

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): February 2, 2023**

**CLEARFIELD, INC.**

(Exact name of registrant as specified in its charter)

**Minnesota**  
(State or Other Jurisdiction of Incorporation)

**000-16106**  
(Commission File Number)

**41-1347235**  
(I.R.S. Employer Identification No.)

**7050 Winnetka Avenue North, Suite 100**  
**Brooklyn Park, Minnesota 55428**  
(Address of Principal Executive Offices) (Zip Code)

**(763) 476-6866**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	CLFD	The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Items under Sections 1, 3, 4, and 6 through 8 are not applicable and therefore omitted.

**Item 2.02. Results of Operations and Financial Condition.**

On February 2, 2023, Clearfield, Inc. (the “Company”) issued a press release announcing the results of its first quarter of fiscal 2023 ended December 31, 2022. A copy of that press release is furnished hereto as Exhibit 99.1 and is hereby incorporated by reference. Also furnished hereto as Exhibit 99.2 is the slide presentation that is part of the Company’s “FieldReport” to be used by Cheryl Beranek, the Company’s President and Chief Executive Officer, and Daniel Herzog, the Company’s Chief Financial Officer, during the live webcast and telephone conference relating to the first quarter ended December 31, 2022 results.

**Item 9.01. Financial Statements and Exhibits.**

The following exhibits are being furnished herewith:

[99.1](#) [Press release of Clearfield, Inc. dated February 2, 2023](#)

[99.1](#) [Presentation of Clearfield, Inc. for February 2, 2023 Live Webcast and Telephone Conference](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CLEARFIELD, INC.**

Date: February 2, 2023

By: /s/ Cheryl Beranek  
Cheryl Beranek  
Chief Executive Officer

## Clearfield Reports Fiscal First Quarter 2023 Results

- Revenue for the First Quarter of Fiscal 2023 Grew 68% Year-over-Year to \$86 Million.
- Net Income for the First Quarter of Fiscal 2023 Totaled \$14.3 Million, or \$1.00 per Diluted Share, an Improvement of 37% from \$10.4 Million, or \$0.75 per Diluted Share, in the First Quarter of Fiscal 2022.
- Ongoing Lead Time Improvements Strengthen the Company's Position to Serve Robust Long-term Customer Demand.
- Company Reaffirms Fiscal 2023 Net Sales Guidance Range of \$380 to \$393 Million, Representing 40% to 45% Growth Over Record Fiscal Year 2022.
- Company Introduces Fiscal 2023 Net Income Guidance Range of \$4.30 to \$4.50 a Share.

MINNEAPOLIS, Feb. 02, 2023 (GLOBE NEWSWIRE) -- **Clearfield, Inc. (NASDAQ: CLFD)**, a leader in fiber connectivity, reported results for the fiscal first quarter of 2023.

### Fiscal Q1 2023 Financial Summary

(in millions except per share data and percentages)

	Q1 2023	vs. Q1 2022	Change	Change (%)
<b>Net Sales</b>	\$ 85.9	\$ 51.1	\$ 34.8	68%
<b>Gross Profit (\$)</b>	\$ 30.6	\$ 23.0	\$ 7.7	33%
<b>Gross Profit (%)</b>	35.7%	44.9%	-9.3%	-21%
<b>Income from Operations</b>	\$ 17.9	\$ 13.0	\$ 4.8	37%
<b>Income Tax Expense</b>	\$ 3.7	\$ 2.8	\$ 0.9	33%
<b>Net Income</b>	\$ 14.3	\$ 10.4	\$ 3.9	37%
<b>Net Income per Diluted Share</b>	\$ 1.00	\$ 0.75	\$ 0.25	33%

### Management Commentary

“Our strong financial performance in the fiscal first quarter of 2023 reflects our continued execution on our strategic growth plan, as well as the ongoing demand tailwinds for high-speed broadband,” said Company President and CEO Cheri Beranek. “Our net sales increased 68% year-over-year to \$86 million, with year-over-year revenue growth across each of our core end markets. As we make further progress on each tenet of our LEAP strategic plan, we aim to strengthen our existing competitive advantages and build the necessary scale to address the long-term demand runway for fiber-fed broadband deployments. Based upon consideration of the expected investments and impact of our progress on our LEAP strategic plan, as well as our ability to manage countervailing headwinds that could develop in customer ordering patterns and component sourcing, we are reiterating our previously stated revenue guidance for fiscal year 2023. In addition, we are introducing fiscal year 2023 net income guidance of \$4.30 to \$4.50 a share.

“As high-speed broadband access becomes essential for all communities, we have worked to expand our market leadership in underserved rural broadband. In addition to leveraging our craft-friendly products and facilitating efficient, cost-effective customer deployments, we have focused on improving our product delivery lead times, which was a key area of industry leadership for us before the onset of the COVID-19 pandemic. Where pandemic-fueled supply constraints held some product lead times to a range of 10 to 12 months, Clearfield is now targeting lead times in the range of eight to ten weeks. We have already reached this range across most product lines with the exception of active cabinets, which have been negatively impacted by the longer lead times associated with power conditioning subcomponents used in their manufacturing process.

“Our work to optimize lead times comes as customer order cycles return to pre-COVID patterns, but at post-COVID volumes. Over the past three years, our backlog grew as customers placed advance orders to ensure supply availability. By contrast, our customers have moved to staging less equipment in their yards and have now begun ordering according to more normalized, seasonally driven deployment schedules. We believe this trend will continue in 2023 as customers re-adjust their order planning to our improved product lead times and try to match their order timing to their deployment schedules.

