FROM PIPE TO POWER

November 11, 2026

OTTER TAIL CORPORATION



Safe Harbor and Non-GAAP Financial Measures

Forward Looking Statement

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this presentation, words such as “believe,” “can,” “expect,” “may,” “plan,” “should,” “will” and other similar words and expressions are intended to identify forward-looking statements. Such statements are based on the current expectations and assumptions of management. Forward-looking statements made herein, which may include statements regarding the anticipated value the PVC pipe businesses may provide to the Company and its customers and shareholders, the level of return on equity and free cash flow generated by the PVC pipe businesses, drivers of long-term growth and demand for the products the PVC pipe businesses sell, the PVC pipe businesses long-term earnings profile, the PVC pipe businesses earnings to free cash flow ratio, the ability of the PVC pipe businesses to help fund the utility rate base growth plan, and the timing in which the PVC pipe businesses outstanding debt is retired and whether the debt is replaced, involve known and unknown risks and uncertainties that may cause actual and future plans or results to differ materially from our assumptions or expectations.

Our risks are more fully described in our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K, as updated in subsequently filed Quarterly Reports on Form 10-Q, as applicable. Forward-looking statements speak only as of the date they are made, and we expressly disclaim any obligation to update any forward-looking information.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures which remove the after-tax impact of the legal settlement expense recognized during the second quarter of 2026. The Company believes these non-GAAP financial measures can provide more information to assist investors in evaluating current period performance and in assessing future performance. These non-GAAP measures, including adjusted net income, should be considered supplemental to, and not a substitute for, GAAP results and may not be comparable to similarly titled measures used by other companies. Reconciliations to the most directly comparable GAAP measures are included in the Appendix to this presentation.

Otter Tail Attendees



Chuck MacFarlane
Chief Executive Officer



Tim Rogelstad
President



Tyler Nelson
Chief Financial Officer



John Abbott
Senior Vice President,
Manufacturing Platform



Terry Mitzel
President, Plastics



Devin Scott
Director of Finance



Beth Eiken
Manager of Investor Relations

A Powerful and Accretive Model

Key Benefits

+ **Efficient financing** benefits customers and shareholders

+ Proven long-term track record of producing **returns above the utility sector average**

