



3Q25 Earnings Call

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November 4, 2025

SAFE HARBOR STATEMENT

From time to time, information provided by us, including, but not limited to, statements in this presentation, or other statements made by or on our behalf, may contain or constitute "forward-looking" information within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks, uncertainties, and contingencies, many of which are beyond our control, which may cause actual results, performance, or achievements to differ materially from those anticipated.

Such statements are based on current expectations only, and 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 anticipated, expected, estimated, or projected. Among the factors that could cause actual results to materially differ include: general business and economic conditions; significant developments from the recent and potential changes in tariffs and trade regulation; impact of inflation; potential issues respecting the United States federal government debt ceiling; global labor and supply chain challenges; difficulties or delays in identifying, negotiating and completing acquisitions and integrating acquired companies; the inability to realize anticipated synergies and expansion possibilities; difficulties in new product development; changes in competition and technology in the markets that we serve and the mix of our products required to address these changes; changes in foreign currency exchange rates; political, economic, and health (including pandemics) instabilities; instability or disruption caused by military hostilities in the regions or countries in which we operate (including Israel); difficulties in implementing our cost reduction strategies, such as underutilization of production facilities, labor unrest or legal challenges to our lay-off or termination plans, operation of redundant facilities due to difficulties in transferring production to achieve efficiencies; compliance issues under applicable laws, such as export control laws, including the outcome of our voluntary self-disclosure of export control non-compliance; our ability to execute our corporate strategy and business continuity, operational and budget plans; and other factors affecting our operations, markets, products, services, and prices that are set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this report or as of the dates otherwise indicated in such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Non-GAAP Measures

This presentation includes discussion of adjusted free cash flow, adjusted gross profit and adjusted operating income and their corresponding margins, as well as adjusted net earnings, EBITDA, adjusted EBITDA, and adjusted net diluted earnings per share. These are financial measures that were not prepared in accordance with generally accepted accounting principles in the United States (non-GAAP measures). Management believes that these non-GAAP measures are useful to investors because each presents what management views as our core operating results for the relevant period. The adjustments to the applicable GAAP measures relate to occurrences or events that are outside of our core operations, and management believes that the use of these non-GAAP measures provides a consistent basis to evaluate our operating profitability and performance trends across comparable periods. These reconciling items are indicated on the accompanying reconciliation schedules and are more fully described in VPG's financial statements presented in our Annual Report on Form 10-K and its Quarterly Reports on Forms 10-Q.

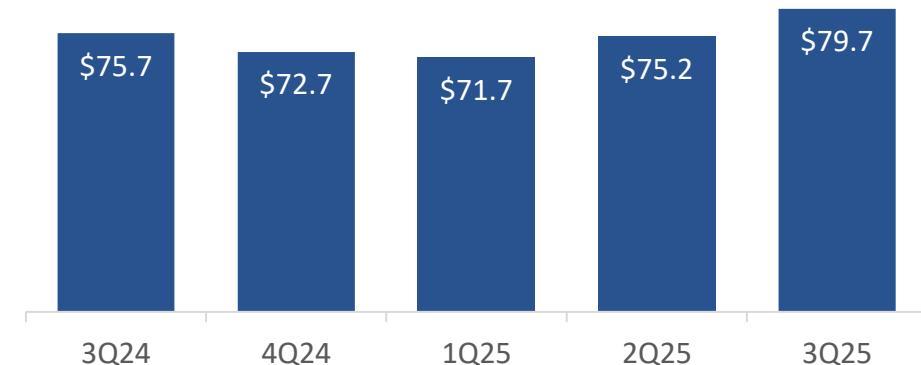
FISCAL THIRD QUARTER 2025 HIGHLIGHTS

Financial

- 3Q25 revenue of \$79.7 million increased 6.1% sequentially.
- Orders of \$79.7 million were approximately even with 2Q25 reflecting a mixed, but stable economic environment.
- Book-to-bill of 1.00 was the fourth consecutive quarter of BTB's of 1.00 or more. Sensors and Measurement Systems segments achieved book-to-bill ratios of 1.07 and 1.04, respectively.
- Weighing Solutions segment achieved a record gross margin.
- 3Q25 adjusted net earnings per diluted share of \$0.26 grew from \$0.17 in 2Q25.
- We generated solid cash flow. Adjusted EBITDA of \$9.2 million or 11.5% of revenue.