Consistent with the return to this traditional ordering and delivery pattern, we anticipate approximately 40% of our expected revenue in the first six months of our fiscal year and 60% in the second half. We believe long-term demand remains exceptionally strong. Nearly all of our customers are indicating an increase in the number of homes they are passing and connecting in comparison to the previous year. In addition, the increasing number of service providers we serve is exciting. We believe our lead time progress will remain a more meaningful measure of our operational performance going forward. Accordingly, we will focus on this metric in lieu of reporting on backlog in future quarters.

“The appetite for high-speed broadband communications has never been greater and shows no sign of subsiding in the years ahead. We remain committed to bolstering our existing infrastructure and market leadership position to address near-term demand, as well as prepare for the gradual, longer-term tailwinds from state and federal funding that have yet to be a meaningful part of revenue. As we progress further into fiscal year 2023, we aim to strengthen our momentum and continue to scale to maximize the ease, speed, and cost efficiency of our customers’

fiber deployments.”

### **First Quarter of Fiscal 2023 Financial Results**

Net sales for the first quarter of fiscal 2023 increased 68% to \$86 million from \$51 million in the same year-ago quarter. Clearfield organic revenue grew to \$78 million, representing an increase of 53%, while Nestor Cables generated \$8 million in revenue. The increase in organic net sales was due to higher demand for the Company’s products across its core end markets, particularly in Community Broadband, Multiple System Operator (“MSO” or Cable TV) and National Carrier markets, consistent with the Company’s past quarters of fiscal 2022.

As of December 31, 2022, order backlog (defined as purchase orders received but not yet fulfilled) was \$136 million, a decrease of 17% compared to \$165 million as of September 30, 2022 and an increase of \$35 million or 34% over December 31, 2021. The sequential decrease was due to the Company’s ability to fulfill the customers’ orders more quickly and the return of seasonal ordering patterns by our customers.

Gross profit for the first quarter of fiscal 2023 was \$31 million, or 35.7% of net sales, compared to \$23 million, or 44.9% of net sales in the first quarter of fiscal 2022. Our gross profit was affected by our investments to increase capacity for additional growth in the coming quarters and years. These investments include the increased facility costs associated with the addition of the Company’s new Minnesota and Mexico facilities that came on board late in the second quarter of fiscal 2022, and the continued expansion to outfit these facilities. The Company continues its investment in cable manufacturing at its Mexico facility in conjunction with the Nestor Cables acquisition, which is expected to be operational in our second fiscal quarter. Gross profit was also affected by a full quarter of lower gross profit realized in our Nestor Cables cable manufacturing business. The Company expects to operate at these gross profit percentage levels for several quarters with improving margins as revenue levels increase later this calendar year.

Operating expenses for the first quarter of fiscal 2023 increased 29% to \$13 million, or 15% of net sales, from \$10 million, or 19% of net sales in the same year-ago quarter. The increase in operating expenses reflects the first full quarter of Nestor Cables operating expenses, as well as higher compensation costs, travel and entertainment, stock compensation and professional fees.

Income tax expense for the first quarter of fiscal 2023 increased 33% to \$3.7 million due to higher taxable income, with an effective tax rate of 20.6%, as compared to \$2.8 million, with an effective tax rate of 21.1%.

Net income for the first quarter of fiscal 2023 totaled \$14.3 million, or \$1.00 per diluted share, compared to \$10.4 million, or \$0.75 per diluted share, in the same year-ago quarter. The increase in net income per diluted share was due to the higher net income for the first quarter of fiscal 2023, partially offset by the higher number of diluted shares for the first quarter of fiscal 2023 of 14,284,847 as compared to 13,897,787 for the first quarter of fiscal 2022.

### **Conference Call**

Clearfield management will hold a conference call today, February 2, 2023, at 5:00 p.m. Eastern Time (4:00 p.m. Central Time) to discuss these results and provide an update on business conditions.

Clearfield’s President and CEO Cheri Beranek and CFO Dan Herzog will host the presentation, followed by a question-and-answer period.

U.S. dial-in: 1-877-407-0792

International dial-in: 1-201-689-8263

Conference ID: 13735394

The conference call will be webcast live and available for replay [here](#).

Please call the conference telephone number 10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Group at 1-949-574-3860.

A replay of the call will be available after 8:00 p.m. Eastern time on the same day through February 16, 2023.

U.S. replay dial-in: 1-844-512-2921

International replay dial-in: 1-412-317-6671

Replay ID: 13735394

### **About Clearfield, Inc.**

Clearfield, Inc. (NASDAQ: CLFD) designs, manufactures, and distributes fiber optic management, protection, and delivery products for communications networks. Our “fiber to anywhere” platform serves the unique requirements of leading incumbent local exchange carriers (traditional carriers), competitive local exchange carriers (alternative carriers), and MSO/cable TV companies, while also catering to the broadband needs of the utility/municipality, enterprise, data center, and military markets. Headquartered in Minneapolis, MN, Clearfield deploys more than a million fiber ports each year. For more information, visit [www.SeeClearfield.com](http://www.SeeClearfield.com).

