

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 29, 2024**

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number **1-6948**

SPX TECHNOLOGIES, INC.

(Exact Name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

88-3567996
(I.R.S. Employer Identification No.)

6325 Ardrey Kell Road, Suite 400, Charlotte, North Carolina 28277
(Address of principal executive offices) (Zip Code)

(980) 474-3700
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbols(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	SPXC	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No.

Common shares outstanding July 26, 2024, 46,295,232

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
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PART I—FINANCIAL INFORMATION

ITEM 1. Financial Statements

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited; in millions, except per share amounts)

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Revenues	\$ 501.3	\$ 423.3	\$ 966.5	\$ 823.1
Costs and expenses:				
Cost of products sold	300.5	259.7	582.8	509.6
Selling, general and administrative	101.2	100.8	204.1	194.6
Intangible amortization	16.8	11.5	31.6	17.8
Special charges, net	(0.2)	—	0.4	—
Other operating expense, net	8.4	—	8.4	—
Operating income	74.6	51.3	139.2	101.1
Other income (expense), net	(1.7)	—	(5.7)	2.5
Interest expense	(12.8)	(5.4)	(22.6)	(7.8)
Interest income	0.3	0.2	0.6	0.7
Income from continuing operations before income taxes	60.4	46.1	111.5	96.5
Income tax provision	(15.2)	(7.8)	(17.1)	(19.1)
Income from continuing operations	45.2	38.3	94.4	77.4
Income (loss) from discontinued operations, net of tax	—	—	—	—
Gain (loss) on disposition of discontinued operations, net of tax	(1.0)	(2.3)	(1.2)	1.4
Income (loss) from discontinued operations, net of tax	(1.0)	(2.3)	(1.2)	1.4
Net income	\$ 44.2	\$ 36.0	\$ 93.2	\$ 78.8
Basic income per share of common stock:				
Income from continuing operations	\$ 0.98	\$ 0.84	\$ 2.05	\$ 1.70
Income (loss) from discontinued operations, net of tax	(0.02)	(0.05)	(0.03)	0.03
Net income per share	\$ 0.96	\$ 0.79	\$ 2.02	\$ 1.73
Weighted-average number of common shares outstanding — basic	46.246	45.533	46.038	45.457
Diluted income per share of common stock:				
Income from continuing operations	\$ 0.96	\$ 0.82	\$ 2.01	\$ 1.66
Income (loss) from discontinued operations, net of tax	(0.02)	(0.05)	(0.02)	0.03
Net income per share	\$ 0.94	\$ 0.77	\$ 1.99	\$ 1.69
Weighted-average number of common shares outstanding — diluted	47.158	46.627	46.901	46.500
Comprehensive income	\$ 38.2	\$ 39.2	\$ 77.0	\$ 83.8

The accompanying notes are an integral part of these statements.

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except share data)