VPG Consolidated Revenue

Amounts in \$ millions



VPG Consolidated Bookings

Amounts in \$ millions



Book-to-Bill	0.91	1.00	1.04	1.06	1.00
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SENSORS – SALES & BOOKINGS

Highlights:

- Sensors 3Q25 sales grew 19.1% sequentially, primarily reflecting higher sales of precision resistors in the Test & Measurement and AMS markets and higher sales of strain gages in the General Industrial market.
- Sequentially, orders grew 13.5% to the highest quarterly level in 3 years. The bookings growth was driven by higher demand for precision resistors in semiconductor test applications and project timing for defense systems.
- Sensors' book-to-bill was 1.07.
- Received \$1.8 million from July through October 2025 for follow-on orders related to two ongoing Humanoid robot applications.

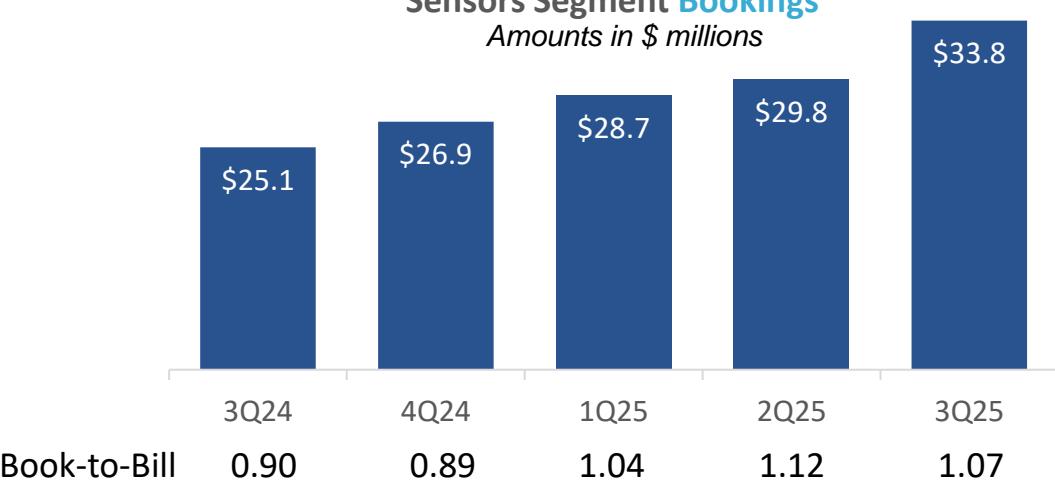
Sensors Segment Revenue

Amounts in \$ millions



Sensors Segment Bookings

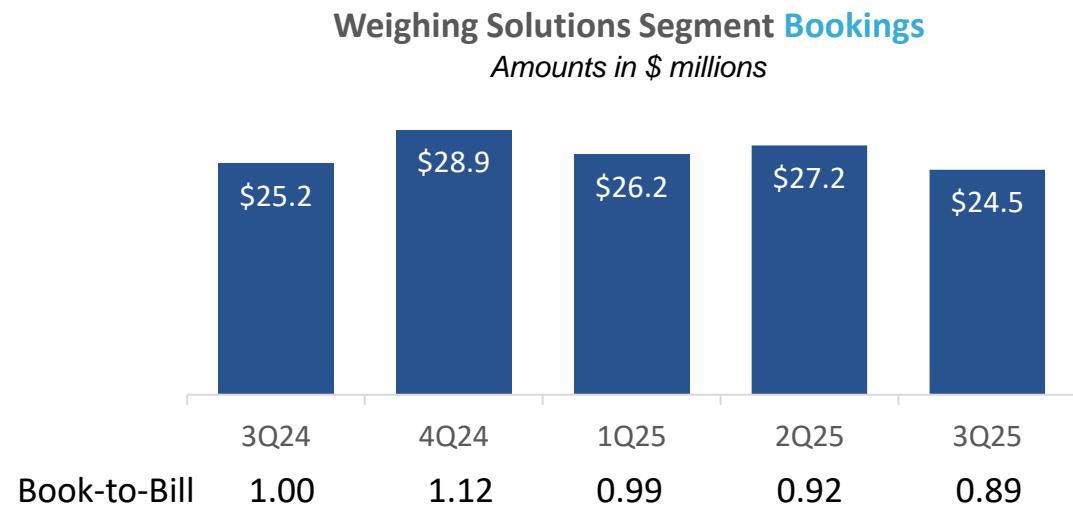
Amounts in \$ millions



WEIGHING SOLUTIONS – SALES & BOOKINGS

Highlights:

- 3Q25 revenues declined 6.4% sequentially but grew 9.4% from the prior year.
- The sequential decline was primarily due to lower sales in the Transportation market and in Other Markets to OEM manufacturers of construction and precision agriculture equipment.
- Orders decreased 9.7% sequentially and resulted in a book-to-bill of 0.89. Bookings were lower in Transportation and precision ag.
- Gross margin of 40.3% reached another record despite sequentially lower revenues, reflecting the benefit of long-term cost reduction and operational efficiency programs.