+ **Strong balance sheet**

A Powerful Combination

Balanced portfolio with multiple growth levers

Delivering value through the long-term cycles

Complementary Cash Flow Engine

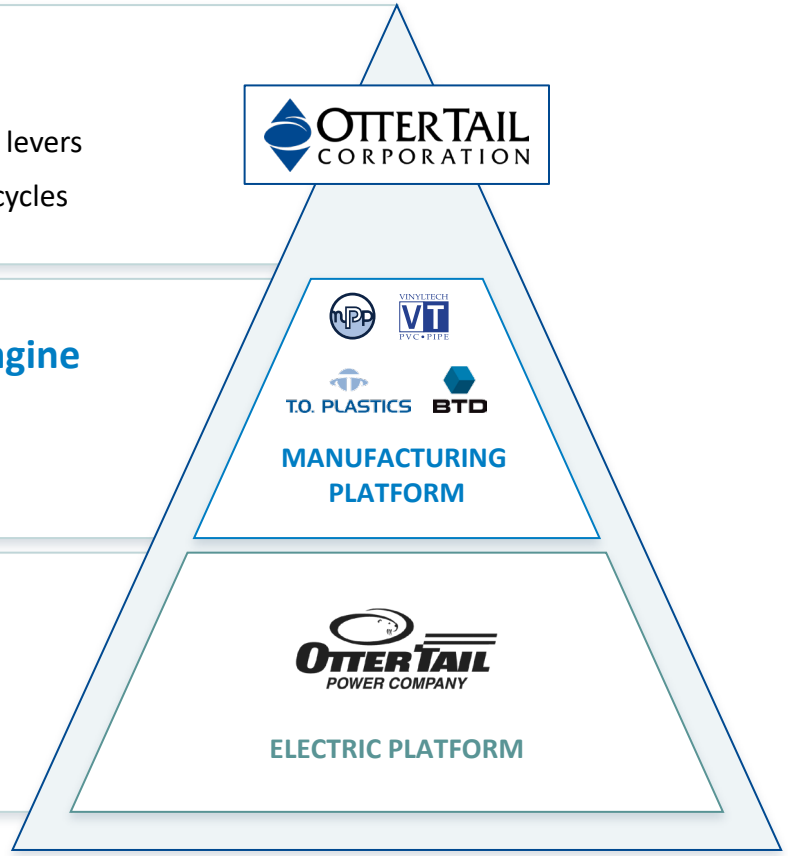
Essential products, accretive returns

Free cash flow to fund rate base growth

Foundational Utility Platform

Predictable earnings

Consistent rate base growth



Plastics Segment Snapshot

Scale, strong relationships and proven record

Nameplate Capacity	Manufacturing and Warehousing Space	Distribution Customers
400M lbs.	250K sq.ft.	200+

Responsive & Reliable

Scaled Manufacturing Operations

Consistently Accretive Returns

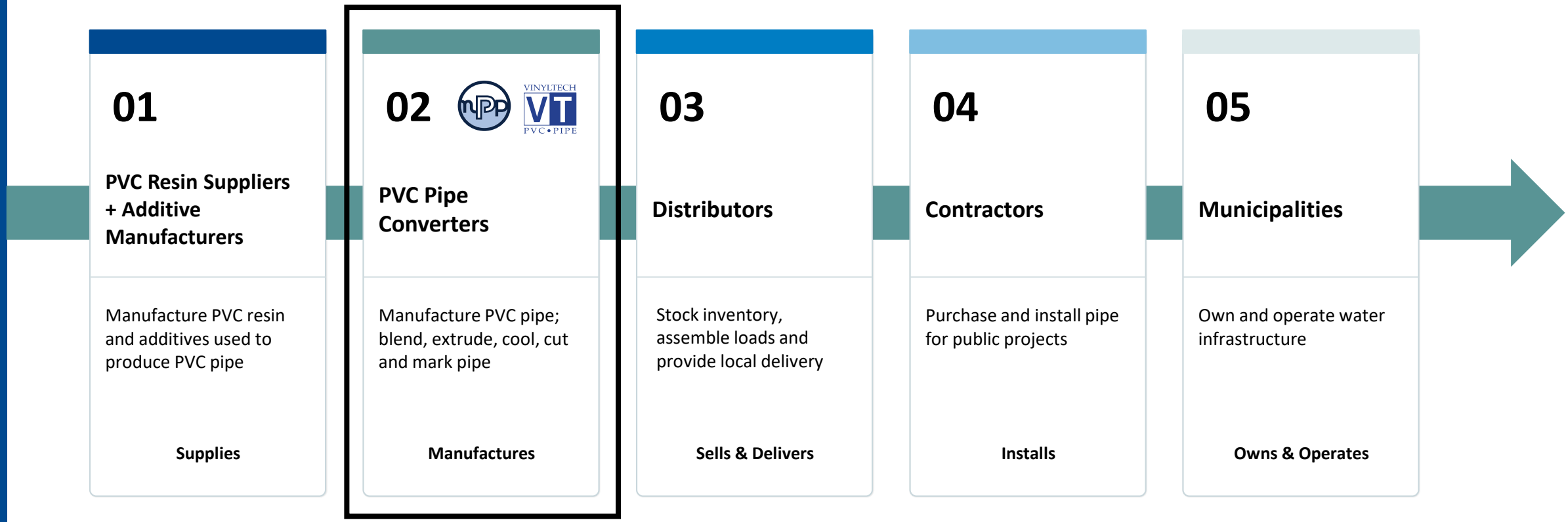
Northern Pipe Products

- Located in Fargo, North Dakota
- Founded in 1979
- Acquired in 1995
- ~ 100 employees with an average tenure of 7 years

