

# OUR MISSION

Providing Diverse Solutions to Customers Through Innovative Products and Services

## Power Systems International (OTCPINK: PSIX)

Engines Sold	3Q24 Net Sales	3Q24 Gross Margin	3Q24 Net Income	Employees
1.5M+	\$126m	29%	\$17.3m	650+

Power Solutions International, Inc. (PSI) stands at the forefront of designing, engineering and manufacturing advanced, emission-certified engines and power systems. PSI delivers integrated turnkey solutions to Original Equipment Manufacturers (OEMs) and end-users in the power, industrial and electrification sectors.

PSI's engines are engineered to operate efficiently across a wide array of fuels including natural gas, propane, gasoline, diesel and biofuels.

End Market	Product Categories	Equipment/Products (End Use)
Power Systems	Electric Power Generation Large Custom Genset Enclosures	Mobile and Stationary Gen Sets for: Emergency Standby Rental Demand Response Microgrid Renewable Energy Resiliency Combined Heat and Power Large Custom Gen Set Enclosures for: Hyperscale Data Centers
Industrial	Material Handling Agricultural/Arbor Care Irrigation /Pumps Construction Compressors Other Industrial	Forklifts Woodchippers/Stump Grinders Sweepers/Industrial Scrubbers Aerial Lift Platforms/Scissor Lifts Irrigation Pumps Oil and Gas Compression Oil Lifts Off Road Utility Vehicles Ground Support Equipment Ice Resurfacing Equipment Pump Jacks
Transportation	Trucks Fuels Systems and Tanks Military Applications	Class2 -7 Vocational Trucks and Vans Terminal Utility Tractors Military Ground Vehicles Port Equipment

## Current Strategy

The Company is focused on leading the business through a growth phase, which includes strengthening the balance sheet while strategically prioritizing products that carry strong demand and higher gross margins. Currently, the



Company is actively pursuing several initiatives to enhance and expand manufacturing capacity to meet the increasing demand from data center markets. Pivoting the focus to these markets is driving current net sales growth and profitability.

In addition to prioritizing gross profit, the Company is committed to efficiently managing expenses, including streamlining operating expenses and prioritizing certain R&D investments in support of long-term growth objectives. The Company is committed to focusing on growth opportunities and investment while also optimizing its cost structure to enhance growth and profitability, ultimately delivering sustained value to our shareholders.

(\$ in millions, except per share amounts)

	Quarter Ended				
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024
<b>Power Systems Industrial</b>	\$60.4	\$65.7	\$62.0	\$73.1	\$84.1
<b>Transportation</b>	\$40.4	\$31.5	\$28.7	\$31.5	\$32.8
<b>Net sales</b>	\$15.1	\$7.6	\$4.5	\$6.0	\$9.0
	\$115.9	\$104.8	\$95.2	\$110.6	\$125.8
<b>Gross Margin</b>	24.1%	26.3%	27.0%	31.8%	28.9%
<b>Net Income</b>	\$7.8	\$8.4	\$7.1	\$21.5	\$17.3
<b>Diluted Earnings per Share</b>	\$0.34	\$0.36	\$0.31	\$0.94	\$0.75

### Positioning PSI for Future Growth and Profitability

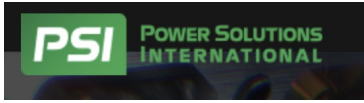
- **Pivoting focus to high growth markets:** Expanding manufacturing capacity to meet increasing customer demand in higher growth, high margin markets
- **Optimizing capital structure:** Financial flexibility and lower interest costs achieved through debt refinancing through a new Uncommitted Revolving Credit Agreement
- **Achieving operational excellence:** Streamlining operating expenses and prioritizing certain R&D investments in support of long-term growth objectives

### Compelling Investment Thesis

- Integrated manufacturing with strong R&D
- Leading market position in custom gen set enclosures
- Profitable business with cash flow generation
- Asset-light manufacturing model with capital efficiency and scalability
- Strategic focus on rapidly expanding data center sector provides significant opportunity for future growth and continued profitability
- Collaborative value creation and customer-centric approach with strong field support capabilities.

### Outlook for 2024

The Company expects Net sales in 2024 to increase by approximately 3% versus 2023 levels.



## Cautionary Note Regarding Forward-Looking Statements

This document contains forward-looking statements regarding the current expectations of the Company about its prospects and opportunities. These forward-looking statements are entitled to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements may involve risks and uncertainties. These statements often include words such as "anticipate," "believe," "budgeted," "contemplate," "estimate," "expect," "forecast," "guidance," "may," "outlook," "plan," "projection," "should," "target," "will," "would" or similar expressions, but these words are not the exclusive means for identifying such statements. These statements are not guarantees of performance or results, and they involve risks, uncertainties and assumptions. Although the Company believes that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect the Company's results of operations and liquidity and could cause actual results, performance or achievements to differ materially from those expressed in, or implied by, the Company's forward-looking statements.

The Company cautions that the risks, uncertainties and other factors that could cause its actual results to differ materially from those expressed in, or implied by, the forward-looking statements include, without limitation: the impact of the macro-economic environment in both the U.S. and internationally on our business and expectations regarding growth of the industry; uncertainties arising from global events (including the Russia-Ukraine and Israel-Hamas conflicts), natural disasters or pandemics, and their impact on material prices; the effects of strategic investments on our operations, including our efforts to expand our global market share and actions taken to increase sales growth; the ability to develop and successfully launch new products; labor costs and other employment-related costs; loss of suppliers and disruptions in the supply of raw materials; the Company's ability to continue as a going concern; the Company's ability to raise additional capital when needed and its liquidity; uncertainties around the Company's ability to meet funding conditions under its financing arrangements and access to capital thereunder; the potential acceleration of the maturity at any time of the loans under the Company's uncommitted senior secured revolving credit facility through the exercise by Standard Chartered Bank of its demand right; the impact of rising interest rates; changes in economic conditions, including inflationary trends in the price of raw materials; our reliance on information technology and the associated risk involving potential security lapses and/or cyber-attacks; the ability of the Company to accurately forecast sales, and the extent to which sales result in recorded revenues; changes in customer demand for the Company's products; volatility in oil and gas prices; the impact of U.S. tariffs on imports, the impact of supply chain interruptions and raw material shortages, including compliance disruptions such as the UFLPA delaying goods from China; the potential impact of higher warranty costs and the Company's ability to mitigate such costs; any delays and challenges in recruiting and retaining key employees consistent with the Company's plans; any negative impacts from trading of the Company's common stock, par value \$0.001 per share, on the OTC Pink Market and any delays and challenges in re-listing on the Nasdaq Stock Market; and the risks and uncertainties described in reports filed by the Company with the SEC, including without limitation its Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and the Company's subsequent filings with the SEC.

The Company's forward-looking statements are presented as of the date hereof. Except as required by law, the Company expressly disclaims any intention or obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.