### **Cautionary Statement Regarding Forward-Looking Information**

*Forward-looking statements contained herein and in any related presentation or in the related FieldReport are made pursuant to the safe harbor provisions of the Private Litigation Reform Act of 1995. Words such as “may,” “will,” “expect,” “believe,” “anticipate,” “estimate,” “outlook,” or “continue” or comparable terminology are intended to identify forward-looking statements. Such forward looking statements include, for example, statements about the Company’s future revenue and operating performance, anticipated shipping on backlog and future lead times, future availability of components and materials from the Company’s supply chain, future availability of labor impacting our customers’ network builds, the impact of the Rural Digital Opportunity Fund (RDOF) or other government programs on the demand for the Company’s products or timing of customer orders, the Company’s ability to add capacity to meet expected future demand, and trends in and*

growth of the FTTx markets, market segments or customer purchases and other statements that are not historical facts. These statements are based upon the Company's current expectations and judgments about future developments in the Company's business. Certain important factors could have a material impact on the Company's performance, including, without limitation: adverse global economic conditions and geopolitical issues could have a negative effect on our business, and results of operations and financial condition; our planned growth may strain our business infrastructure, which could adversely affect our operations and financial condition; the acquisition of Nestor Cables and integration activities could adversely affect our operating results; the COVID-19 pandemic has significantly impacted worldwide economic conditions and could have a material adverse effect on our business, financial condition and operating results; we rely on single-source suppliers, which could cause delays, increase costs or prevent us from completing customer orders; fluctuations in product and labor costs which may not be able to be passed on to customers that could decrease margins; we depend on the availability of sufficient supply of certain materials, such as fiber optic cable and resins for plastics, and global disruptions in the supply chain for these materials could prevent us from meeting customer demand for our products; we rely on our manufacturing operations to produce product to ship to customers and manufacturing constraints and disruptions could result in decreased future revenue; a significant percentage of our sales in the last three fiscal years have been made to a small number of customers; further consolidation among our customers may result in the loss of some customers and may reduce sales during the pendency of business combinations and related integration activities; we may be subject to risks associated with acquisitions; product defects or the failure of our products to meet specifications could cause us to lose customers and sales or to incur unexpected expenses; we are dependent on key personnel; cyber-security incidents on our information technology systems, including ransomware, data breaches or computer viruses, could disrupt our business operations, damage our reputation, and potentially lead to litigation; our business is dependent on interdependent management information systems; to compete effectively, we must continually improve existing products and introduce new products that achieve market acceptance; changes in government funding programs may cause our customers and prospective customers to delay, reduce, or accelerate purchases, leading to unpredictable and irregular purchase cycles; intense competition in our industry may result in price reductions, lower gross profits and loss of market share; our success depends upon adequate protection of our patent and intellectual property rights; if the telecommunications market does not expand as we expect, our business may not grow as fast as we expect; we face risks associated with expanding our sales outside of the United States; and other factors set forth in Part I, Item 1A. Risk Factors of Clearfield's Annual Report on Form 10-K for the year ended September 30, 2022 as well as other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update these statements to reflect actual events unless required by law.

**Investor Relations Contact:**  
**Matt Glover and Jackie Keshner**  
Gateway Group, Inc.  
1-949-574-3860  
[CLFD@gatewayir.com](mailto:CLFD@gatewayir.com)

**CLEARFIELD, INC.**  
**CONSOLIDATED STATEMENTS OF EARNINGS**  
**(UNAUDITED)**  
**(IN THOUSANDS, EXCEPT SHARE DATA)**

	Three Months Ended	
	December 31,	
	2022	2021
Net sales	\$ 85,942	\$ 51,109
Cost of sales	55,293	28,137
Gross profit	30,649	22,972
Operating expenses		
Selling, general and administrative	12,759	9,923
Income from operations	17,890	13,049
Net investment income	303	120
Interest expense	(243)	-
Income before income taxes	17,950	13,169
Income tax expense	3,695	2,780
Net income	<u>\$ 14,255</u>	<u>\$ 10,389</u>
Net income per share:		
Basic	<u>\$ 1.01</u>	<u>\$ 0.76</u>
Diluted	<u>\$ 1.00</u>	<u>\$ 0.75</u>

Weighted average shares outstanding:

Basic	14,165,550	13,743,503
Diluted	14,284,847	13,897,787

**CLEARFIELD, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**(IN THOUSANDS)**

	(Unaudited) December 31, 2022	September 30, 2022
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 30,313	\$ 16,650
Short-term investments	117,538	5,802
Accounts receivable, net	55,139	53,704
Inventories, net	89,705	82,208
Other current assets	1,450	1,758
Total current assets	<u>294,145</u>	<u>160,122</u>
<b>Property, plant and equipment, net</b>	19,730	18,229
<b>Other Assets</b>		
Long-term investments	10,293	22,747
Goodwill	6,545	6,402
Intangible assets, net	6,488	6,376
Right of use lease assets	12,638	13,256
Deferred tax asset	1,090	1,414
Other	867	582
Total other assets	<u>37,921</u>	<u>50,777</u>
Total Assets	<u>\$ 351,797</u>	<u>\$ 229,128</u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Current portion of lease liability	\$ 3,475	\$ 3,385
Accounts payable	18,366	24,118
Accrued compensation	6,867	13,619
Accrued expenses	12,436	6,181
Factoring liability	4,178	4,391
Total current liabilities	<u>45,322</u>	<u>51,694</u>
<b>Other Liabilities</b>		
Long-term debt	2,132	18,666
Long-term portion of lease liability	9,706	10,412
Deferred tax liability	756	774
Total Liabilities	<u>57,914</u>	<u>81,546</u>
<b>Shareholders' Equity</b>		
Common stock	152	138
Additional paid-in capital	185,404	54,539
Accumulated other comprehensive loss	(733)	(1,898)
Retained earnings	109,058	94,803
Total Shareholders' Equity	<u>293,881</u>	<u>147,582</u>
Total Liabilities and Shareholders' Equity	<u>\$ 351,797</u>	<u>\$ 229,128</u>

