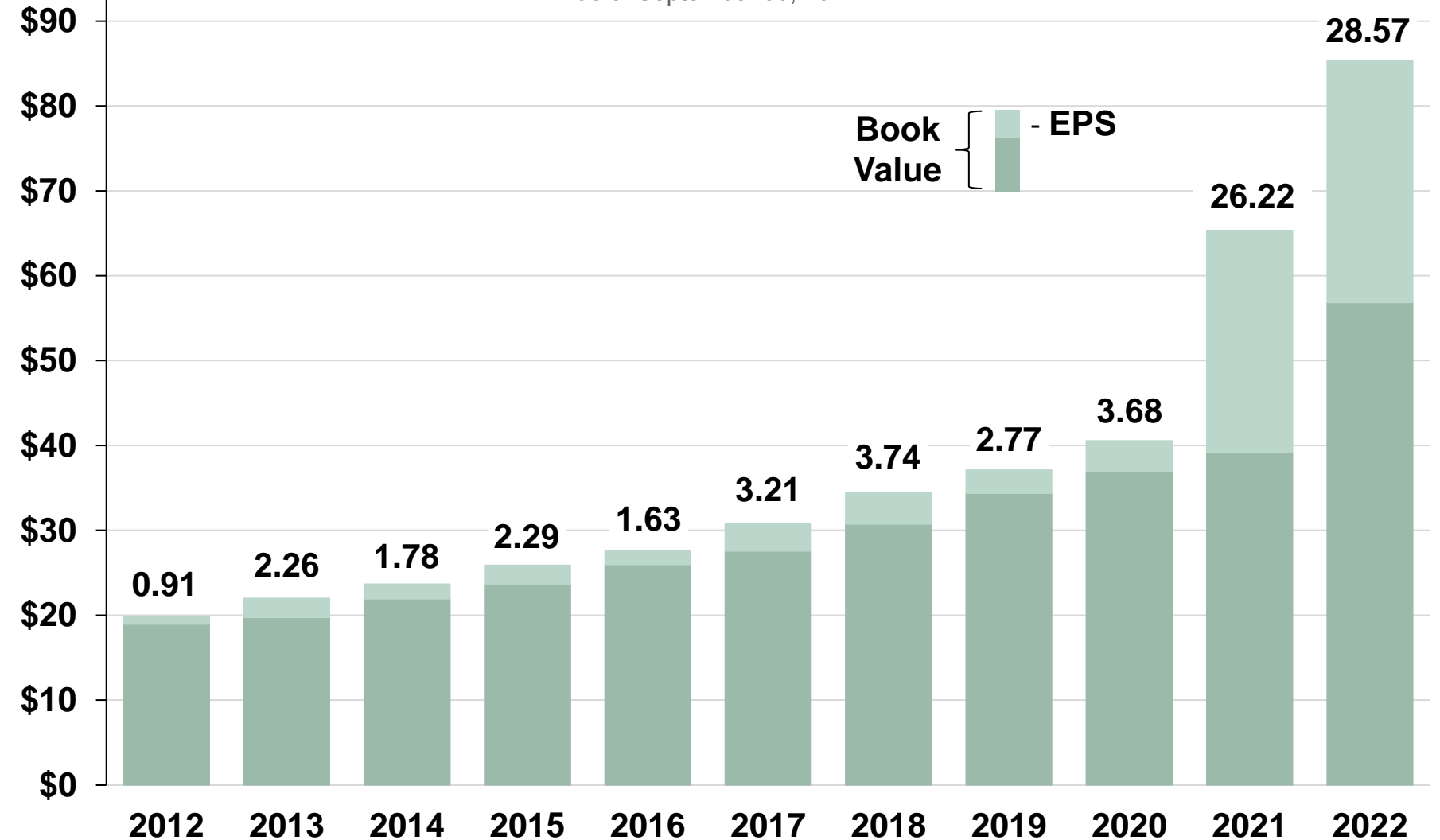
Reinvestment

Financial Strength

Proven Results

DILUTED EPS & TANGIBLE BOOK VALUE PER SHARE

as of September 30, 2022



We have consistently produced positive equity growth, enjoying over 25 years of profitability.