Vinyltech Corporation

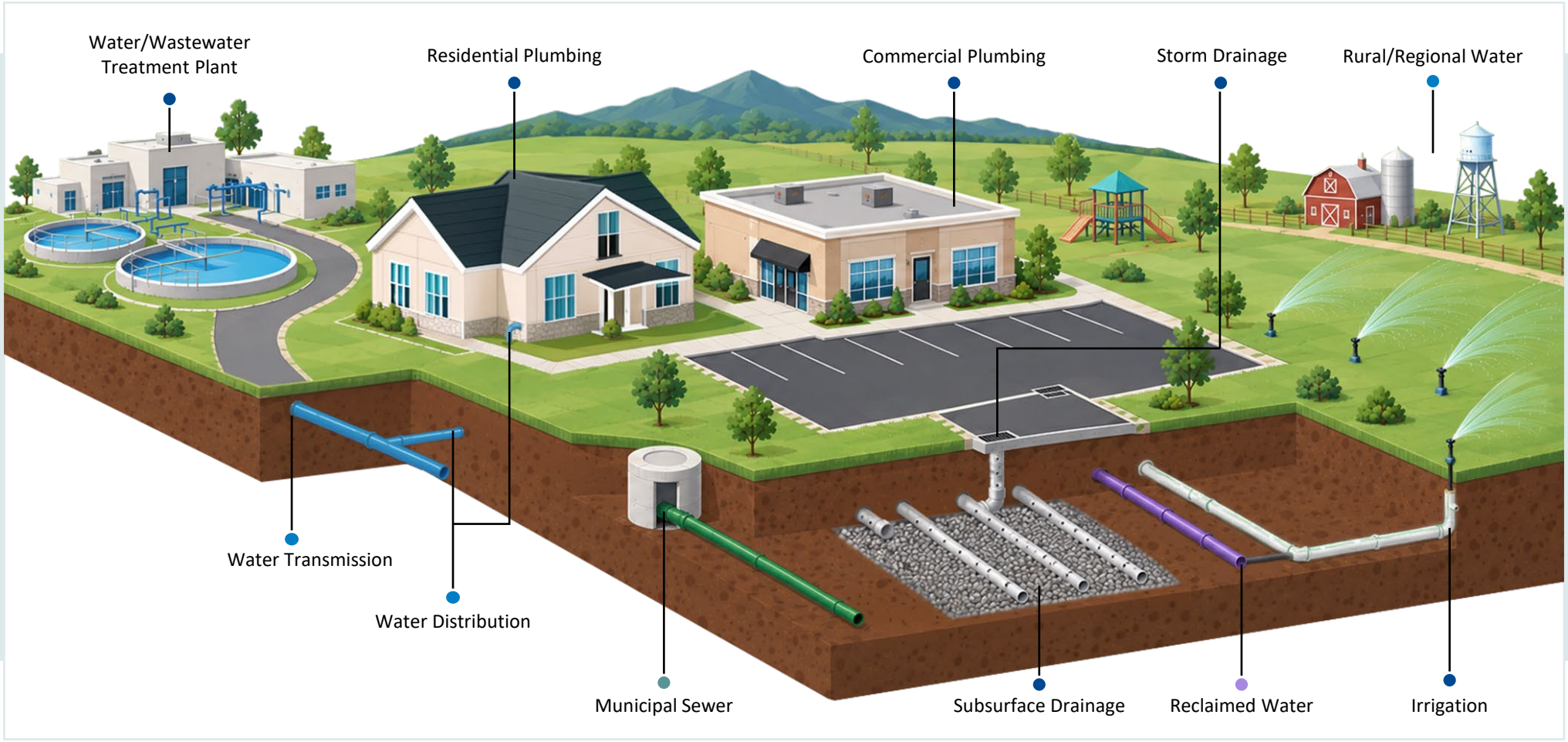
- Located in Phoenix, Arizona
- Founded in 1983
- Acquired in 2000
- ~ 100 employees with an average tenure of 10 years

