



# Q4 2024 Earnings Presentation

FEBRUARY 25, 2025

# Safe Harbor Statement



Certain statements contained in this presentation that are not historical facts, including any statements as to future market conditions, results of operations, product introductions, and financial projections, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to safe harbor created thereby. These forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future express or implied results. Although SPX Technologies believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are based on the company's existing operations and complement of businesses, which are subject to change.

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This presentation includes non-GAAP financial measures. Reconciliations of historical non-GAAP financial measures with the most comparable measures calculated and presented in accordance with GAAP are available in the appendix to this presentation. Non-GAAP guidance measures are calculated in a manner consistent with the non-GAAP historical financial measures included in this presentation. The Company believes these non-GAAP financial measures, when read in conjunction with the comparable GAAP financial measures, give investors a useful tool to assess and understand the Company's overall financial performance, because they exclude items of income or expense that the Company believes are not reflective of its ongoing operating performance, allowing for a better period-to-period comparison of operations of the Company.

# Introductory Comments

Gene Lowe, President & Chief Executive Officer

# Executive Summary

- **Strong Close to 2024**
  - » 36% Adjusted EBITDA<sup>1</sup> growth
  - » 108% Adjusted FCF<sup>1</sup> conversion
- **KTS further scales attractive CommTech platform**
  - » Strong technology positioning
  - » Significant growth opportunities
- **Introducing 2025 Guidance**
  - » Double-digit y/y growth in Adjusted EBITDA<sup>1</sup> and Adjusted EPS<sup>1</sup>
- **Active, attractive acquisition pipeline**

<sup>1</sup> Adjusted results are non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix to this presentation. Non-GAAP guidance measures are calculated on the same basis as respective historical measures included in this presentation.

## Continued Strong Execution on Value Creation Roadmap

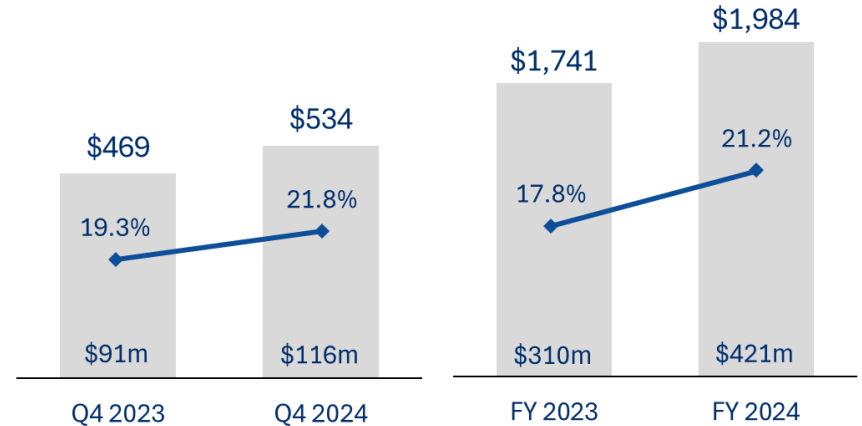
# Q4 2024 Results Summary

(\$ in millions)

- **Revenue growth** of 13.7%
  - » Growth in both segments
  - » Strong performance in HVAC Cooling
- **Adjusted EBITDA<sup>1</sup> growth** of 28.1%
  - » 250 bps of margin<sup>1</sup> expansion with increases in both segments

## Fourth Quarter & FY

■ Revenue  
◆ Adjusted EBITDA / Margin<sup>1</sup>



<sup>1</sup> Adjusted results are non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation.

## Strong Year-on-Year Growth with Solid Margin Expansion

# Value Creation Framework



<sup>1</sup> Adjusted results are non-GAAP measures. Reconciliations of non-GAAP future measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix to this presentation. Such future measures are calculated on the same basis as the respective historical measures included in this presentation.

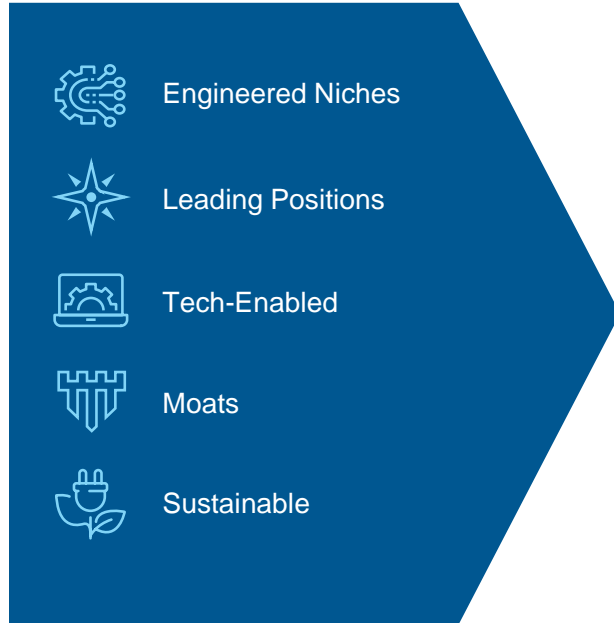
# Building Strategic Platforms – CommTech


KTS scales and accelerates growth in CommTech platform and enhances D&M segment margin