Net Income & EBITDA



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

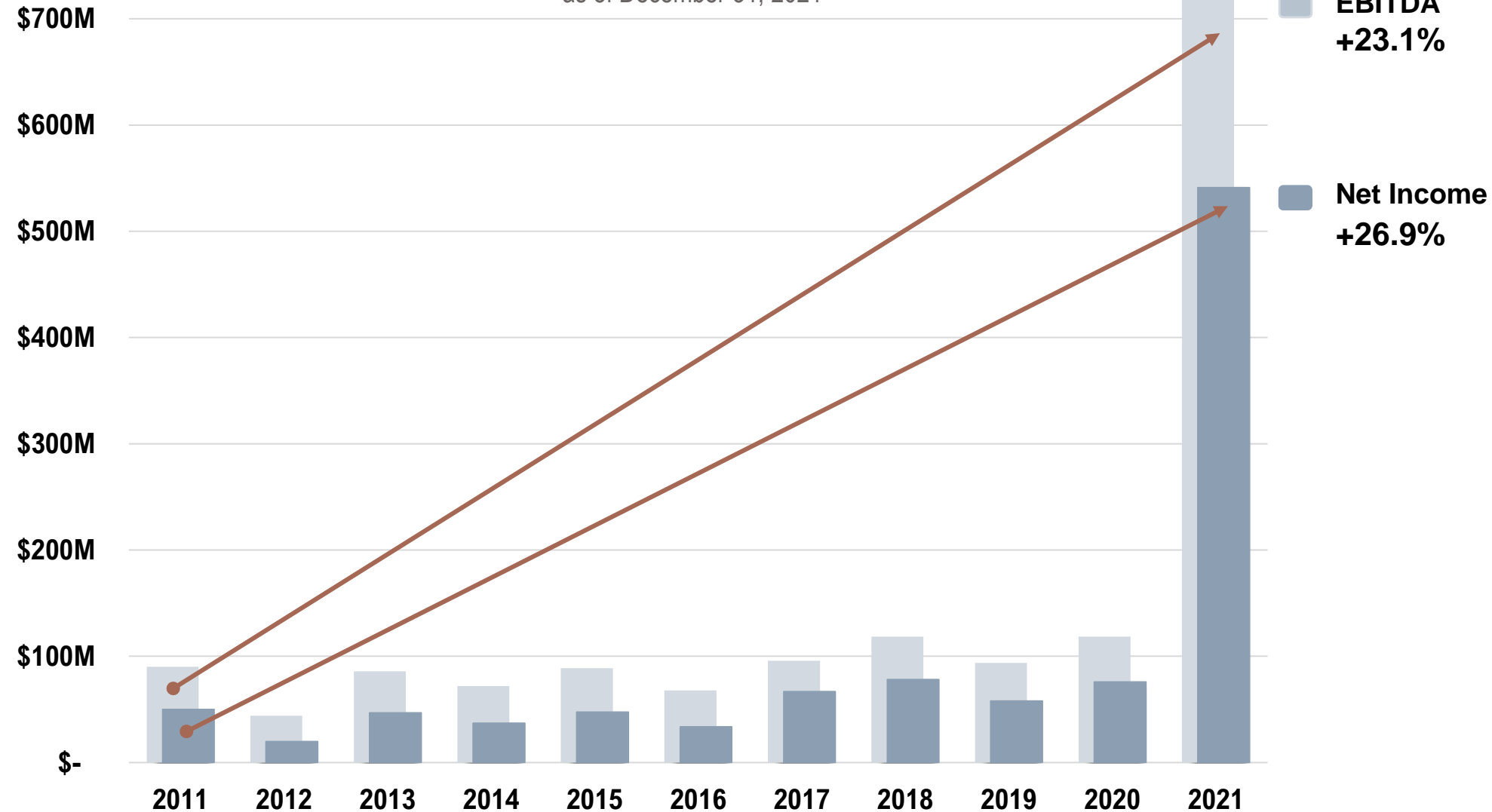
Reinvestment

Financial Strength

Proven Results

COMPOUND ANNUAL GROWTH RATE

as of December 31, 2021



We have delivered a 22.6% CAGR in Book Value since inception.