**CLEARFIELD, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(UNAUDITED)**  
**(IN THOUSANDS)**

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021
Cash flows from operating activities		
Net income	\$ 14,255	\$ 10,389
Adjustments to reconcile net income to cash provided by (used in) operating activities:		
Depreciation and amortization	1,353	639
Amortization of discount on investments	(218)	(11)
Deferred income taxes	(80)	-
Stock-based compensation expense	660	440
Changes in operating assets and liabilities		
Accounts receivable	(549)	3,108
Inventories, net	(6,505)	(16,049)
Other assets	(176)	(300)
Accounts payable and accrued expenses	(7,637)	1,750
Net cash provided by (used in) operating activities	<u>1,103</u>	<u>(34)</u>
Cash flows from investing activities:		
Purchases of property, plant and equipment and intangible assets	(2,213)	(2,051)
Purchase of investments	(98,881)	(248)
Proceeds from sales and maturities of investments	-	1,980
Net cash used in investing activities	<u>(101,094)</u>	<u>(319)</u>
Cash flows from financing activities:		
Repayment of long-term debt	(16,700)	-
Proceeds from issuance of common stock under employee stock purchase plan	299	249
Repurchase of shares for payment of withholding taxes for stock grants	(954)	(274)
Tax withholding and proceeds related to exercise of stock options	(342)	(156)
Issuance of stock under equity compensation plans	954	-
Net proceeds from issuance of common stock	130,262	-
Net cash provided by (used in) financing activities	<u>113,519</u>	<u>(181)</u>
Effect of exchange rates on cash	135	-
Increase (Decrease) in cash and cash equivalents	13,663	(534)
Cash and cash equivalents, beginning of period	16,650	13,216
Cash and cash equivalents, end of period	<u>\$ 30,313</u>	<u>\$ 12,682</u>
Supplemental disclosures for cash flow information		
Cash paid during the year for income taxes	\$ -	\$ -
Cash paid for interest	<u>\$ 205</u>	<u>\$ -</u>
Non-cash financing activities		
Cashless exercise of stock options	<u>\$ 431</u>	<u>\$ 93</u>

# Clearfield FieldReport: Fiscal Q1 2023 Earnings Call

February 2, 2023



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## Important Cautions Regarding Forward- Looking Statements

Forward-looking statements contained herein and in any related presentation or in the related Earnings Release are made pursuant to the safe harbor provisions of the Private Litigation Reform Act of 1995. Words such as "may," "will," "expect," "believe," "anticipate," "estimate," "outlook," or "continue" or comparable terminology are intended to identify forward-looking statements. Such forward looking statements include, for example, statements about the Company's future revenue and operating performance, anticipated shipping on backlog and future lead times, future availability of components and materials from the Company's supply chain, future availability of labor impacting our customers' network builds, the impact of the Rural Digital Opportunity Fund (RDOF) or other government programs on the demand for the Company's products or timing of customer orders, the Company's ability to add capacity to meet expected future demand, and trends in and growth of the FTTx markets, market segments or customer purchases and other statements that are not historical facts. These statements are based upon the Company's current expectations and judgments about future developments in the Company's business. Certain important factors could have a material impact on the Company's performance, including, without limitation: adverse global economic conditions and geopolitical issues could have a negative effect on our business, and results of operations and financial condition; our planned growth may strain our business infrastructure, which could adversely affect our operations and financial condition; the acquisition of Nestor Cables and integration activities could adversely affect our operating results; the COVID-19 pandemic has significantly impacted worldwide economic conditions and could have a material adverse effect on our business, financial condition and operating results; we rely on single-source suppliers, which could cause delays, increases in costs or prevent us from completing customer orders; fluctuations in product and labor costs which may not be able to be passed on to customers that could decrease margins; we depend on the availability of sufficient supply of certain materials, such as fiber optic cable and resins for plastics, and global disruptions in the supply chain for these materials could prevent us from meeting customer demand for our products; we rely on our manufacturing operations to produce product to ship to customers and manufacturing constraints and disruptions could result in decreased future revenue; a significant percentage of our sales in the last three fiscal years have been made to a small number of customers; further consolidation among our customers may result in the loss of some customers and may reduce sales during the pendency of business combinations and related integration activities; we may be subject to risks associated with acquisitions; product defects or the failure of our products to meet specifications could cause us to lose customers and sales or to incur unexpected expenses; we are dependent on key personnel; cyber-security incidents on our information technology systems, including ransomware, data breaches or computer viruses, could disrupt our business operations, damage our reputation, and potentially lead to litigation; our business is dependent on interdependent management information systems; to compete effectively, we must continually improve existing products and introduce new products that achieve market acceptance; changes in government funding programs may cause our customers and prospective customers to delay, reduce, or accelerate purchases, leading to unpredictable and irregular purchase cycles; intense competition in our industry may result in price reductions, lower gross profits and loss of market share; our success depends upon adequate protection of our patent and intellectual property rights; if the telecommunications market does not expand as we expect, our business may not grow as fast as we expect; we face risks associated with expanding our sales outside of the United States; and other factors set forth in Part I, Item 1A, Risk Factors of Clearfield's Annual Report on Form 10-K for the year ended September 30, 2022 as well as other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update these statements to reflect actual events unless required by law.