= ~\$200m Broad Provider of Spectrum Monitoring & Commlnt Solutions

# Value Creation Playbook in CommTech



**TCI ECS**  
  
**KTS**

- Enhances / strengthens comms solutions
- Adds highly complementary technologies
- Broadens growth markets
- Expands global customer base
- Extensive NPD potential
- Channel opportunities

**Multiple Opportunities to Accelerate Value Creation**

# Q4 2024 Financial Review

Mark A. Carano, Chief Financial Officer

# Adjusted Earnings Per Share<sup>1</sup>

	<u>Q4 2023</u>	<u>Q4 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>
<b>GAAP EPS from continuing operations</b>	<b>\$0.67</b>	<b>\$1.19</b>	<b>\$3.10</b>	<b>\$4.29</b>
Intangible amortization	\$0.18	\$0.26	\$0.71	\$1.03
Acquisition-related	\$0.02	\$0.05	\$0.21	\$0.21
Non-service pension & other	\$0.38	\$0.01	\$0.29	\$0.05
<b>Adj EPS<sup>1</sup> from continuing operations</b>	<b>\$1.25</b>	<b>\$1.51</b>	<b>\$4.31</b>	<b>\$5.58</b>

<sup>1</sup> Adjusted results are non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation.

## Q4 2024 Adjusted EPS<sup>1</sup> of \$1.51

# Q4 2024 Results

(\$ in millions)

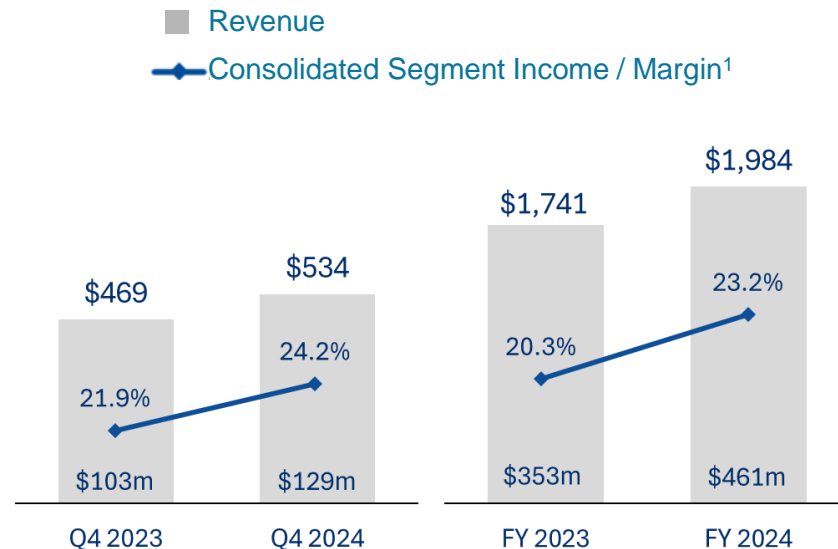
## Q4 Revenue:

- 13.7% year-over-year increase:
  - » 9.9% organic<sup>1</sup> increase with growth in both segments
  - » 4.0% acquisition impact
  - » -0.2% currency impact

## Q4 Consolidated Segment Income / Margin<sup>1</sup>:

- HVAC was primary driver of:
  - » Consolidated Segment Income<sup>1</sup> +\$26.6m y/y
  - » Margin<sup>1</sup>: +230 bps y/y

## Fourth Quarter & FY



<sup>1</sup> Adjusted results are non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation.

## Strong Growth in Consolidated Segment Income<sup>1</sup> and Margin<sup>1</sup>

# HVAC Q4 2024 Results

(\$ in millions)

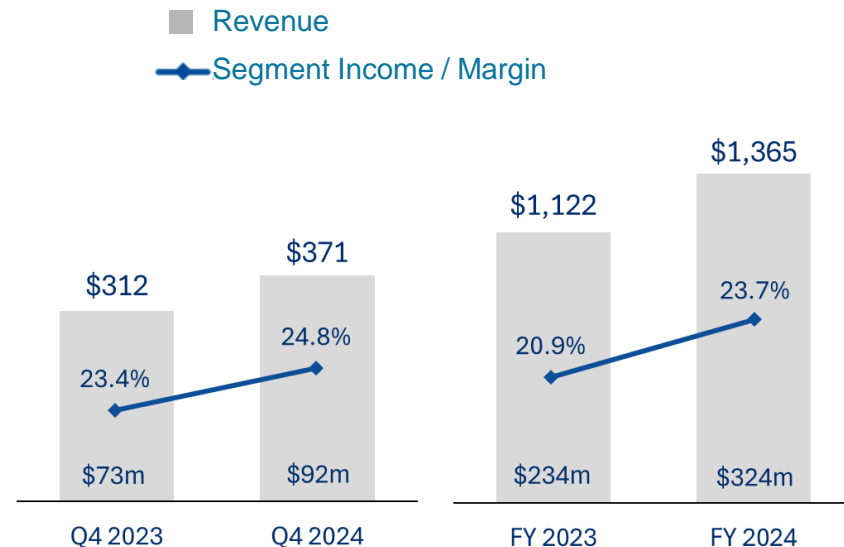
## Q4 Revenue:

- 18.6% year-over-year increase:
  - » **12.8% organic<sup>1</sup> increase** due primarily to higher Cooling sales
  - » **6.0% acquisition** impact (Ingénia)
  - » **-0.2% currency** impact

## Q4 Segment Income / Margin:

- Cooling operating leverage and acquisition of Ingénia drove increases:
  - » Segment Income: +18.6m y/y
  - » Margin: +140 bps y/y

## Fourth Quarter & FY



<sup>1</sup> Non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation.