Shareholder Capital Return



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

Environmental Governance

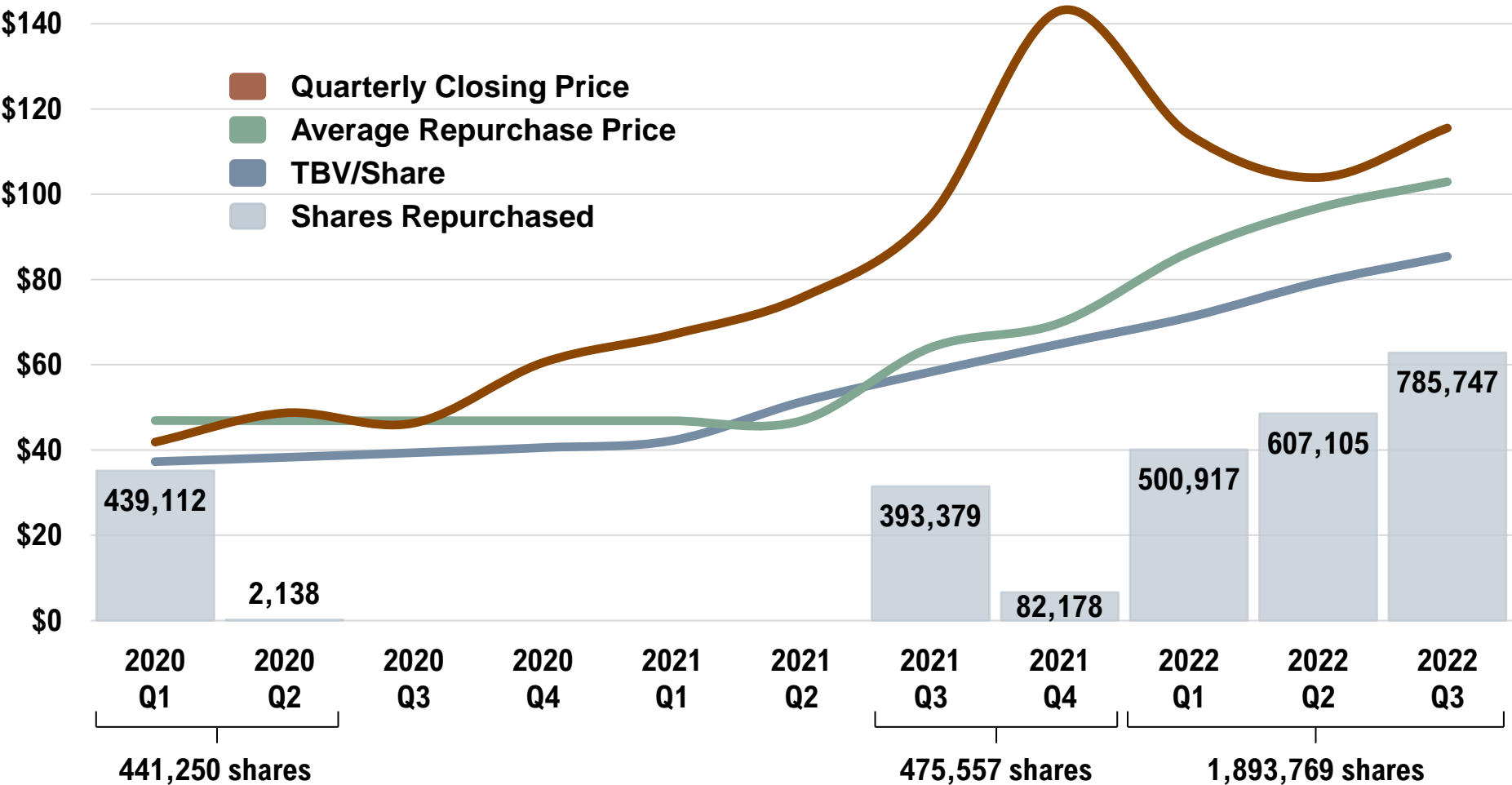
Reinvestment

Financial Strength

Proven Results

SHARE REPURCHASES

February 2020 – September 2022



We have repurchased 2,810,576 shares for \$289,205,837 since the onset of COVID.