MEASUREMENT SYSTEMS – SALES & BOOKINGS

Highlights:

- 3Q25 revenues grew 7.3% sequentially but were 8.0% lower from the prior year.
- The sequentially higher revenue was primarily due to higher sales in the Steel Market, which offset lower sales to the AMS market.
- Book-to-bill was 1.04 as orders of \$21.4 million declined 6.9% sequentially. Bookings reflected softness in DTS orders due to pushouts of defense and avionics projects.
- We announced in September a beta test of our new UHTC ceramics test tool with Stoney Brook University in NY, which is the second university to test this new system.

Measurement Systems Segment **Revenue**

Amounts in \$ millions



Measurement Systems Segment **Bookings**

Amounts in \$ millions



2025 PRIORITIES – UPDATE

Business Development

- Orders for business development initiatives year-to-date were approximately \$26 million, which is on track for FY25 goal.

Cost Controls and Operational Excellence

- Completed sale of building for \$10.8 million as part of continued manufacturing consolidations and relocations
- Targeted annual fixed cost reductions of \$5 million on track.

M&A

- Continue to look for attractive, high-quality businesses to add to VPG platform.

To enable accelerated growth through streamlining cross-divisional processes, VPG added two new C-Suite positions:

- **Chief Business and Product Officer**, responsible for sales, marketing, product strategy, and business development.
- **Chief Operating Officer**, responsible for overseeing and integrating the company's operations, including quality management and supply chain optimization across all manufacturing sites.

FINANCIALS – GROSS MARGIN

<i>Revenue in \$ millions</i>	3Q25	2Q25	Comments
Revenue	\$79.7	\$75.2	
<i>Gross Profit Margin by Segment:</i>			
Sensors – Adjusted:	33.7%	32.2%	<i>Primarily due to volume and tariff-related net price adjustments, partially offset by decrease in inventories, unfavorable foreign exchange rates</i>
Weighing Solutions – Adjusted:	40.3%	40.2%	<i>Reflects tariff-related net price adjustments, and cost reductions, partially offset by lower volume.</i>
Measurement Systems:	51.1%	54.6%	<i>Primarily reflects unfavorable product mix..</i>
Gross Profit Margin Consolidated:	40.3%	40.7%	<i>Consolidated adjusted gross margin impacted by unfavorable F/X and unfavorable product mix.</i>
Adjusted Gross Profit Margin Consolidated:	40.5%	41.0%	

FINANCIALS – INCOME STATEMENT

Amounts in \$ millions, except margin and per share data	3Q25	2Q25
Revenue	\$79.7	\$75.2
Gross Profit Margin:	40.3%	40.7%
Adjusted Gross Profit Margin :	40.5%	41.0%
Selling, General, and Admin. Expenses:	\$27.3	\$27.7
Operating Income*:	\$10.2	\$2.7
Operating Margin:	12.7%	3.6%
Adj. Operating Income:	\$5.0	\$3.6
Adj. Operating Margin:	6.2%	4.8%
Operational Tax Rate:	26%	31%
Net Earnings**:	\$7.8	\$0.3
Net Earnings per diluted share**:	\$0.58	\$0.02
Adjusted Net Earnings**:	\$3.5	\$2.3
Adjusted Net Earnings per diluted share**:	\$0.26	\$0.17

* 3Q25 reported operating income includes \$5.5 million gain from sale of building..