	June 29, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and equivalents	\$ 128.1	\$ 99.4
Accounts receivable, net	325.9	279.8
Contract assets	32.0	16.6
Inventories, net	292.7	276.7
Other current assets	30.0	37.1
Total current assets	<u>808.7</u>	<u>709.6</u>
Property, plant and equipment:		
Land	23.2	17.9
Buildings and leasehold improvements	119.4	73.4
Machinery and equipment	297.5	264.4
	<u>440.1</u>	<u>355.7</u>
Accumulated depreciation	(221.4)	(215.2)
Property, plant and equipment, net	<u>218.7</u>	<u>140.5</u>
Goodwill	845.0	704.8
Intangibles, net	742.7	680.8
Other assets	154.2	188.9
Deferred income taxes	3.5	4.0
Assets of DBT and Heat Transfer (includes cash and equivalents of \$4.9 and \$5.5 at June 29, 2024 and December 31, 2023, respectively) (Note 3)	10.3	11.1
TOTAL ASSETS	<u><u>\$ 2,783.1</u></u>	<u><u>\$ 2,439.7</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 128.2	\$ 118.7
Contract liabilities	61.7	73.5
Accrued expenses	150.7	168.5
Income taxes payable	12.3	5.3
Short-term debt	256.3	17.9
Current maturities of long-term debt	24.1	17.3
Total current liabilities	<u>633.3</u>	<u>401.2</u>
Long-term debt	509.9	523.1
Deferred and other income taxes	102.9	77.0
Other long-term liabilities	213.2	204.1
Liabilities of DBT and Heat Transfer (Note 3)	40.0	39.7
Total long-term liabilities	<u>866.0</u>	<u>843.9</u>
Commitments and contingent liabilities (Note 15)		
Stockholders' Equity:		
Common stock (54,120,924 and 46,289,384 issued and outstanding at June 29, 2024, respectively, and 53,618,720 and 45,674,572 issued and outstanding at December 31, 2023, respectively)	0.5	0.5
Paid-in capital	1,359.1	1,353.6
Retained earnings	131.5	38.3
Accumulated other comprehensive income	244.9	261.1
Common stock in treasury (7,831,540 and 7,944,148 shares at June 29, 2024 and December 31, 2023, respectively)	(452.2)	(458.9)
Total stockholders' equity	<u>1,283.8</u>	<u>1,194.6</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 2,783.1</u></u>	<u><u>\$ 2,439.7</u></u>

The accompanying notes are an integral part of these statements.

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited; in millions)

	Three months ended June 29, 2024					
	Common Stock	Paid-In Capital	Retained Earnings	Accum. Other Comprehensive Income	Common Stock In Treasury	Total Stockholders' Equity
Balance at March 30, 2024	\$ 0.5	\$ 1,351.6	\$ 87.3	\$ 250.9	\$ (452.8)	\$ 1,237.5
Net income	—	—	44.2	—	—	44.2
Other comprehensive loss, net	—	—	—	(6.0)	—	(6.0)
Incentive plan activity	—	4.5	—	—	—	4.5
Long-term incentive compensation expense	—	3.7	—	—	—	3.7
Restricted stock unit vesting	—	(0.7)	—	—	0.6	(0.1)
Balance at June 29, 2024	<u>\$ 0.5</u>	<u>\$ 1,359.1</u>	<u>\$ 131.5</u>	<u>\$ 244.9</u>	<u>\$ (452.2)</u>	<u>\$ 1,283.8</u>

	Six months ended June 29, 2024					
	Common Stock	Paid-In Capital	Retained Earnings	Accum. Other Comprehensive Income	Common Stock In Treasury	Total Stockholders' Equity
Balance at December 31, 2023	\$ 0.5	\$ 1,353.6	\$ 38.3	\$ 261.1	\$ (458.9)	\$ 1,194.6
Net income	—	—	93.2	—	—	93.2
Other comprehensive loss, net	—	—	—	(16.2)	—	(16.2)
Incentive plan activity	—	14.3	—	—	—	14.3
Long-term incentive compensation expense	—	7.0	—	—	—	7.0
Restricted stock unit vesting	—	(15.8)	—	—	6.7	(9.1)
Balance at June 29, 2024	<u>\$ 0.5</u>	<u>\$ 1,359.1</u>	<u>\$ 131.5</u>	<u>\$ 244.9</u>	<u>\$ (452.2)</u>	<u>\$ 1,283.8</u>

	Three months ended July 1, 2023					
	Common Stock	Paid-In Capital	Retained Earnings (Deficit)	Accum. Other Comprehensive Income	Common Stock In Treasury	Total Stockholders' Equity
Balance at April 1, 2023	\$ 0.5	\$ 1,335.3	\$ (8.8)	\$ 259.3	\$ (460.2)	\$ 1,126.1
Net income	—	—	36.0	—	—	36.0
Other comprehensive income, net	—	—	—	3.2	—	3.2
Incentive plan activity	—	3.0	—	—	—	3.0
Long-term incentive compensation expense	—	3.5	—	—	—	3.5
Restricted stock unit vesting	—	(0.3)	—	—	1.1	0.8
Balance at July 1, 2023	<u>\$ 0.5</u>	<u>\$ 1,341.5</u>	<u>\$ 27.2</u>	<u>\$ 262.5</u>	<u>\$ (459.1)</u>	<u>\$ 1,172.6</u>

