

For Immediate Release

Paul Mueller Company Announces Its Second Quarter Earnings of 2025

Springfield, Missouri - July 25, 2025. Paul Mueller Company (OTC: MUEL) today announced earnings for the second quarter ended June 30, 2025.

**PAUL MUELLER COMPANY
SIX-MONTH REPORT**

Unaudited
(In thousands)

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30		Six Months Ended June 30		Twelve Months Ended June 30	
	2025	2024	2025	2024	2025	2024
Net Sales	\$ 72,624	\$ 65,670	\$ 131,484	\$ 116,026	\$ 264,043	\$ 228,900
Cost of Sales	44,760	45,871	85,798	80,431	171,491	158,123
Gross Profit	\$ 27,864	\$ 19,799	\$ 45,686	\$ 35,595	\$ 92,552	\$ 70,777
Selling, General and Administrative Expense	13,332	11,417	24,865	21,775	49,338	84,743
Operating Income (Loss)	\$ 14,532	\$ 8,382	\$ 20,821	\$ 13,820	\$ 43,214	\$ (13,966)
Interest Income (Expense)	578	70	607	(1,178)	1,484	(1,351)
Other Income	50	506	114	2,050	441	3,383
Income (Loss) before Provision (Benefit) for Income Taxes	\$ 15,160	\$ 8,958	\$ 21,542	\$ 14,692	\$ 45,139	\$ (11,934)
Provision (Benefit) for Income Taxes	3,531	2,154	4,985	3,439	10,163	(4,817)
Net Income (Loss)	\$ 11,629	\$ 6,804	\$ 16,557	\$ 11,253	\$ 34,976	\$ (7,117)
Earnings (Loss) per Common Share - Basic and Diluted	\$17.80	\$7.26	\$23.02	\$11.13	\$37.40	(\$6.79)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Six Months Ended June 30	
	2025	2024
Net Income	\$ 16,557	\$ 11,253
Other Comprehensive Income (Loss), Net of Tax:		
Foreign Currency Translation Adjustment	2,015	(780)
Comprehensive Income	\$ 18,572	\$ 10,473

CONSOLIDATED BALANCE SHEETS

	June 30 2025	December 31 2024
Cash and Cash Equivalents	\$ 21,678	\$ 21,169
Marketable Securities	29,929	24,446
Accounts Receivable, net	47,032	31,266
Inventories (FIFO)	45,417	40,905
LIFO Reserve	(21,899)	(20,146)
Inventories (LIFO)	23,518	20,759
Current Net Investments in Sales-Type Leases	54	39
Other Current Assets	5,442	4,933
Current Assets	\$ 127,653	\$ 102,612
Net Property, Plant, and Equipment	63,264	50,754
Right of Use Assets	2,290	2,235
Other Assets	165	1,862
Long-Term Net Investments in Sales-Type Leases	1,932	1,211
Total Assets	\$ 195,304	\$ 158,674
Accounts Payable	\$ 12,998	\$ 17,588
Current Maturities and Short-Term Debt	468	3,466
Current Lease Liabilities	371	336
Advance Billings	39,572	26,788
Billings in Excess of Cost	19,792	7,635
Other Current Liabilities	19,556	15,591
Current Liabilities	\$ 92,757	\$ 71,404
Long-Term Debt	5,499	5,096
Other Long-Term Liabilities	692	2,329
Lease Liabilities	993	896
Total Liabilities	\$ 99,941	\$ 79,725
Shareholders' Investment	95,363	78,949
Total Liabilities and Shareholders' Investment	\$ 195,304	\$ 158,674

SELECTED FINANCIAL DATA

	June 30 2025	December 31 2024
Book Value per Common Share	\$102.52	\$84.27
Total Shares Outstanding	930,183	936,837
Backlog	\$ 234,212	\$ 153,685