** Attributable to VPG shareholders.

FINANCIALS – CASH FLOW / BALANCE SHEET

<i>Amounts in \$ millions, except margin and per share data</i>	3Q25	2Q25	
EBITDA:	\$14.2	\$5.2	
Adjusted EBITDA:	\$9.2	\$7.9	
Cash From Operations:	(\$1.3)	\$6.0	
Purchased Capital Expenditures	\$2.2	\$1.3	
Adj. Free Cash Flow*:	\$7.4	\$4.7	
Cash and Cash Equivalents	\$86.3	\$90.4	
Total Assets:	\$462.3	\$465.6	
Total Long-term Debt:	\$20.6	\$31.5	
Total Liabilities:	\$124.6	\$134.3	

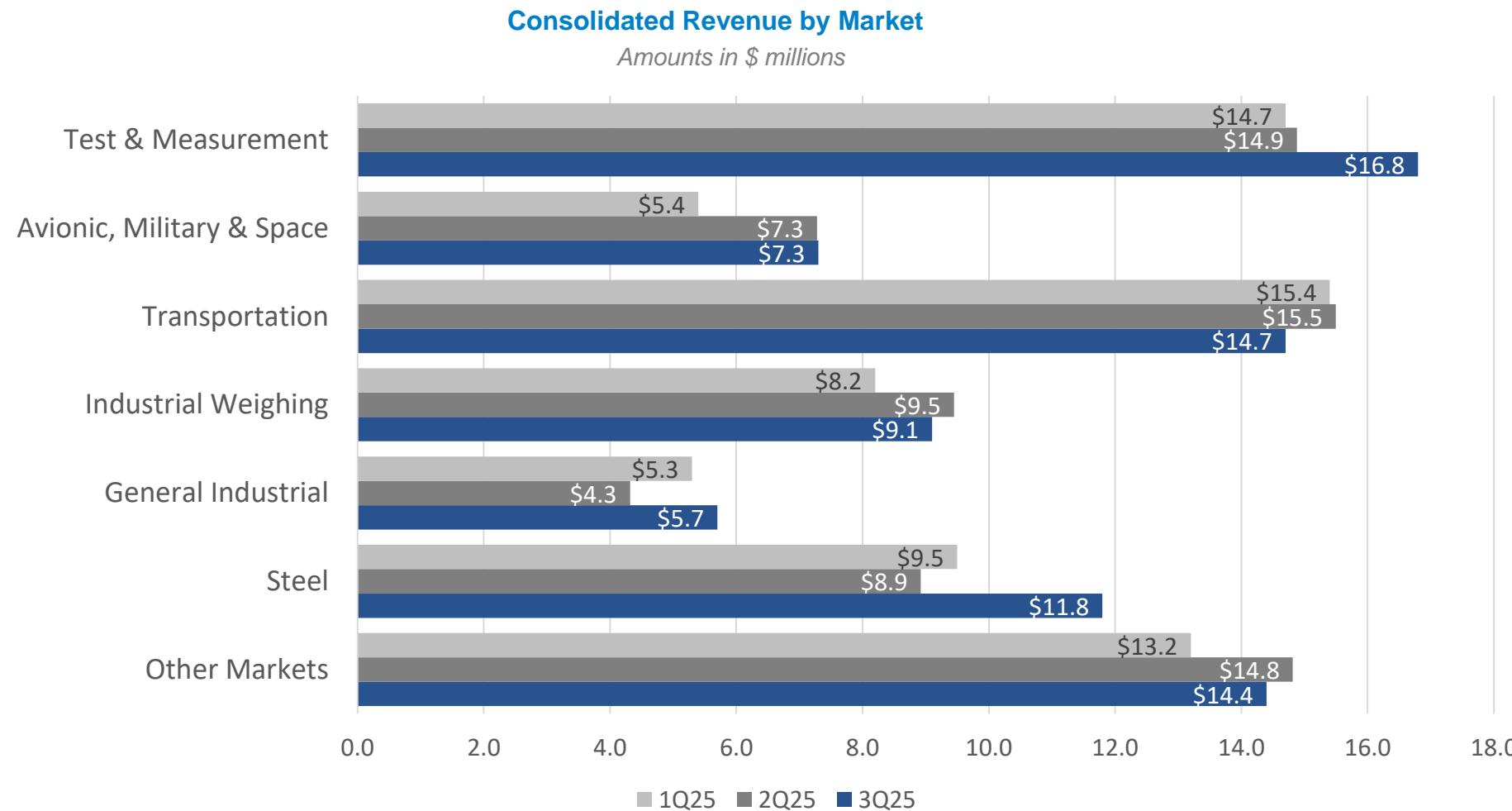
In 3Q25, VPG completed the sale of a building, as part of ongoing cost reduction and efficiency initiatives. The net proceeds of \$10.8 million was used to pay down our outstanding bank revolver balance, which is expected to save approximately \$660 thousand in annual interest expense.

* Free cash flow defined as cash from operating activities less capital expenditures plus proceeds from the sales of assets.