## Continued Strong Cooling Demand and Operational Execution

# Detection & Measurement Q4 2024 Results

(\$ in millions)

## Q4 Revenue:

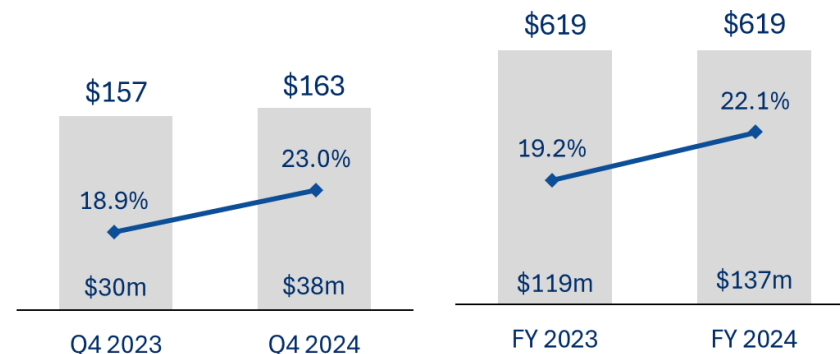
- 4.0% year-over-year increase:
  - » **4.2% organic<sup>1</sup>** increase due primarily to stronger sales of Location & Inspection and AtoN products
  - » **-0.2% currency** impact

## Q4 Segment Income / Margin:

- Operating leverage and favorable project execution:
  - » Segment Income: +\$8.0m y/y
  - » Margin: +410 bps y/y

## Fourth Quarter & FY

■ Revenue  
◆ Segment Income / Margin



<sup>1</sup> Non-GAAP measures. Reconciliations of historical non-GAAP measures to US GAAP financial measures are included in the Appendix to this presentation.

## Operating Leverage and Favorable Project Execution Drove Strong Margin Performance

# Financial Position & Guidance

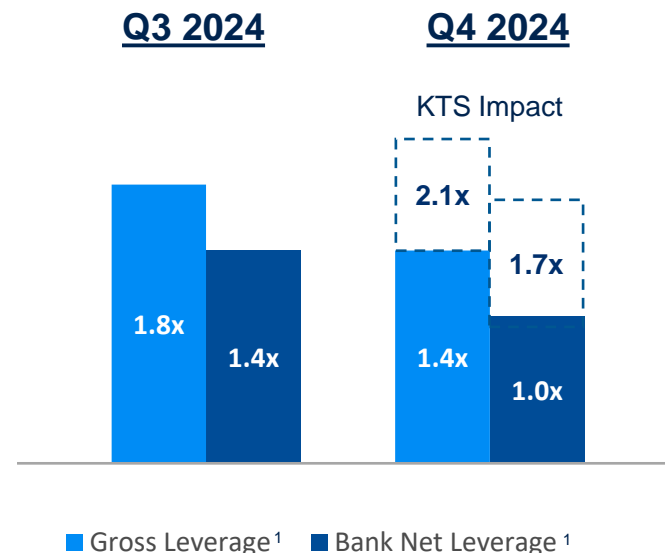
Mark A. Carano, Chief Financial Officer



# Financial Position Update

(\$ in millions)

	Q3 2024	Q4 2024
Short-term debt	\$49	\$10
Current maturities of long-term debt	24	28
Long-term debt	665	577
<b>Total Debt</b>	<b>\$738</b>	<b>\$615</b>
Less: Cash on hand <sup>2</sup>	(129)	(161)
<b>Net Debt</b>	<b>\$608</b>	<b>\$453</b>



<sup>1</sup> Calculated as provided for in SPX Technologies' credit facility agreement.

<sup>2</sup> Includes cash related to discontinued operations of \$4.6m in Q3 2024 and \$4.5m in Q4 2024.

## Capital Deployment Capacity Remaining Following KTS Acquisition

# 2025 Guidance<sup>1</sup>

	Total SPX	HVAC	Detection & Measurement
<b>Revenue</b>	<b>\$2.13-\$2.19b</b>	<b>\$1,440-\$1,480m</b>	<b>\$690-\$710m</b>
<i>Prior year</i>	<i>\$1.984b</i>	<i>\$1,365m</i>	<i>\$619m</i>
<b>Segment Income Margin<sup>1</sup></b>	<b>23.0%-24.0%</b>	<b>23.5%-24.5%</b>	<b>22.0%-23.0%</b>
<i>Prior year</i>	<i>23.2%</i>	<i>23.7%</i>	<i>22.1%</i>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$460-\$490m</b>	<b>Solid growth outlook for 2025</b>	
<i>Prior year</i>	<i>\$421m</i>		
<b>Adj. EBITDA Margin<sup>1</sup></b>	<b>21.6%-22.4%</b>		
<i>Prior year</i>	<i>21.2%</i>		
<b>Adj. EPS<sup>1</sup></b>	<b>\$6.00-\$6.25</b>		
<i>Prior year</i>	<i>\$5.58</i>		

<sup>1</sup> Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix to this presentation. Non-GAAP guidance measures are calculated on the same basis as the respective historical measures included in this presentation.