	Six months ended July 1, 2023					
	Common Stock	Paid-In Capital	Retained Earnings (Deficit)	Accum. Other Comprehensive Income	Common Stock In Treasury	Total Stockholders' Equity
Balance at December 31, 2022	\$ 0.5	\$ 1,338.3	\$ (51.6)	\$ 257.5	\$ (465.5)	\$ 1,079.2
Net income	—	—	78.8	—	—	78.8
Other comprehensive income, net	—	—	—	5.0	—	5.0
Incentive plan activity	—	8.2	—	—	—	8.2
Long-term incentive compensation expense	—	6.6	—	—	—	6.6
Restricted stock unit vesting	—	(11.6)	—	—	6.4	(5.2)
Balance at July 1, 2023	<u>\$ 0.5</u>	<u>\$ 1,341.5</u>	<u>\$ 27.2</u>	<u>\$ 262.5</u>	<u>\$ (459.1)</u>	<u>\$ 1,172.6</u>

The accompanying notes are an integral part of these statements.

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Six months ended	
	June 29, 2024	July 1, 2023
Cash flows from (used in) operating activities:		
Net income	\$ 93.2	\$ 78.8
Less: Gain (loss) from discontinued operations, net of tax	(1.2)	1.4
Income from continuing operations	94.4	77.4
Adjustments to reconcile income from continuing operations to net cash from operating activities:		
Special charges, net	0.4	—
(Gain) loss on change in fair value of equity security	4.2	(3.6)
Deferred and other income taxes	(10.6)	(10.4)
Depreciation and amortization	44.4	26.7
Pension and other employee benefits	6.9	5.7
Long-term incentive compensation	7.0	6.6
Other, net	(3.0)	(3.0)
Changes in operating assets and liabilities, net of effects from acquisitions and divestitures:		
Accounts receivable and other assets	(29.8)	4.9
Inventories	(10.7)	(27.0)
Accounts payable, accrued expenses and other	(33.0)	(2.7)
Cash spending on restructuring actions	(0.8)	—
Net cash from continuing operations	69.4	74.6
Net cash used in discontinued operations	(1.4)	(7.0)
Net cash from operating activities	68.0	67.6
Cash flows from (used in) investing activities:		
Proceeds/borrowings related to company-owned life insurance policies, net	42.9	1.0
Business acquisitions, net of cash acquired	(294.1)	(547.1)
Capital expenditures	(20.3)	(8.7)
Net cash used in continuing operations	(271.5)	(554.8)
Net cash used in discontinued operations	—	—
Net cash used in investing activities	(271.5)	(554.8)
Cash flows from (used in) financing activities:		
Borrowings under senior credit facilities	575.2	820.0
Repayments under senior credit facilities	(382.0)	(420.0)
Borrowings under trade receivables arrangement	132.0	61.0
Repayments under trade receivables arrangement	(93.0)	(31.0)
Net repayments under other financing arrangements	(0.8)	(0.1)
Minimum withholdings paid on behalf of employees for net share settlements, net of proceeds from the exercise of employee stock options	(0.9)	(2.4)
Financing fees paid	—	(1.3)
Net cash from continuing operations	230.5	426.2
Net cash from discontinued operations	—	—
Net cash from financing activities	230.5	426.2
Change in cash and equivalents due to changes in foreign currency exchange rates	1.1	(0.5)
Net change in cash and equivalents	28.1	(61.5)
Consolidated cash and equivalents, beginning of period	104.9	157.1
Consolidated cash and equivalents, end of period	\$ 133.0	\$ 95.6
	Six months ended	
	June 29, 2024	July 1, 2023
Components of cash and equivalents:		
Cash and equivalents	\$ 128.1	\$ 87.1
Cash and equivalents included in assets of DBT and Heat Transfer	4.9	8.5
Total cash and equivalents	\$ 133.0	\$ 95.6

The accompanying notes are an integral part of these statements.