Outperform Broad Market



Current Environment

World Class Operations

Low Cost Producer

Vertical Integration

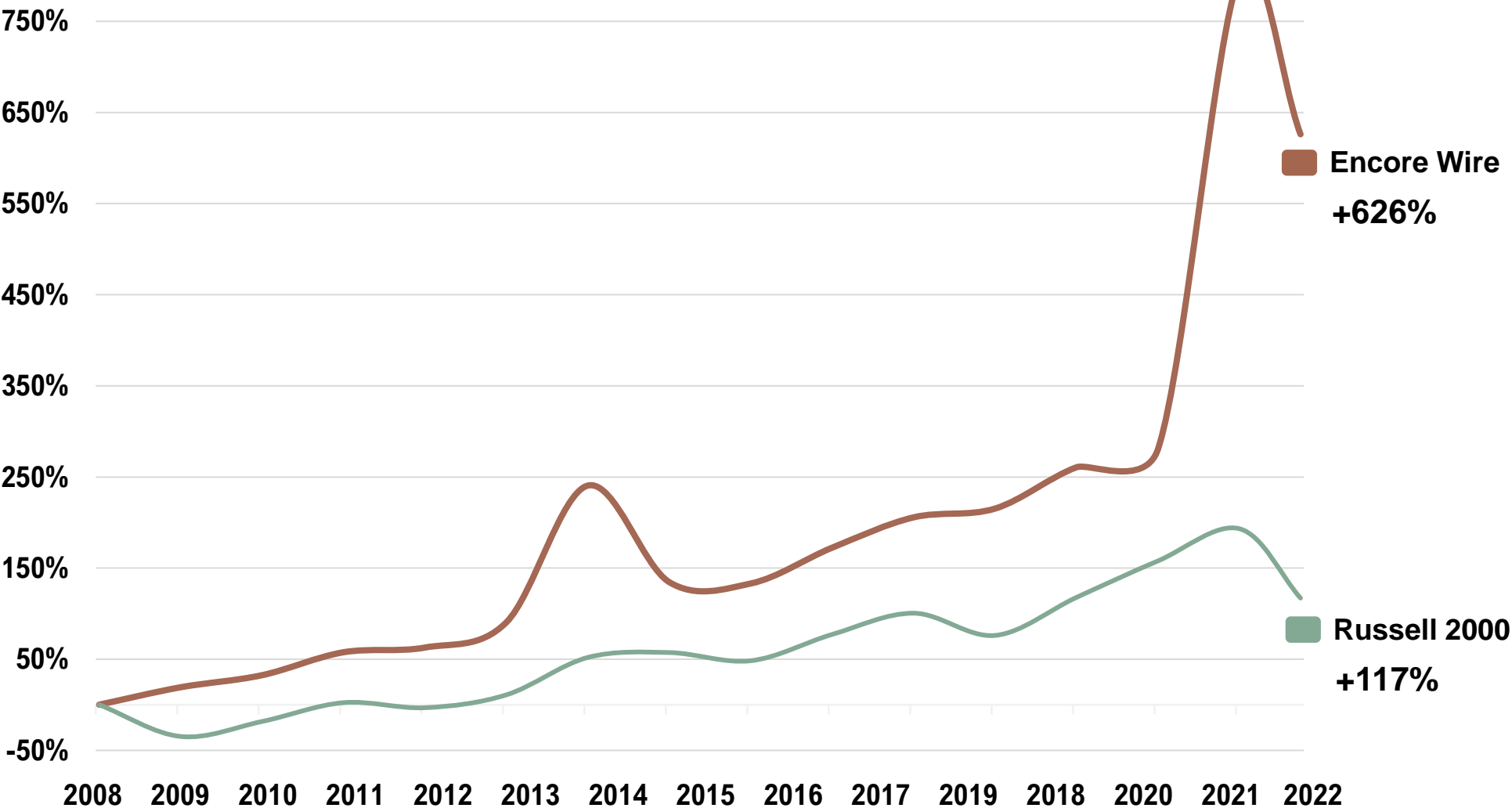
Environmental Governance

Reinvestment

Financial Strength

Proven Results

WIRE vs. Russell 2000
as of September 30, 2022



Summary



INVESTMENT APPEAL

- Low Cost Producer
- Product Innovation
- Customer Service & Distribution
- Growing Market Share
- Superior Returns
- Strong Financial Balance Sheet
- 100% Made and Sold in the USA

FINANCIAL METRICS as of September 30, 2022

Stock Price	\$115.54
Market Capitalization	\$2,119.3M
TBV/Share	\$85.38
Q3 2022 TTM Revenue	\$3,011.5M
Q3 2022 TTM EPS (Diluted)	\$35.54
Q3 2022 TTM EBITDA	\$934.3M
Q3 2022 TTM Operating Income	\$908.4M

Forward Looking Statements

Any forward-looking statements made in conjunction with this presentation are based on management's beliefs as well as assumptions made by and information currently available to management. Although the Company believes that the expectations in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those expected. Please refer to the Company's annual 10-K report for further discussion of forward-looking statements.

GAAP Reconciliation - EBITDA is defined as net income before interest, income taxes, depreciation and amortization. The Company presents EBITDA because it is a required component of financial ratios reported by the Company to the Company's banks, and is also frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of measures of financial performance calculated and presented in accordance with Generally Accepted Accounting Principles (GAAP), to compare to the performance of other companies who also publicize this information. EBITDA is not a measurement of financial performance calculated and presented in accordance with GAAP and should not be considered an alternative to net income as an indicator of the Company's operating performance or any other measure of financial performance calculated and presented in accordance with GAAP. A reconciliation of EBITDA to net income is posted on www.encorewire.com under "INVESTORS".