# End Market Review & Closing Comments

Gene Lowe, President & Chief Executive Officer

## HVAC

### Cooling

- Solid demand trends continue in key verticals

### Heating

- More typical Q1 heating season; non-resi steady

## DETECTION & MEASUREMENT

### Project Oriented

- Significant activity building for 2026+

### Run-Rate

- Mixed global demand with regional variation

## Key Market Strength Supports Guidance

# Executive Summary

- Solid close to a strong year
- KTS further builds attractive CommTech platform
- Anticipate solid earnings growth in 2025
- Attractive, active acquisition pipeline

**Well-Positioned to Continue Value-Creation Journey**

# Appendix

# Modeling Considerations – Full-Year 2025

Metric	Considerations
Corporate expense	\$48.0-52.0m
Long-term incentive comp	\$17.0-19.0m
Restructuring costs	\$0.0-2.0m
Interest cost	\$48.0-52.0m
Other income/(expense)	~\$3.0m
Tax rate	25.0%-26.0%
Capex	\$35.0-50.0m
Cash cost of pension + OPEB	\$11.0-12.0m
Depreciation	\$32.0-34.0m
Amortization	\$56.0-58.0m
Share count	47.6-47.8m
Currency effect	Topline sensitivity to USD-GBP and USD-CAD rates

# GAAP Reconciliation Results by Quarter

(\$ in millions)

	2023					2024				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Consolidated segment income <sup>1</sup>	\$ 74.4	\$ 84.4	\$ 91.6	\$ 102.8	\$ 353.2	\$ 99.8	\$ 117.6	\$ 113.8	\$ 129.4	\$ 460.6
Corporate expense	(14.6)	(16.6)	(13.0)	(14.2)	(58.4)	(13.9)	(12.0)	(12.4)	(15.3)	(53.6)
Acquisition-related and other costs	(0.6)	(1.5)	(2.9)	(0.8)	(5.8)	(2.6)	(2.3)	(1.4)	(0.9)	(7.2)
Long-term incentive compensation expense	(3.1)	(3.5)	(3.4)	(3.4)	(13.4)	(3.3)	(3.7)	(4.0)	(4.0)	(15.0)
Amortization of intangible assets	(6.3)	(11.5)	(14.6)	(11.5)	(43.9)	(14.8)	(16.8)	(16.6)	(16.3)	(64.5)
Special charges, net	-	-	-	(0.8)	(0.8)	(0.6)	0.2	(0.5)	(2.7)	(3.6)
Other operating expense, net	-	-	-	(9.0)	(9.0)	-	(8.4)	-	-	(8.4)
<b>Operating income</b>	<b>49.8</b>	<b>51.3</b>	<b>57.7</b>	<b>63.1</b>	<b>221.9</b>	<b>64.6</b>	<b>74.6</b>	<b>78.9</b>	<b>90.2</b>	<b>308.3</b>
Other income (expense), net	2.5	-	(0.2)	(12.4)	(10.1)	(4.0)	(1.7)	(1.4)	(2.2)	(9.3)
Interest expense, net	(1.9)	(5.2)	(9.4)	(9.0)	(25.5)	(9.5)	(12.5)	(11.5)	(10.1)	(43.6)
<b>Income from continuing operations before income taxes</b>	<b>50.4</b>	<b>46.1</b>	<b>48.1</b>	<b>41.7</b>	<b>186.3</b>	<b>51.1</b>	<b>60.4</b>	<b>66.0</b>	<b>77.9</b>	<b>255.4</b>
Income tax provision	(11.3)	(7.8)	(12.4)	(10.1)	(41.6)	(1.9)	(15.2)	(15.1)	(21.4)	(53.6)
<b>Income from continuing operations</b>	<b>39.1</b>	<b>38.3</b>	<b>35.7</b>	<b>31.6</b>	<b>144.7</b>	<b>49.2</b>	<b>45.2</b>	<b>50.9</b>	<b>56.5</b>	<b>201.8</b>
Income (loss) on disposition of discontinued operations, net of tax	3.7	(2.3)	(56.1)	(0.1)	(54.8)	(0.2)	(1.0)	(0.7)	0.6	(1.3)
<b>Income (loss) from discontinued operations, net of tax</b>	<b>3.7</b>	<b>(2.3)</b>	<b>(56.1)</b>	<b>(0.1)</b>	<b>(54.8)</b>	<b>(0.2)</b>	<b>(1.0)</b>	<b>(0.7)</b>	<b>0.6</b>	<b>(1.3)</b>
<b>Net income (loss)</b>	<b>\$ 42.8</b>	<b>\$ 36.0</b>	<b>\$ (20.4)</b>	<b>\$ 31.5</b>	<b>\$ 89.9</b>	<b>\$ 49.0</b>	<b>\$ 44.2</b>	<b>\$ 50.2</b>	<b>\$ 57.1</b>	<b>\$ 200.5</b>

<sup>1</sup>Consolidated segment income margin for a period is calculated by dividing consolidated segment income for the period by revenue for the period.