SPX TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited; in millions, except per share data)

(1) BASIS OF PRESENTATION

Unless otherwise indicated, “we,” “us” and “our” mean SPX Technologies, Inc. and its consolidated subsidiaries (“SPX” or the “Company”).

We prepared the condensed consolidated financial statements pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim reporting. As permitted under those rules and regulations, certain footnotes or other financial information normally required by accounting principles generally accepted in the United States (“GAAP”) can be condensed or omitted. The financial statements represent our accounts after the elimination of intercompany transactions and, in our opinion, include the adjustments (consisting only of normal and recurring items) necessary for their presentation. Unless otherwise indicated, amounts provided in these Notes pertain to continuing operations only (see Note 3 for information on discontinued operations).

We account for investments in unconsolidated companies where we exercise significant influence but do not have control using the equity method. In determining whether we are the primary beneficiary of a variable interest entity (“VIE”), we perform a qualitative analysis that considers the design of the VIE, the nature of our involvement and the variable interests held by other parties to determine which party has the power to direct the activities of the VIE that most significantly impact the entity’s economic performance, and which party has the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. All of our VIE’s are immaterial, individually and in aggregate, to our condensed consolidated financial statements.

Acquisition of TAMCO

On April 3, 2023, we completed the acquisition of T. A. Morrison & Co. Inc. (“TAMCO”), a market leader in motorized and non-motorized dampers that control airflow in large-scale specialty applications in commercial, industrial, and institutional markets. We purchased TAMCO for cash consideration of \$125.5, inclusive of an adjustment to the purchase price of \$0.2 paid during the third quarter of 2023 related to acquired working capital, and net of cash acquired of \$1.0. The post-acquisition operating results of TAMCO are reflected within our HVAC reportable segment.

Acquisition of ASPEQ

On June 2, 2023, we completed the acquisition of ASPEQ Heating Group (“ASPEQ”), a leading provider of electrical heating solutions to customers in industrial and commercial markets. We purchased ASPEQ for cash consideration of \$421.5, net of (i) an adjustment to the purchase price of \$0.3 received during the fourth quarter of 2023 related to acquired working capital and (ii) cash acquired of \$0.9. The post-acquisition operating results of ASPEQ are reflected within our HVAC reportable segment.

Acquisition of Ingénia

On February 7, 2024, we completed the acquisition of Ingénia Technologies Inc. (“Ingénia”) which specializes in the design and manufacture of custom air handling units that demand high levels of precision and reliability in healthcare, pharmaceutical, education, food processing and industrial end markets. We purchased Ingénia for cash consideration of \$294.1, net of cash acquired of \$1.5. Under the terms of the purchase and sales agreement, the seller is eligible for additional cash consideration of up to Canadian Dollar (“CAD”) 3.0 (or \$2.2 at the time of acquisition), with payment scheduled to be made in the event certain contingent liabilities do not materialize. The estimated fair value of such contingent consideration is \$0.3, which is reflected as a liability in our condensed consolidated balance sheet as of June 29, 2024. The post-acquisition results of Ingénia are reflected within our HVAC reportable segment.

The assets acquired and liabilities assumed in the Ingénia transaction have been recorded at estimates of fair value as determined by management, based on information available and assumptions as to future operations and are subject to change, primarily for the final assessment and valuation of certain income tax amounts.

Other

Preparing financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from these estimates. The unaudited information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2023 (“our 2023 Annual Report on Form 10-K”). Interim results are not necessarily indicative of full year results.

We establish actual interim closing dates using a fiscal calendar, which requires our businesses to close their books on the Saturday closest to the end of the first calendar quarter, with the second and third quarters being 91 days in length. Our fourth quarter ends on December 31. The interim closing dates for the first, second and third quarters of 2024 are March 30, June 29, and September 28, compared to the respective April 1, July 1, and September 30, dates of 2023. We had one less day in the first quarter of 2024, and will have two more days in the fourth quarter of 2024 than in the respective 2023 periods. It is not practicable to estimate the impact of the one less day on our consolidated operating results for the six months ended June 29, 2024, when compared to the consolidated operating results for the respective 2023 period.