PVC Pipe Value Chain



Product Offerings

Critical water infrastructure supports our everyday lives



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Why We Win

Talent and commercial excellence underscored by commitment to customers

Responsive & Reliable
committed to meeting our customers needs on time, every time

Talent Excellence
tenured team with deep operational knowledge

Agile Operations
flexible production to quickly adapt and meet customer needs

Organic Growth Opportunities
pipeline of growth opportunities within existing facilities

Breadth of Products
one-stop-shop for customers as it relates to PVC pipe needs

Strategic Footprint
Large sales territory with high growth markets

Strong Position in a Growing Segment

North American Rigid PVC Pipe Market
Infrastructure Segment



Infrastructure Segment (Municipal Pipe)

Key Drivers of Long-Term Growth

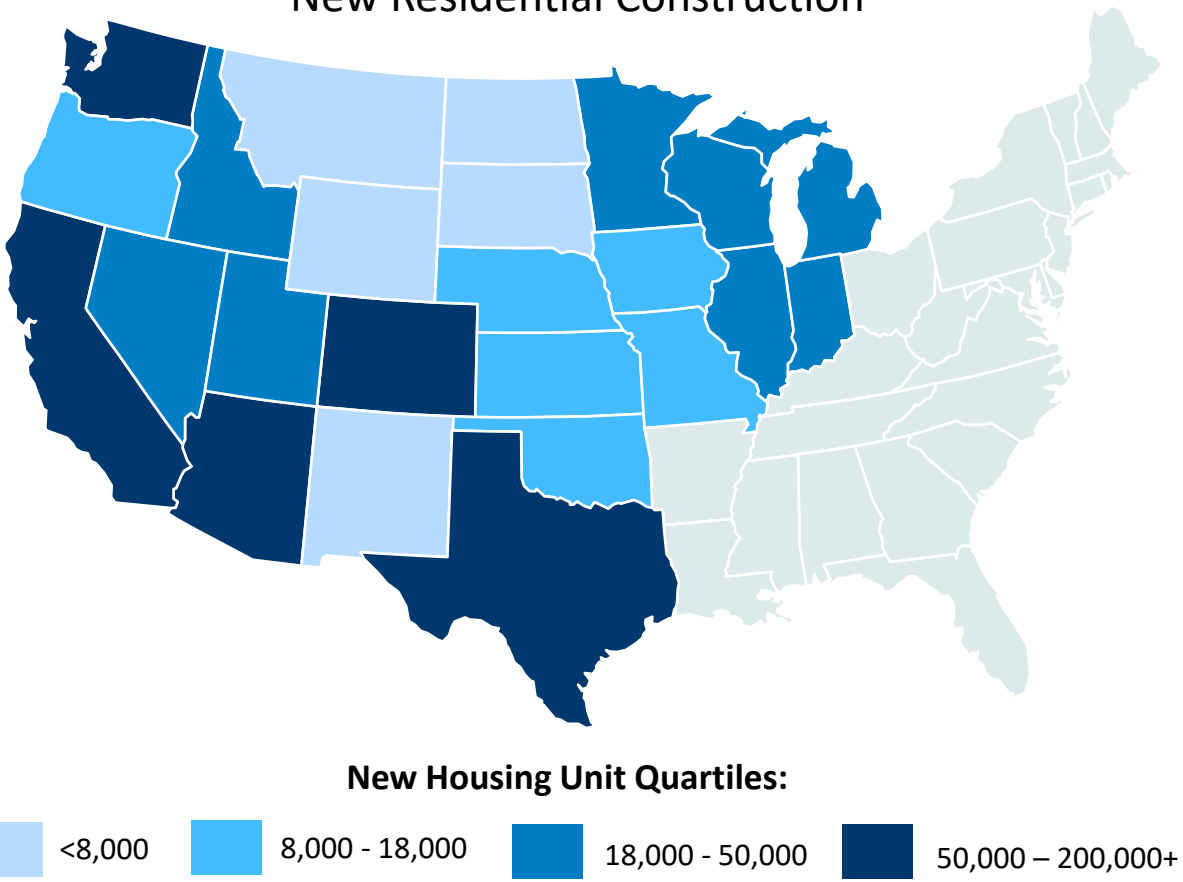
- Aging infrastructure with **~ $421B** investment needed over next 20 years[2]
- U.S. housing market remains **underbuilt by ~ 4M homes**[3]
- **Data center growth** spurring incremental water infrastructure investment