# Segment Results

(\$ in millions)

HVAC	2023				
	Q1	Q2	Q3	Q4	FY
Revenue	\$251.6	\$269.0	\$289.2	\$312.5	\$1,122.3
Segment income	\$47.7	\$55.2	\$58.3	\$73.2	\$234.4
	<i>19%</i>	<i>21%</i>	<i>20%</i>	<i>23%</i>	<i>21%</i>

2024				
Q1	Q2	Q3	Q4	FY
\$302.4	\$356.5	\$335.3	\$370.5	\$1,364.7
\$68.4	\$83.7	\$80.0	\$91.8	\$323.9
<i>23%</i>	<i>23%</i>	<i>24%</i>	<i>25%</i>	<i>24%</i>

Detection and Measurement	2023				
	Q1	Q2	Q3	Q4	FY
Revenue	\$148.2	\$154.3	\$159.5	\$156.9	\$618.9
Segment income	\$26.7	\$29.2	\$33.3	\$29.6	\$118.8
	<i>18%</i>	<i>19%</i>	<i>21%</i>	<i>19%</i>	<i>19%</i>

2024				
Q1	Q2	Q3	Q4	FY
\$162.8	\$144.8	\$148.4	\$163.2	\$619.2
\$31.4	\$33.9	\$33.8	\$37.6	\$136.7
<i>19%</i>	<i>23%</i>	<i>23%</i>	<i>23%</i>	<i>22%</i>

# FY 2024 Revenue by Major product lines

(\$ in millions)

Reportable Segments	Year Ended December 31, 2024		
	HVAC	Detection and Measurement	Total
<b>Major product lines</b>			
Package and process cooling equipment and services, and engineered air movement and handling solutions	\$ 884.0	\$ —	\$ 884.0
Boilers, electrical heating, and ventilation	480.7	—	480.7
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	260.9	260.9
Communication technologies, aids to navigation, and transportation systems	—	358.3	358.3
	<u>\$ 1,364.7</u>	<u>\$ 619.2</u>	<u>\$ 1,983.9</u>
<b>Timing of Revenue Recognition</b>			
Revenues recognized at a point in time	\$ 1,249.0	\$ 521.5	\$ 1,770.5
Revenues recognized over time	115.7	97.7	213.4
	<u>\$ 1,364.7</u>	<u>\$ 619.2</u>	<u>\$ 1,983.9</u>

# FY 2023 Revenue by Major product lines

(\$ in millions)

Reportable Segments	Year Ended December 31, 2023		
	HVAC	Detection and Measurement	Total
<b>Major product lines</b>			
Package and process cooling equipment and services, and engineered air movement solutions	\$ 683.2	\$ —	\$ 683.2
Boilers, electrical heating, and ventilation	439.1	—	439.1
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	264.1	264.1
Communication technologies, aids to navigation, and transportation systems	—	354.8	354.8
	<u>\$ 1,122.3</u>	<u>\$ 618.9</u>	<u>\$ 1,741.2</u>
<b>Timing of Revenue Recognition</b>			
Revenues recognized at a point in time	\$ 1,042.8	\$ 525.2	\$ 1,568.0
Revenues recognized over time	79.5	93.7	173.2
	<u>\$ 1,122.3</u>	<u>\$ 618.9</u>	<u>\$ 1,741.2</u>

# Q4 2024 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 129.4	\$ —	\$ 129.4
Corporate expense <sup>(1)</sup>	(15.3)	1.3	(14.0)
Acquisition-related and other costs <sup>(2)</sup>	(0.9)	0.9	—
Long-term incentive compensation expense	(4.0)	—	(4.0)
Amortization of acquired intangible assets <sup>(3)</sup>	(16.3)	16.3	—
Special charges, net <sup>(4)</sup>	(2.7)	1.3	(1.4)
<b>Operating income</b>	<b>90.2</b>	<b>19.8</b>	<b>110.0</b>
Other expense, net <sup>(5)</sup>	(2.2)	0.9	(1.3)
Interest expense, net	(10.1)	—	(10.1)
<b>Income from continuing operations before income taxes</b>	<b>77.9</b>	<b>20.7</b>	<b>98.6</b>
Income tax provision <sup>(6)</sup>	(21.4)	(5.8)	(27.2)
<b>Income from continuing operations</b>	<b>56.5</b>	<b>14.9</b>	<b>71.4</b>
Diluted shares outstanding	47.366		47.366
<b>Earnings per share from continuing operations</b>	<b>\$ 1.19</b>		<b>\$ 1.51</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and strategic/transformation related costs of \$1.3.

<sup>(2)</sup> Adjustment represents the removal of integration costs of \$0.9 within the HVAC reportable segment.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$12.0 and \$4.3 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of restructuring charges associated with acquisition integration activities.

<sup>(5)</sup> Adjustment represents the removal of non-service pension and postretirement charges of \$4.2 and a gain on a sale of a building of \$3.3.

<sup>(6)</sup> Adjustment represents the tax impact of items (1) through (5) above.