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT

	Common Stock	Paid-in Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2024	<u>\$ 1,508</u>	<u>\$ 9,708</u>	<u>\$ 96,037</u>	<u>\$ (22,697)</u>	<u>\$ (5,607)</u>	<u>\$ 78,949</u>
Add (Deduct):						
Net Income			16,557			16,557
Other Comprehensive Income, Net of Tax					2,015	2,015
Dividends			(495)			(495)
Treasury Stock Acquisition				(1,663)		(1,663)
Other						-
Balance, June 30, 2025	<u>\$ 1,508</u>	<u>\$ 9,708</u>	<u>\$ 112,099</u>	<u>\$ (24,360)</u>	<u>\$ (3,592)</u>	<u>\$ 95,363</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Operating Activities:		
Net Income	\$ 16,557	\$ 11,253
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Pension Contributions (Greater) than Expense	-	(16)
Depreciation & Amortization	3,380	3,427
Deferred Tax Expense	288	-
Loss on Disposal of Equipment	469	175
(Gain) on Sales of Equipment	-	(106)
(Inc) in Accts and Notes Receivable	(15,765)	(9,354)
(Inc) in Cost in Excess of Estimated Earnings and Billings	(16)	-
(Inc) Dec in Inventories	(2,256)	1,290
(Inc) in Prepayments	(782)	(2,389)
(Inc) in Net Investment in Sales-type leases	(579)	(80)
Dec in Other Assets	2,026	738
(Dec) Inc in Accounts Payable	(4,589)	4,242
(Dec) Inc in Accrued Income Tax	913	(1,165)
Inc (Dec) in Other Accrued Expenses	3,088	(227)
Inc (Dec) in Advanced Billings	12,784	(8,519)
Inc in Billings in Excess of Costs and Estimated Earnings	12,156	8,306
Inc in Lease Liability for Operating	-	57
Principal payments of Lease Liability for Operating	(156)	(53)
Inc (Dec) in Long Term Deferred Tax Liabilities	17	(78)
(Dec) in Other Long-Term Liabilities	(1,730)	(93)
Net Cash Provided by Operating Activities	<u>\$ 25,805</u>	<u>\$ 7,408</u>
Investing Activities		
Intangibles	-	-
Purchases of Marketable Securities	(16,464)	(24,649)
Proceeds from Sales of Marketable Securities	10,981	38,522
Proceeds from Sales of Equipment	-	131
Additions to Property, Plant, and Equipment	(13,850)	(6,612)
Net Cash (Required) for Investing Activities	<u>\$ (19,333)</u>	<u>\$ 7,392</u>
Financing Activities		
Principal payments of Lease Liability for Financing	(50)	(22)
(Repayment) of Short-Term Borrowings, Net	(5,186)	(751)
Proceeds of Short-Term Borrowings, Net	2,136	754
(Repayment) of Long-Term Debt	(1,864)	(422)
Dividends Paid	(495)	(378)
Treasury Stock Acquisitions	(1,664)	(11,910)
Net Cash (Required) for Financing Activities	<u>\$ (7,123)</u>	<u>\$ (12,729)</u>
Effect of Exchange Rate Changes	<u>1,160</u>	<u>(545)</u>
Net Increase in Cash and Cash Equivalents	<u>\$ 509</u>	<u>\$ 1,526</u>
Cash and Cash Equivalents at Beginning of Year	<u>21,169</u>	<u>1,883</u>
Cash and Cash Equivalents at End of Quarter	<u>\$ 21,678</u>	<u>\$ 3,409</u>

PAUL MUELLER COMPANY
SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS
(In thousands)

- A. The chart below depicts the net revenue on a consolidating basis for the three months ended June 30.

Three Months Ended June 30			
Revenue	2025	2024	Variance
Domestic	\$ 58,928	\$ 52,830	\$ 6,098
Mueller BV	\$ 13,796	\$ 13,164	\$ 632
Eliminations	\$ (100)	\$ (324)	\$ 224
Net Revenue	\$ 72,624	\$ 65,670	\$ 6,954

The chart below depicts the net revenue on a consolidating basis for the six months ended June 30.

Six Months Ended June 30			
Revenue	2025	2024	Variance
Domestic	\$ 109,005	\$ 91,707	\$ 17,298
Mueller BV	\$ 22,579	\$ 24,989	\$ (2,410)
Eliminations	\$ (100)	\$ (670)	\$ 570
Net Revenue	\$ 131,484	\$ 116,026	\$ 15,458

The chart below depicts the net revenue on a consolidating basis for the twelve months ended June 30.

Twelve Months Ended June 30			
Revenue	2025	2024	Variance
Domestic	\$ 219,480	\$ 180,833	\$ 38,647
Mueller BV	\$ 45,548	\$ 49,322	\$ (3,774)
Eliminations	\$ (985)	\$ (1,255)	\$ 270
Net Revenue	\$ 264,043	\$ 228,900	\$ 35,143

The chart below depicts the net income (loss) on a consolidating basis for the three months ended June 30.