[1] Based on current management estimations. Represents our approximate market share for the infrastructure segment within the North American Rigid PVC Pipe market
[2] Environmental Protection Agency
[3] Realtor.com

Large Sales Territory Includes High Growth Markets

2025 Annual Building Permits[1]

New Residential Construction



Primary End Market:

Municipal (~ 90% of total sales)

- Long-term demand drivers:
  - housing and lot development
  - replacement of aging infrastructure
- Estimate 50/50 split between new and replacement municipal pipe sales

[1] U.S. Census Bureau, 2025 Annual Building Permits, New Residential Construction. Map only shows states within our service territory in blue

Disciplined Organic Growth Strategy

Capital light projects delivering value

Strategy Overview

- Pursuing targeted, incremental capacity growth and efficiency improvements within existing facilities
- Focusing on expanding offerings in areas with increasing demand and opportunity, such as large diameter pipe
- Capital light growth opportunities to preserve ability to fund utility rate base growth

Case Study: Phase 2 of Vinyltech Corporation Expansion

- Follow-on to Phase 1 of the Vinyltech expansion project; added an incremental production line
- Increased Plastics segment nameplate capacity by ~ 25M pounds with a limited capital investment
- Line provided increased flexibility and reliability to the facility



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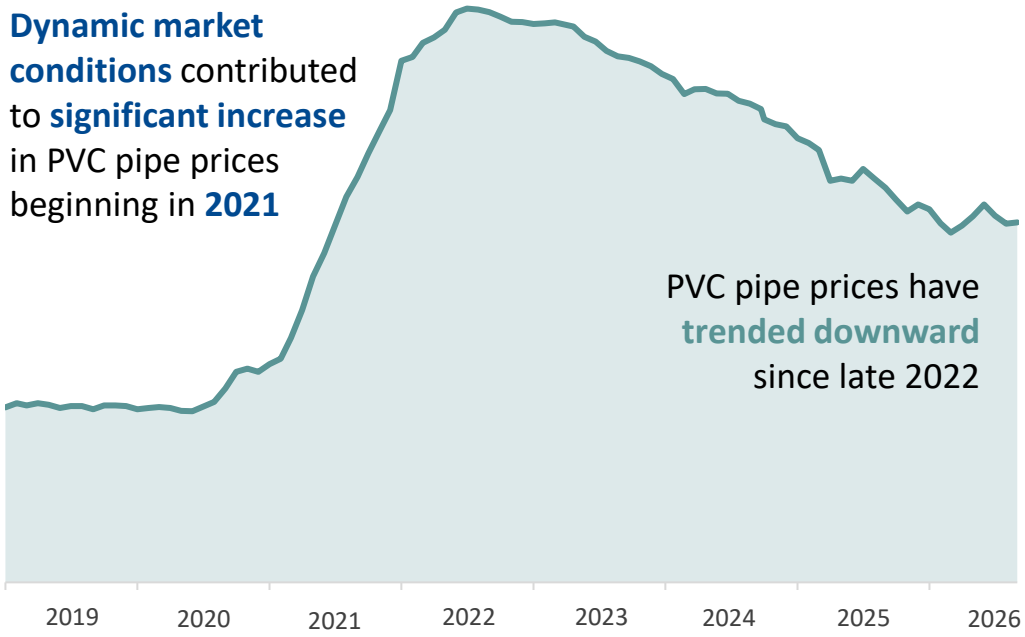
Historical and Estimated Long-Term Plastics Earnings Profile