# Q4 2023 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 102.8	\$ —	\$ 102.8
Corporate expense <sup>(1)</sup>	(14.2)	0.8	(13.4)
Acquisition-related and other costs <sup>(2)</sup>	(0.8)	0.8	—
Long-term incentive compensation expense	(3.4)	—	(3.4)
Amortization of acquired intangible assets <sup>(3)</sup>	(11.5)	11.5	—
Special charges, net	(0.8)	—	(0.8)
Other operating expense, net <sup>(4)</sup>	(9.0)	9.0	—
<b>Operating income</b>	<b>63.1</b>	<b>22.1</b>	<b>85.2</b>
Other income (expense), net <sup>(5)</sup>	(12.4)	12.5	0.1
Interest expense, net	(9.0)	—	(9.0)
<b>Income from continuing operations before income taxes</b>	<b>41.7</b>	<b>34.6</b>	<b>76.3</b>
Income tax provision <sup>(6)</sup>	(10.1)	(7.5)	(17.6)
<b>Income from continuing operations</b>	<b>31.6</b>	<b>27.1</b>	<b>58.7</b>
Diluted shares outstanding	46.873		46.873
<b>Earnings per share from continuing operations</b>	<b>\$ 0.67</b>		<b>\$ 1.25</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and strategic/transformation related costs of \$0.8.

<sup>(2)</sup> Adjustment represents the removal of integration costs of \$0.7 and \$0.1 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$7.2 and \$4.3 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of a charge of \$9.0 related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses.

<sup>(5)</sup> Adjustment represents the removal of non-service pension and postretirement charges of \$12.5.

<sup>(6)</sup> Adjustment represents the tax impact of items (1) through (5) above and the removal of certain discrete income tax items that are considered non-recurring.

# FY 2024 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 460.6	\$ —	\$ 460.6
Corporate expense <sup>(1)</sup>	(53.6)	5.0	(48.6)
Acquisition-related and other costs <sup>(2)</sup>	(7.2)	7.2	—
Long-term incentive compensation expense	(15.0)	—	(15.0)
Amortization of acquired intangible assets <sup>(3)</sup>	(64.5)	64.5	—
Special charges, net <sup>(4)</sup>	(3.6)	1.3	(2.3)
Other operating expense, net <sup>(5)</sup>	(8.4)	8.4	—
<b>Operating income</b>	<b>308.3</b>	<b>86.4</b>	<b>394.7</b>
Other expense, net <sup>(6)</sup>	(9.3)	8.5	(0.8)
Interest expense, net	(43.6)	—	(43.6)
<b>Income from continuing operations before income taxes</b>	<b>255.4</b>	<b>94.9</b>	<b>350.3</b>
Income tax provision <sup>(7)</sup>	(53.6)	(34.1)	(87.7)
<b>Income from continuing operations</b>	<b>201.8</b>	<b>60.8</b>	<b>262.6</b>
Diluted shares outstanding	47.078		47.078
<b>Earnings per share from continuing operations</b>	<b>\$ 4.29</b>		<b>\$ 5.58</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and strategic/transformation related costs of \$5.0.

<sup>(2)</sup> Adjustment represents the removal of (i) integration costs of \$5.4 within the HVAC reportable segment and (ii) an inventory step-up charge of \$1.8 related to the Ingénia acquisition within the HVAC reportable segment.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$47.3 and \$17.2 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of restructuring charges associated with acquisition integration activities.

<sup>(5)</sup> Adjustment represents the removal of a charge of \$8.4 associated with a settlement with the seller of ULC regarding additional contingent consideration.

<sup>(6)</sup> Adjustment represents the removal of (i) non-service pension and postretirement losses (\$7.6) and (ii) a loss on an equity security associated with a fair value adjustment (\$4.2), partially offset by a gain on a sale of a building (\$3.3).

<sup>(7)</sup> Adjustment primarily represents the tax impact of items (1) through (6) above and the removal of certain discrete income tax items that are considered non-recurring.

# FY 2023 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 353.2	\$ —	\$ 353.2
Corporate expense <sup>(1)</sup>	(58.4)	8.1	(50.3)
Acquisition-related and other costs <sup>(2)</sup>	(5.8)	5.8	—
Long-term incentive compensation expense	(13.4)	—	(13.4)
Amortization of acquired intangible assets <sup>(3)</sup>	(43.9)	43.9	—
Special charges, net	(0.8)	—	(0.8)
Other operating expense, net <sup>(4)</sup>	(9.0)	9.0	—
<b>Operating income</b>	<b>221.9</b>	<b>66.8</b>	<b>288.7</b>
Other income (expense), net <sup>(5)</sup>	(10.1)	12.4	2.3
Interest expense, net	(25.5)	—	(25.5)
<b>Income from continuing operations before income taxes</b>	<b>186.3</b>	<b>79.2</b>	<b>265.5</b>
Income tax provision <sup>(6)</sup>	(41.6)	(23.2)	(64.8)
<b>Income from continuing operations</b>	<b>144.7</b>	<b>56.0</b>	<b>200.7</b>
Diluted shares outstanding	46.612		46.612
<b>Earnings per share from continuing operations</b>	<b>\$ 3.10</b>		<b>\$ 4.31</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and strategic/transformation related expenses of \$7.8 and a reclassification of transition services income of \$0.3 from “Other income (expense), net.”