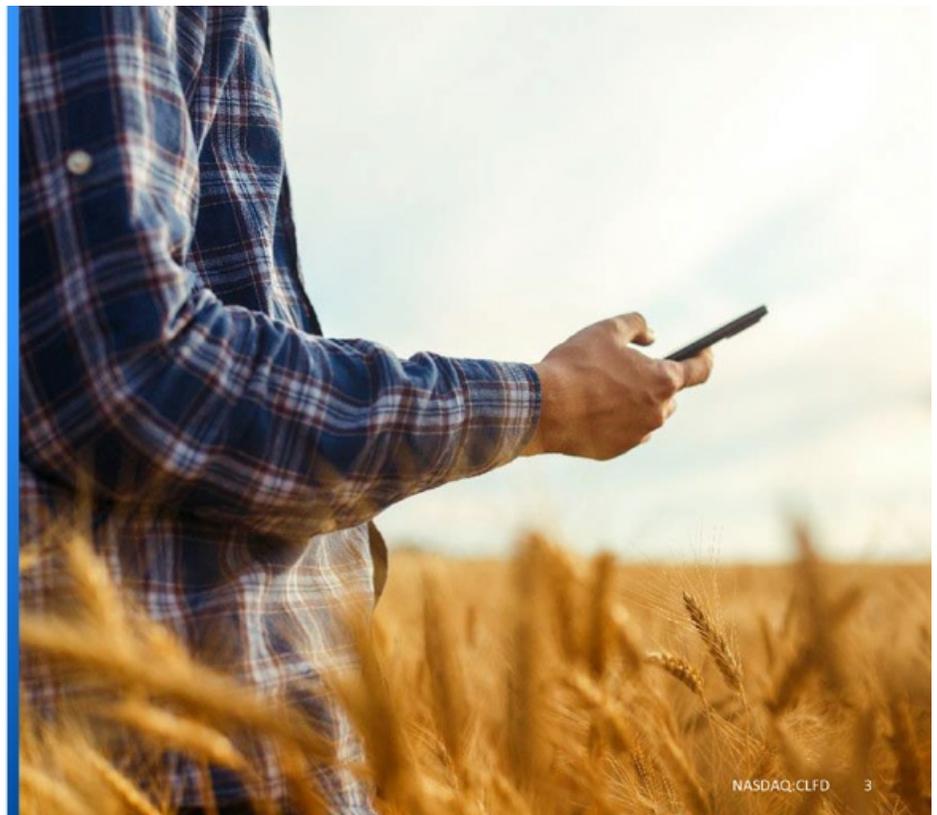


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NASDAQ:CLFD 2



## Introduction & Highlights



NASDAQ:CLFD 3

### OUR MISSION:

*Enabling the lifestyle  
better broadband  
provides*



### WHAT WE DO:

*Clearfield provides fiber  
protection, fiber  
management and fiber  
delivery solutions that  
enable rapid and cost-  
effective fiber-fed  
deployment throughout  
the broadband service  
provider space*



NASDAQ:CLFD 4

# Why We Win

- ✓ Singularity Focused on Serving the Fiber Market
- ✓ Attractive Total Cost of Ownership through Reduced Installation Cost and Maintenance Time
- ✓ Our Testing Shows FastPass™ Approach Cuts Install Time Required for Homes Passed by 50%
- ✓ Ease, Speed, and Cost of Deployment
- ✓ Delivery of a Comprehensive Solution
- ✓ Commitment to Quality and Customers
- ✓ Recent Acquisition of Nestor Cables Highlights Investment to Integrate and Optimize Solutions and Mitigate Supply Chain Risk



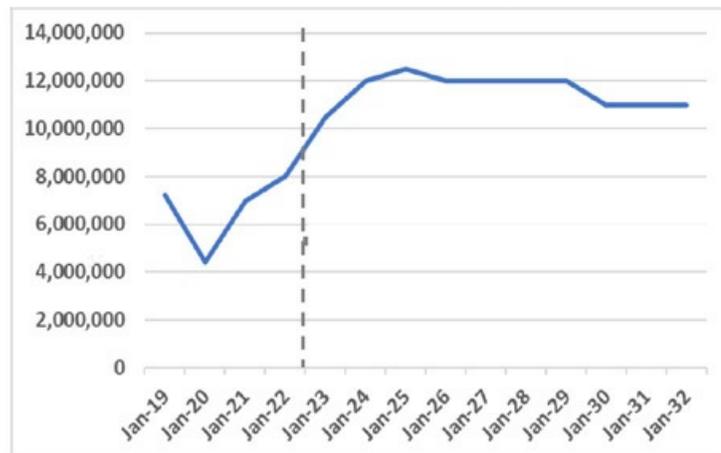
Providing Optimized Price Performance and Deep Technical Expertise