(2) NEW ACCOUNTING PRONOUNCEMENTS

The following is a summary of new accounting pronouncements that apply or may apply to our business.

In November 2023, the FASB issued ASU No. 2023-07. Among other new disclosure requirements, ASU 2023-07 requires companies to disclose significant segment expenses that are regularly provided to the chief operating decision maker. ASU 2023-07 will be effective for annual periods beginning on January 1, 2024 and interim periods beginning on January 1, 2025. ASU 2023-07 must be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating the disclosure impact of ASU 2023-07; however, the standard will not have an impact on the Company's condensed consolidated financial position, results of operations or cash flows.

In December 2023, the FASB issued ASU No. 2023-09, which requires companies to disclose, on an annual basis, specific categories in the effective tax rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. In addition, ASU 2023-09 requires companies to disclose additional information about income taxes paid. ASU 2023-09 will be effective for annual periods beginning January 1, 2025 and will be applied on a prospective basis with the option to apply the standard retrospectively. We are currently evaluating the disclosure impact of ASU 2023-09; however, the standard will not have an impact on the Company's condensed consolidated financial position, results of operations or cash flows.

(3) ACQUISITIONS AND DISCONTINUED OPERATIONS

Acquisitions

As indicated in Note 1, on April 3, 2023, we completed the acquisition of TAMCO. The pro forma effect of this acquisition is not material to our condensed consolidated results of operations.

Acquisition of Ingénia

As indicated in Note 1, on February 7, 2024, we completed the acquisition of Ingénia, for \$294.1, net of cash acquired of \$1.5. We financed the acquisition with available borrowings on our revolving credit facilities under our senior credit facilities. The assets acquired and liabilities assumed have been recorded at preliminary estimates of fair value as determined by management, based on information currently available and on current assumptions as to future operations and are subject to change upon completion of the acquisition method of accounting. Final determination of the fair values of certain assets and liabilities will be completed within the measurement period of up to one year from the acquisition date, as permitted under GAAP. The excess of the purchase price over the total of the estimated fair values assigned to tangible and identifiable intangible assets acquired and liabilities assumed is recognized as goodwill. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for Ingénia, we engaged a third-party independent valuation specialist.

The following is a summary of the recorded preliminary fair values of the assets acquired and liabilities assumed for Ingénia as of February 7, 2024:

Assets acquired:	
Current assets, including cash and equivalents of \$1.5	\$ 33.5
Property, plant and equipment	73.6
Goodwill	141.6
Intangible assets	97.9
Total assets acquired	346.6
Current liabilities assumed	
Non-current liabilities assumed ⁽¹⁾	13.1
	37.9
Net assets acquired	\$ 295.6

⁽¹⁾ Includes net deferred income tax liabilities and other liabilities of \$37.8 and \$0.1, respectively.

The identifiable intangible assets acquired consist of technology, customer relationships, trademarks, and customer backlog of \$46.7, \$23.5, \$13.9, and \$13.8, respectively, with such amounts based on a preliminary assessment of the related fair values. We expect to amortize the technology, customer relationships, trademarks, and customer backlog assets over 12.0, 7.0, 8.0, and 1.0 years, respectively.

We acquired gross receivables of \$18.2, which had the same fair value at the acquisition date based on our estimates of cash flows expected to be recovered.

The qualitative factors that comprise the recorded goodwill include expected market growth for Ingénia's existing operations, increased volumes achieved by selling Ingénia's products through existing SPX sales channels, procurement and operational savings and efficiencies, and various other factors. We expect none of the goodwill described above to be deductible for tax purposes.