<sup>(2)</sup> Adjustment represents the removal of (i) an inventory step-up charge of \$3.6 related to the ASPEQ acquisition within the HVAC reportable segment and (ii) integration costs of \$1.7 and \$0.5 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$26.7 and \$17.2 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of a charge of \$9.0 related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses.

<sup>(5)</sup> Adjustment represents the removal of (i) non-service pension and postretirement losses (\$16.1) and (ii) the removal of a charge related to the Asbestos Portfolio Sale of \$0.2, partially offset by (i) a gain on an equity security associated with a fair value adjustment (\$3.6) and (ii) the reclassification of income related to a transition services agreement (\$0.3) to “Corporate expense.”

<sup>(6)</sup> Adjustment primarily represents the tax impact of items (1) through (5) above and the removal of certain discrete income tax items that are considered non-recurring.

# U.S. GAAP to Adjusted Operating Income Reconciliation

(\$ in millions)

	Three months ended		Twelve months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Operating income	\$ 90.2	\$ 63.1	\$ 308.3	\$ 221.9
Include - TSA Income <sup>(1)</sup>	—	—	—	0.3
Exclude:				
Acquisition-related and other costs <sup>(2)</sup>	(3.5)	(1.6)	(13.5)	(13.6)
Other operating expense, net <sup>(3)</sup>	—	(9.0)	(8.4)	(9.0)
Amortization of acquired intangible assets	(16.3)	(11.5)	(64.5)	(43.9)
Adjusted operating income	\$ 110.0	\$ 85.2	\$ 394.7	\$ 288.7
as a percent of revenues	20.6 %	18.2 %	19.9 %	16.6 %

<sup>(1)</sup> Represents transition services income related to the Asbestos Portfolio Sale for the twelve months ended December 31, 2023. Amounts recorded in non-operating income for U.S. GAAP purposes. The Asbestos Portfolio Sale is described in the Company's most recent Form 10-K.

<sup>(2)</sup> For the three and twelve months ended December 31, 2024, represents (i) acquisition and strategic/transformation related costs of \$2.6 and \$6.3, respectively, inclusive of special charges of \$1.3 and \$1.3, respectively, (ii) certain integration costs of \$0.9 and \$5.4, respectively, and (iii) inventory step-up charges of \$0.0 and \$1.8, respectively, related to the Ingénia acquisition. For the three and twelve months ended December 31, 2023, represents (i) acquisition and strategic/transformation related costs of \$0.8 and \$7.8, respectively, (ii) certain integration costs of \$0.8 and \$2.2, respectively, and (iii) inventory step-up charges of \$0.0 and \$3.6, respectively, related to the ASPEQ acquisition.

<sup>(3)</sup> For the twelve months ended December 31, 2024 represents a charge of \$8.4 associated with a settlement with the seller of ULC regarding additional contingent consideration. For the three and twelve months ended December 31, 2023 represents a charge of \$9.0 related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses.

# Q4 Adjusted EBITDA Reconciliation

(\$ in millions)

	Three months ended	
	December 31, 2024	December 31, 2023
Net income	\$ 57.1	\$ 31.5
Exclude:		
Income tax provision	(21.4)	(10.1)
Interest expense, net	(10.1)	(9.0)
Amortization expense <sup>(1)</sup>	(16.5)	(11.6)
Depreciation expense	(7.2)	(5.2)
Income (loss) from discontinued operations, net of tax	0.6	(0.1)
<b>EBITDA</b>	<b>111.7</b>	<b>67.5</b>
Exclude:		
Acquisition-related and other costs <sup>(2)</sup>	(2.2)	(1.6)
Special charges, net <sup>(3)</sup>	(1.3)	—
Other operating expense, net <sup>(4)</sup>	—	(9.0)
Non-service pension and postretirement charges	(4.2)	(12.5)
Gain on sale of a building	3.3	—
<b>Adjusted EBITDA</b>	<b>\$ 116.1</b>	<b>\$ 90.6</b>
as a percent of revenues	21.8 %	19.3 %

<sup>(1)</sup> Represents amortization expense associated with acquired intangible assets recorded within “Intangible amortization” and amortization of capitalized software costs recorded within “Cost of products sold.”

<sup>(2)</sup> For the three months ended December 31, 2024 and 2023, represents (i) certain acquisition and strategic/transformation related costs of \$1.3 and \$0.8, respectively and (ii) integration costs of \$0.9 (within the HVAC reportable segment) and \$0.8 (\$0.7 and \$0.1 within the HVAC and Detection and Measurement reportable segments, respectively), respectively.

<sup>(3)</sup> Adjustment represents the removal of restructuring charges associated with acquisition integration activities.

<sup>(4)</sup> For the three months ended December 31, 2023, adjustment represents the removal of a charge of \$9.0 related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses.