NASDAQ:CLFD 5

**Fiber deployment is projected to be strong for the next decade**

## 11.3M Ten Year Annual Average Run Rate



Assumes 12.3M New Housing Units

Homes with Fiber Availability: 92%

Homes with 2+ Fiber Availability: 34%



Source: Fiber Broadband Association / RVA, December 2022



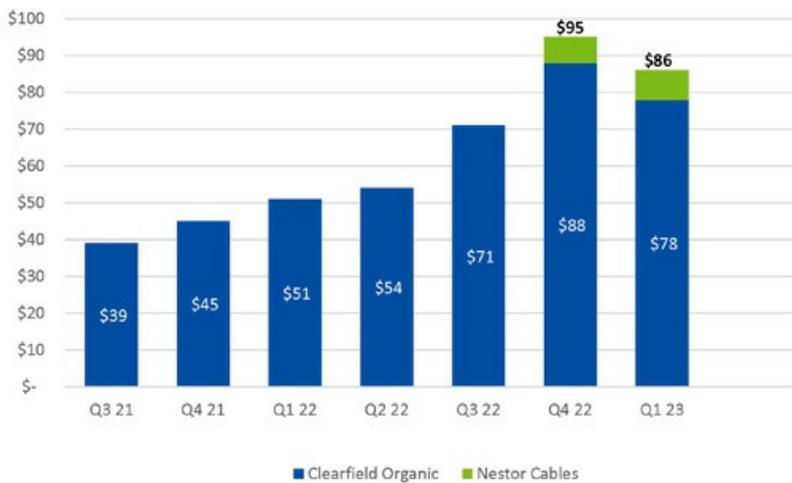
# Financial Performance



NASDAQ:CLFD 7

## FINANCIAL PERFORMANCE

### Quarterly Revenue



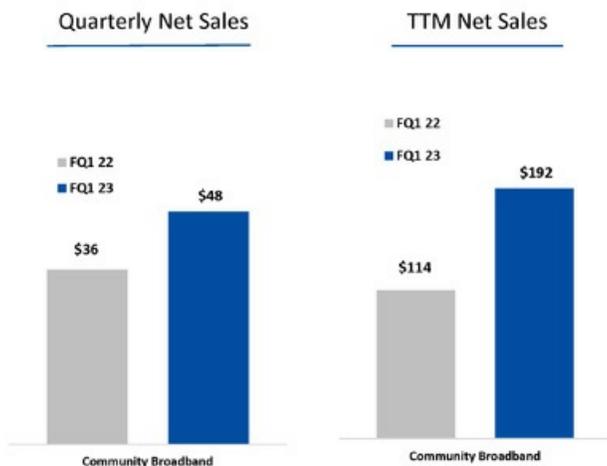
**68%\***  
Q1 2023 Growth Rate

**\$86M\***  
Q1 2023 Revenue

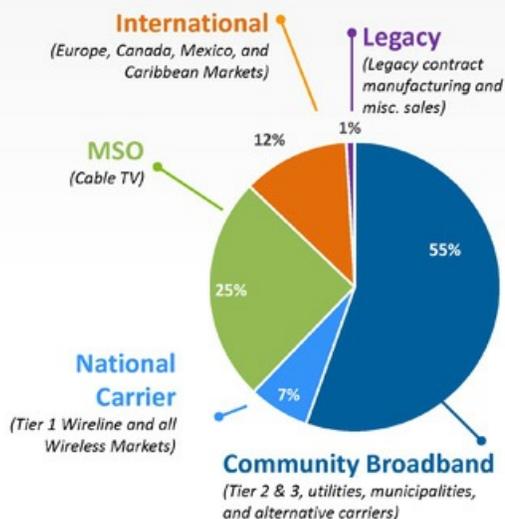


\*Includes \$8 million contribution from subsidiary Nestor Cables, which was acquired on July 26, 2022

## Q1 FY23 Net Sales Comparison by Market

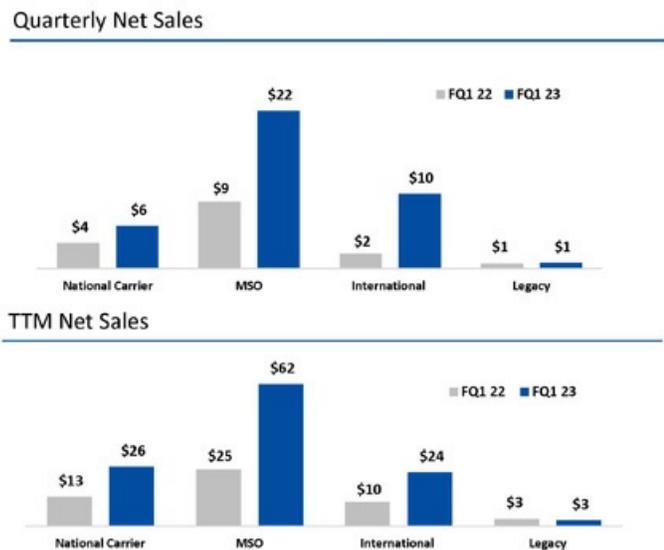


## Q1 FY23 Net Sales Composition Ended 12/31/22<sup>1</sup>

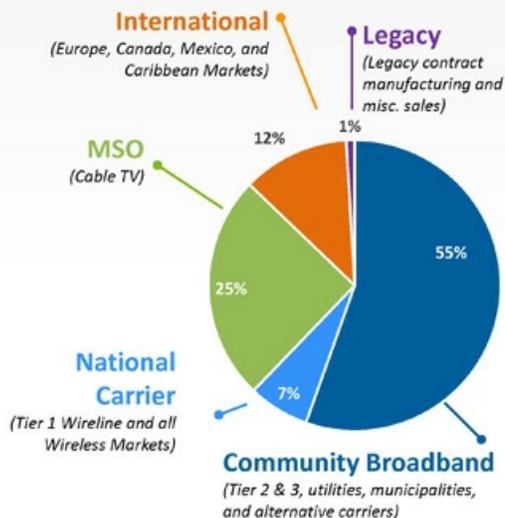


All dollar figures in millions  
<sup>1</sup> Based on net sales of \$86 million for Clearfield (including a \$8M contribution from Nestor Cables within our international market) and Point of Sales (POS) reporting from distributors who resell our product line into these markets.

## Q1 FY23 Net Sales Comparison by Market



## Q1 FY23 Net Sales Composition Ended 12/31/22<sup>1</sup>



All dollar figures in millions  
<sup>1</sup> Based on net sales of \$86 million for Clearfield (including a \$8M contribution from Nestor Cables within our international market) and Point of Sales (POS) reporting from distributors who resell our product line into these markets.