Three Months Ended June 30			
Net Income	2025	2024	Variance
Domestic	\$ 10,922	\$ 6,027	\$ 4,895
Mueller BV	\$ 694	\$ 774	\$ (80)
Eliminations	\$ 13	\$ 3	\$ 10
Net Income	\$ 11,629	\$ 6,804	\$ 4,825

The chart below depicts the net income (loss) on a consolidating basis for the six months ended June 30.

Six Months Ended June 30			
Net Income	2025	2024	Variance
Domestic	\$ 16,350	\$ 10,075	\$ 6,275
Mueller BV	\$ 200	\$ 1,148	\$ (948)
Eliminations	\$ 7	\$ 30	\$ (23)
Net Income	\$ 16,557	\$ 11,253	\$ 5,304

The chart below depicts the net income on a consolidating basis for the twelve months ended June 30.

Twelve Months Ended June 30			
Net Income	2025	2024	Variance
Domestic	\$34,609	\$ (10,408)	\$45,017
Mueller BV	\$388	\$ 3,285	(\$2,897)
Eliminations	\$ (21)	\$ 6	(\$27)
Net Income (Loss)	\$ 34,976	\$ (7,117)	\$42,093

- B.** June 30, 2025 backlog is \$234.2 million compared to \$187.3 million at June 30, 2024. The majority of this backlog is in the U.S. where the backlog is \$223.6 million at June 30, 2025 compared to \$181.2 million at June 30, 2024. The \$42.4 million increase in U.S. backlog is primarily from the Industrial Equipment segment, which grew \$41.8 million from June 2024 to June 2025. The majority of this increase is related to our pharmaceutical customers, which continue to drive our improvement in revenue and net income over the prior year. In our European Operations, the backlog has increased from the prior year -- \$11.3 million at June 30, 2025 versus \$6.5 million on June 30, 2024.
- C.** We manage our business in the U.S. looking at earnings before tax (EBT) and excluding the effects of LIFO and non-reoccurring events such as the pension settlement. This non-GAAP adjusted EBT (as shown in the table below) is up over the prior year by \$6.9 million for the three months; \$10.3 million for six months and \$20.1 million for the trailing twelve months primarily from strong results in the Industrial Equipment segment.

(In Thousands)	Ended June 30					
	Three Months		Six Months		Twelve Months	
	2025	2024	2025	2024	2025	2024
Domestic Net Income	\$ 10,922	\$ 6,027	\$ 16,350	\$ 10,075	\$ 34,610	\$ (10,408)
Income Tax Expense	\$ 3,292	\$ 1,899	\$ 4,920	\$ 3,070	\$ 10,002	\$ (4,560)
Domestic EBT - GAAP	\$ 14,214	\$ 7,926	\$ 21,270	\$ 13,145	\$ 44,612	\$ (14,968)
LIFO Adjustment	\$ 369	\$ (246)	\$ 1,752	\$ (463)	\$ 587	\$ (619)
Pension Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,774
Domestic EBT - Non-GAAP	\$ 14,583	\$ 7,680	\$ 23,022	\$ 12,682	\$ 45,199	\$ 26,187

- D. On May 8, 2025, the tender offer, announced on March 31, 2025, expired with 6,654 shares being tendered for a total of \$1,663,500.
- E. The consolidated financials are affected by the euro to dollar exchange rate when consolidating Mueller B.V., the Dutch subsidiary. The month-end euro to dollar exchange rate was 1.07 for June 2024, 1.04 for December 2024, and 1.17 for June 2025.

This press release contains forward-looking statements that provide current expectations of future events based on certain assumptions. All statements regarding future performance growth, conditions, or developments are forward-looking statements. Actual future results may differ materially from those described in the forward-looking statements due to a variety of factors, including, but not limited to, the factors described in the Company's Annual Report under "Safe Harbor for Forward-Looking Statements", which is available at paulmueller.com. The Company expressly disclaims any obligation or undertaking to update these forward-looking statements to reflect any future events or circumstances.

The accounting policies related to this report and additional management discussion and analysis are provided in the 2024 annual report, available at www.paulmueller.com.