# Full-Year Adjusted EBITDA Reconciliation

(\$ in millions)

	Twelve months ended	
	December 31, 2024	December 31, 2023
Net income	\$ 200.5	\$ 89.9
Exclude:		
Income tax provision	(53.6)	(41.6)
Interest expense, net	(43.6)	(25.5)
Amortization expense <sup>(1)</sup>	(64.9)	(44.0)
Depreciation expense	(26.7)	(19.2)
Loss from discontinued operations, net of tax	(1.3)	(54.8)
<b>EBITDA</b>	<b>390.6</b>	<b>275.0</b>
Exclude:		
Acquisition-related and other costs <sup>(2)</sup>	(12.2)	(13.6)
Special charges, net <sup>(3)</sup>	(1.3)	—
Other operating expense, net <sup>(4)</sup>	(8.4)	(9.0)
Non-service pension and postretirement charges	(7.6)	(16.1)
Asbestos-related charges	—	(0.2)
Fair value adjustments on an equity security	(4.2)	3.6
Gain on sale of a building	3.3	—
<b>Adjusted EBITDA</b>	<b>\$ 421.0</b>	<b>\$ 310.3</b>
as a percent of revenues	21.2 %	17.8 %

<sup>(1)</sup> Represents amortization expense associated with acquired intangible assets recorded within “Intangible amortization” and amortization of capitalized software costs recorded within “Cost of products sold.”

<sup>(2)</sup> For the twelve months ended December 31, 2024, represents (i) certain acquisition and strategic/transformation related costs of \$5.0, (ii) integration costs of \$5.4 within the HVAC reportable segment and (iii) an inventory step-up charge of \$1.8 related to the Ingénia acquisition within the HVAC reportable segment. For the twelve months ended December 31, 2023, represents (i) certain acquisition and strategic/transformation related costs of \$7.8, (ii) an inventory step-up charge of \$3.6 related to the ASPEQ acquisition within the HVAC reportable segment and (iii) integration costs of \$1.7 and \$0.5 within the HVAC and Detection and Measurement reportable segments, respectively.

<sup>(3)</sup> Adjustment represents the removal of restructuring charges associated with acquisition integration activities.

<sup>(4)</sup> For the twelve months ended December 31, 2024, adjustment represents the removal of a charge of \$8.4 associated with a settlement with the seller of ULC regarding additional contingent consideration. For the twelve months ended December 31, 2023, adjustment represents the removal of a charge of \$9.0 related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses.

# Q4 2024 Non-GAAP Reconciliation – Organic Revenue

	Three months ended December 31, 2024					
	HVAC		Detection & Measurement		Consolidated	
Net Revenue Growth	18.6	%	4.0	%	13.7	%
Exclude: Foreign Currency	(0.2)	%	(0.2)	%	(0.2)	%
Exclude: Acquisitions	6.0	%	-	%	4.0	%
Organic Revenue Growth	12.8	%	4.2	%	9.9	%

# FY 2024 Non-GAAP Reconciliation – Organic Revenue

	Twelve months ended December 31, 2024					
	HVAC		Detection & Measurement		Consolidated	
Net Revenue Growth	21.6	%	-	%	13.9	%
Exclude: Foreign Currency	(0.1)	%	0.2	%	-	%
Exclude: Acquisitions	12.0	%	-	%	7.7	%
Organic Revenue Growth (Decline)	9.7	%	(0.2)	%	6.2	%

# U.S. GAAP to Adjusted Net Income Reconciliation

(\$ in millions)

	<u>FY 2024</u>
Income from continuing operations	\$ 201.8
Exclude:	
Amortization of acquired intangible assets	(64.5)
Acquisition-related and other costs <sup>(1)</sup>	(13.5)
Other operating expense, net <sup>(2)</sup>	(8.4)
Non-service pension and postretirement losses	(7.6)
Fair value adjustment on an equity security	(4.2)
Gain on sale of a building	3.3
Tax adjustments <sup>(3)</sup>	34.1
<b>Adjusted net income</b>	<b><u>\$ 262.6</u></b>

<sup>(1)</sup> Represents (i) certain acquisition and strategic/transformation related costs of \$6.3, (ii) integration costs of \$5.4 within the HVAC reportable segment and (iii) an inventory step-up charge of \$1.8 related to the Ingénia acquisition within the HVAC reportable segment.

<sup>(2)</sup> Adjustment represents the removal of a charge of \$8.4 associated with a settlement with the seller of ULC regarding additional contingent consideration.

<sup>(3)</sup> Adjustment primarily represents the tax impact of the adjustments above, as well as the removal of certain discrete income tax items that are considered non-recurring.

# FY 2024 Adjusted Free Cash Flow Reconciliation

(\$ in millions)

	<b>FY 2024</b>
Operating cash flow from continuing operations	\$ 313.1
Capital expenditures	(38.0)
Free cash flow from continuing operations	275.1
Adjustments <sup>(1)</sup>	8.7
Adjusted free cash flow from continuing operations	<u>\$ 283.8</u>
Adjusted net income	262.6
Adjusted Free Cash Flow Conversion	<i>108%</i>

<sup>(1)</sup>Adjustments represent the removal of (i) certain discrete income tax items that are considered non-recurring (\$16.4m), (ii) cash payments associated with integration costs of \$4.8m within our HVAC reportable segment, (iii) certain acquisition and strategic/transformation related payments of \$2.9m, (iv) a payment related to the resolution of a dispute with a former representative at one of our Detection & Measurement reportable segment businesses of \$9.0m, and (v) a payment of \$8.4m associated with a settlement with the seller of ULC regarding additional contingent consideration.