We recognized revenues and net income for Ingénia of \$21.6 and \$1.7, and \$34.1 and \$2.3, respectively, for the three and six months ended June 29, 2024 with net income impacted by charges during the three and six months ended June 29, 2024 of (i) \$5.3 and \$8.6, respectively, associated with amortization of the various intangible assets mentioned above and (ii) \$0.9 and \$1.8, respectively, associated with the excess fair value (over historical cost) of inventory acquired which was subsequently sold.

Additionally, during the three and six months ended June 29, 2024, we incurred acquisition-related costs for Ingénia of \$0.6 and \$2.9, respectively, which have been recorded to "Selling, general and administrative" within our condensed consolidated statements of operations and "Corporate expense" within consolidated operating income, as further described in Note 6.

Acquisition of ASPEQ

As indicated in Note 1, on June 2, 2023, we completed the acquisition of ASPEQ for \$421.5, net of (i) an adjustment to the purchase price of \$0.3 received during the fourth quarter of 2023 related to acquired working capital and (ii) cash acquired of \$0.9. We financed the acquisition with available cash and borrowings under our senior credit facilities. The excess of the purchase price over the total of the fair values assigned to tangible and identifiable intangible assets acquired and liabilities assumed is recognized as goodwill. In order to determine the fair values of tangible and intangible assets acquired and liabilities assumed for ASPEQ, we engaged a third-party independent valuation specialist.

The following is a summary of the recorded final fair values of the assets acquired and liabilities assumed for ASPEQ as of June 2, 2023:

Assets acquired:	
Current assets, including cash and equivalents of \$0.9	\$ 38.0
Property, plant and equipment	10.6
Goodwill	195.0
Intangible assets	246.1
Other assets	1.2
Total assets acquired	490.9
Current liabilities assumed	
Non-current liabilities assumed ⁽¹⁾	57.4
Net assets acquired	\$ 422.4

⁽¹⁾ Includes net deferred income tax liabilities and other liabilities of \$56.4 and \$1.0, respectively.

The identifiable intangible assets acquired consist of customer relationships, trademarks, technology, and customer backlog of \$142.3, \$51.5, \$47.8, and \$4.5, respectively, with such amounts based on a final assessment of the related fair values. We expect to amortize the ASPEQ customer relationships, technology, and customer backlog assets over 12.0, 16.0, and 1.0 years, respectively, with the trademarks acquired being indefinite-lived.

We acquired gross receivables of \$18.0, which had a fair value at the acquisition date of \$17.8, respectively, based on our estimates of cash flows expected to be recovered.

The qualitative factors that comprise the recorded goodwill include expected market growth for ASPEQ's existing operations, increased volumes achieved by selling ASPEQ's products through existing SPX sales channels, procurement and operational savings and efficiencies, and various other factors.

The following unaudited pro forma information presents our condensed consolidated results of operations for the three and six months ended June 29, 2024 and July 1, 2023, respectively, as if the acquisitions of Ingénia and ASPEQ had taken place on January 1, 2023 and January 1, 2022, respectively. The unaudited pro forma financial information is not intended to represent or be indicative of our condensed consolidated results of operations that would have been reported had the acquisitions been completed as of the dates presented, and should not be taken as representative of our future consolidated results of operations. The pro forma results include estimates and assumptions that management believes are reasonable; however, these results do not include any anticipated cost savings or expenses of the planned integration of Ingénia and ASPEQ. These pro forma consolidated results of operations have been prepared for comparative purposes only and include additional interest expense on the borrowings required to finance the acquisitions, additional depreciation and amortization expense associated with fair value adjustments to the acquired property, plant and equipment and intangible assets, adjustments to reflect charges associated with acquisition and integration-related costs and charges associated with the excess fair value (over historical cost) of inventory acquired and subsequently sold as if they were incurred during the first quarter of 2023 for Ingénia and first quarter of 2022 for ASPEQ, and the related income tax effects.