FINANCIAL PERFORMANCE

# Quarterly Gross Profit



**33%**  
Gross Profit Increase YOY



\*Q1 23 gross profit includes contribution from subsidiary Nestor Cables, which was acquired on July 26, 2022

FINANCIAL PERFORMANCE

# Quarterly Operating Expenses



**5%**  
YOY Decrease in Operating Expense as a percent of Net Sales



FINANCIAL PERFORMANCE

# Quarterly Net Income

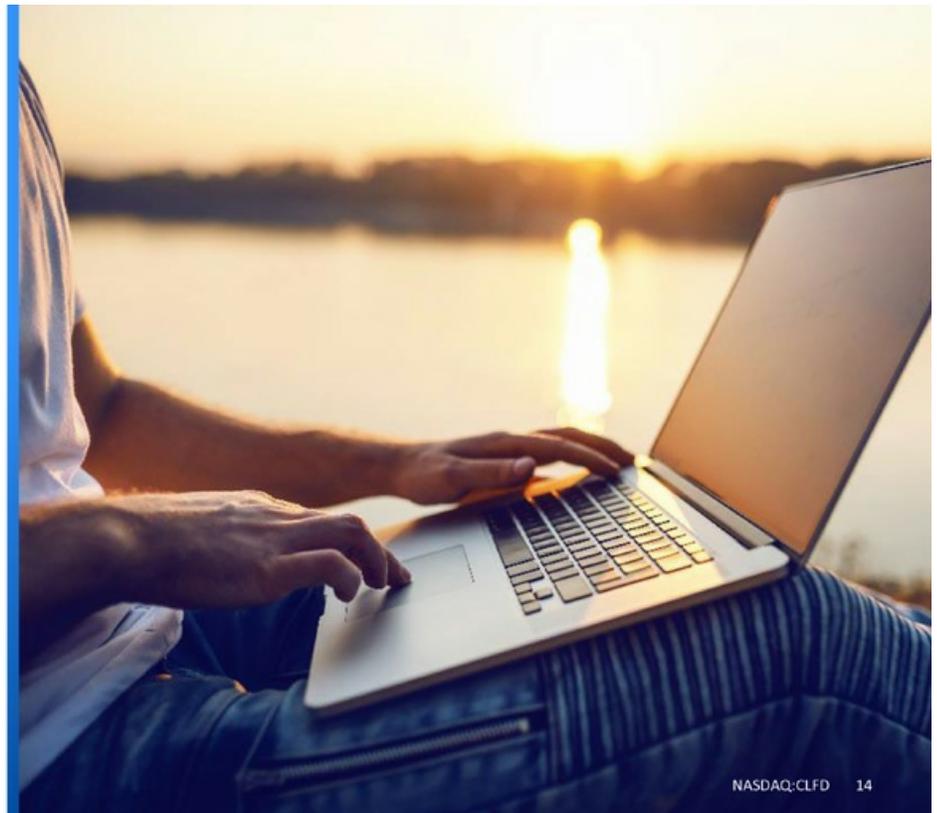


\*Q4 2022 and Q1 2023 net income include contribution from subsidiary Nestor Cables, which was acquired on July 26, 2022

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## Business Update & Outlook



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**Leverage** our decade-long excellence in Community Broadband  
**Execute** capacity growth in advance of market opportunity  
**Accelerate** infrastructure investment  
**Position** innovation at the forefront of our value proposition