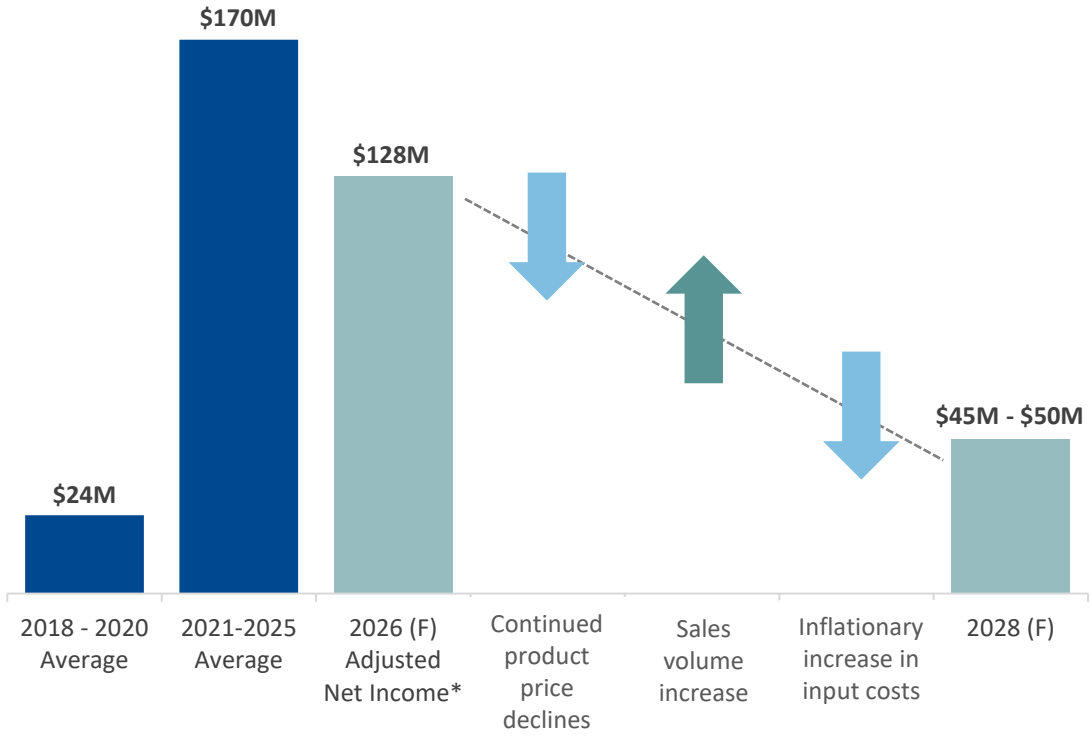
Historical Average Sales Price of PVC Pipe[1]

Dynamic market conditions contributed to **significant increase** in PVC pipe prices beginning in **2021**

PVC pipe prices have **trended downward** since late 2022



Sales Price Decline Drives Earnings Normalization



[1] Internal average sales prices

* Adjusted to remove the after-tax impact of the legal settlement expense recognized during Q2 2026. See the non-GAAP reconciliation included in the Appendix

Financial Synergies

Diversified model provides long-term value

Manufacturing Platform

Capital light businesses

Earnings to FCF ratio of **1:1**, and produces FCF across economic cycles

Expect to **fund ~ 25%** of current utility rate base growth plan

Outstanding **debt will be retired and not replaced** by the end of 2026

Electric Platform

Robust **rate base growth** plan

Current plan totals **$1.9B**

5-year **CAGR of 10%**

Customer & Shareholder Benefits

Supports strong **affordability** positioning **through efficient financing** and **tax credit monetization**

Minimizes shareholder dilution



Appendix

Non-GAAP Reconciliations

Adjusted Forecasted Earnings

The following table presents a reconciliation of the midpoint of our revised 2026 earnings guidance and the midpoint of our 2026 adjusted earnings guidance for the Plastics segment

$ in millions		
Plastics Segment		
Midpoint of 2026 Earnings Guidance	**$**	**51**
After-Tax Impact of Legal Settlement Expense		77
Midpoint of Adjusted 2026 Earnings Guidance	**$**	**128**

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