Q&A

Appendix

THIRD QUARTER 2025 MARKET TRENDS



Reconciliation of Adjusted Gross Profit, Operating Income, Net Earnings and Diluted Earnings Per Share - Quarter

					Net Earnings (loss)		Diluted Earnings (loss)	
	Gross Profit		Operating Income		Attributable to VPG Stockholders		Per share	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Three months ended								
As reported - GAAP	\$ 32,125	\$ 30,260	\$ 10,159	\$ 3,841	\$ 7,858	\$ (1,351)	\$ 0.59	\$ (0.10)
As reported - GAAP Margins	40.3%	40.0%	12.7%	5.1%	—	—	—	—
Start-up costs (a)	37	—	37	—	37	—	0.00	—
Acquisition purchase accounting adjustments (b)	111	—	111	—	111	—	0.01	—
Restructuring costs	—	—	214	82	214	82	0.02	0.01
Foreign currency exchange gain (c)	—	—	—	—	101	2,912	0.01	0.22
Less: Gain on asset held for sale (d)	—	—	5,544	—	5,544	—	0.42	—
Less: Tax effect of reconciling items and discrete tax items	—	—	—	—	(723)	(839)	(0.05)	(0.06)
As Adjusted - Non GAAP	\$ 32,273	\$ 30,260	\$ 4,977	\$ 3,923	\$ 3,500	\$ 2,482	\$ 0.26	\$ 0.19
<i>As Adjusted - Non GAAP Margins</i>	<i>40.5%</i>	<i>40.0%</i>	<i>6.2%</i>	<i>5.2%</i>				

Non-GAAP Reconciliation – EBITDA and Adjusted EBITDA - QTR

	Fiscal Quarter Ended		
	September 27, 2025	September 28, 2024	June 28, 2025
	\$ 7,858	\$ (1,351)	\$ 248
Net earnings (loss) attributable to VPG stockholders	\$ 7,858	\$ (1,351)	\$ 248
Interest expense	425	648	550
Income tax expense	1,961	1,874	592
Depreciation	3,003	2,988	2,872
Amortization	986	925	982
Restructuring costs	214	82	185
Severance cost	—	—	443
Start-up costs (a)	37	—	257
Acquisition purchase accounting adjustments (b)	111	—	—
Foreign currency exchange gain (c)	101	2,912	1,763
Gain on asset held for sale (d)	(5,544)	—	—
ADJUSTED EBITDA	\$ 9,152	\$ 8,079	\$ 7,892
ADJUSTED EBITDA MARGIN	11.5%	10.7%	10.5%

Reconciliation of Adjusted Gross Profit by Segment

	Fiscal Quarter Ended		
	September 27, 2025	September 28, 2024	June 28, 2025
Sensors			
Net revenues	31,624	28,201	26,563
As reported - GAAP	10,626	8,730	8,487
As reported - GAAP Margins	33.6%	31.0%	32.0%
Start-up costs	37	—	79
As Adjusted - Non GAAP	10,663	8,730	8,566
As Adjusted - Non GAAP Margins	33.7%	31.0%	32.2%
Weighing Solutions			
Net revenues	27,538	25,175	29,428
As reported - GAAP	11,110	8,840	11,646
As reported - GAAP Margins	40.3%	35.1%	39.6%
Start-up costs	—	—	178
As Adjusted - Non GAAP	11,110	8,840	11,825
As Adjusted - Non GAAP Margins	40.3%	35.1%	40.2%
Measurement Systems			
Net revenues	20,566	22,352	19,170
As reported - GAAP	10,389	12,690	10,461
As reported - GAAP Margins	50.5%	56.8%	54.6%
Acquisition purchase accounting adjustments	111	—	—
As Adjusted - Non GAAP	10,500	12,690	10,461
As Adjusted - Non GAAP Margins	51.1%	56.8%	54.6%

VPG Sustainability

Projects Underway:

- Climate Risk Assessment
- Greenhouse Gas Goals/Target Setting

Key Past Milestones:

- Updated ESG Website with 2024 Data
- Published Corporate Social Responsibility, Customer Safety and Health and Product Use and End of Life Policies
- Published energy management and water use reduction targets
- Launched initial Sustainability Report



SUSTAINABILITY REPORT 2022-2023

Safer, Smarter and More Productive



"We are proud to introduce our first Sustainability Report. This report marks a significant milestone in VPG's sustainability journey." – Ziv Shoshani, CEO