**Leverage** our decade-long  
excellence in Community  
Broadband

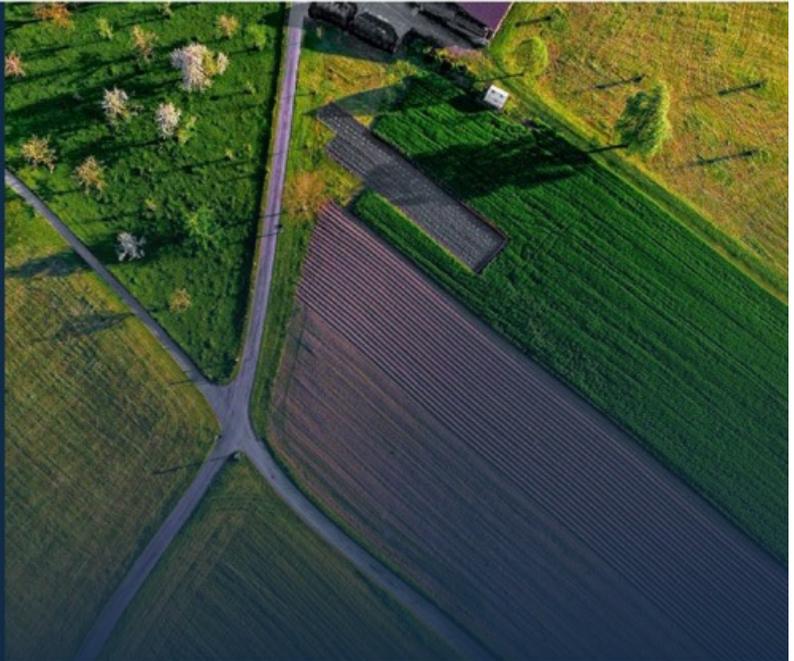




Execute capacity growth  
in advance of market  
opportunity

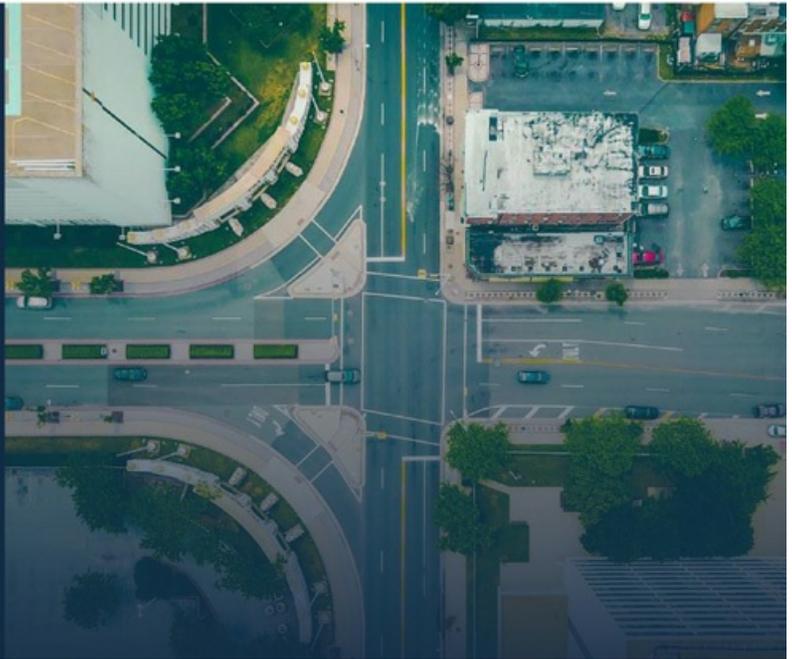


Accelerate  
infrastructure  
investment





Position innovation at the forefront of our value proposition



## Financial Outlook

Annual Net Sales  
(\$ in millions)



# Q&A



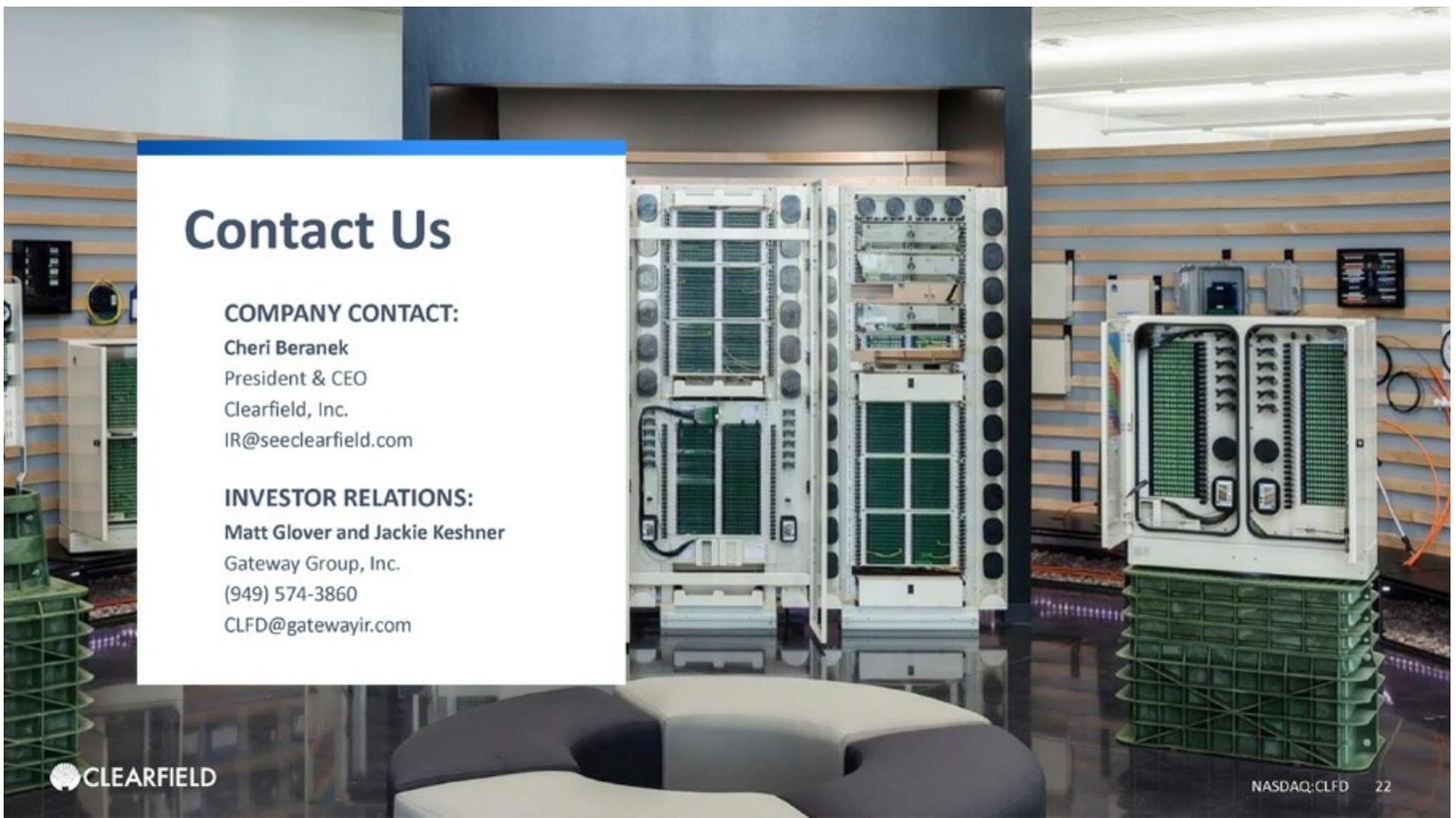
**Cheri Beranek**  
PRESIDENT & CEO



**Dan Herzog**  
CHIEF FINANCIAL OFFICER



**Kevin Morgan**  
CHIEF MARKETING OFFICER



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