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Revenues	\$ 501.3	\$ 457.9	\$ 974.5	\$ 903.6
Income from continuing operations	49.0	36.1	99.3	65.8
Net income	48.0	33.8	98.1	67.2
Income from continuing operations per share of common stock:				
Basic	\$ 1.06	\$ 0.79	\$ 2.16	\$ 1.45
Diluted	\$ 1.04	\$ 0.77	\$ 2.12	\$ 1.42
Net income per share of common stock:				
Basic	\$ 1.04	\$ 0.74	\$ 2.13	\$ 1.48
Diluted	\$ 1.02	\$ 0.72	\$ 2.09	\$ 1.45

Wind-Down of DBT Business

We completed the wind-down of our DBT Technologies (PTY) LTD (“DBT”) business after ceasing all operations, including those related to two large power projects in South Africa (Kusile and Medupi), in the fourth quarter of 2021. As a result of completing the wind-down plan, we are reporting DBT as a discontinued operation for all periods presented. As previously disclosed, DBT had asserted claims against the remaining prime contractor on the large projects, Mitsubishi Heavy Industries Power — ZAF (f.k.a. Mitsubishi-Hitachi Power Systems Africa (PTY) LTD) (“MHI”), which had also asserted claims against DBT.

As previously disclosed in our 2023 Annual Report on Form 10-K, on September 5, 2023, DBT and SPX entered into an agreement with MHI to resolve all claims between the parties with respect to the two large power projects in South Africa (the “Settlement Agreement”). The Settlement Agreement provides for full and final settlement and mutual release of all claims between the parties with respect to the projects, including any claim against SPX Technologies, Inc. as guarantor of DBT’s performance on the projects. It also provides that the underlying subcontracts are terminated and all obligations of both parties under the subcontracts have been satisfied in full.

Prior to the Settlement Agreement, on February 22, 2021, a dispute adjudication panel issued a ruling in favor of DBT against MHI related to costs incurred in connection with delays on two units of the Kusile project. In connection with the ruling, DBT received South African Rand 126.6 (or \$8.6 at the time of payment). This ruling was subject to final and binding arbitration in this matter. In March 2023, an arbitration tribunal upheld the decision of the dispute adjudication panel. As a result, South African Rand 126.6 (or \$7.0) was recorded as income during the first quarter of 2023, with such amount recorded within “Gain (loss) on disposition of discontinued operations, net of tax.” Further, in June 2023, the arbitration tribunal ruled DBT was entitled to recover \$1.3 of legal costs incurred related to the arbitration. Additionally, in May 2023, a separate arbitration tribunal ruled DBT was entitled to recover \$5.5 of legal costs incurred related to another prior arbitration. Such amounts were recorded within “Gain (loss) on disposition of discontinued operations, net of tax” during the quarter ended July 1, 2023.

The assets and liabilities of DBT have been included within “Assets of DBT and Heat Transfer” and “Liabilities of DBT and Heat Transfer,” respectively, on the condensed consolidated balance sheets as of June 29, 2024 and December 31, 2023. The major line items constituting DBT’s assets and liabilities as of June 29, 2024 and December 31, 2023 are shown below:

	June 29, 2024	December 31, 2023
ASSETS		
Cash and equivalents	\$ 4.9	\$ 5.5
Accounts receivable, net	—	0.4
Other current assets ⁽¹⁾	5.1	4.7
Property, plant and equipment:		
Buildings and leasehold improvements	—	0.2
Machinery and equipment	—	0.5
	—	0.7
Accumulated depreciation	—	(0.6)
Property, plant and equipment, net	—	0.1
Total assets of DBT	<u>\$ 10.0</u>	<u>\$ 10.7</u>
LIABILITIES		
Accounts payable ⁽²⁾	\$ 27.1	\$ 26.9
Contract liabilities ⁽¹⁾	2.1	2.1
Accrued expenses ⁽¹⁾	5.9	6.3
Other long-term liabilities ⁽¹⁾	4.7	4.2
Total liabilities of DBT	<u>\$ 39.8</u>	<u>\$ 39.5</u>

⁽¹⁾ Recorded amounts relate primarily to disputed amounts due to or from a subcontractor engaged by DBT during the Kusile project, that is currently in liquidation. The timing of the ultimate resolution of these matters is uncertain as they are likely to occur as part of the liquidation process.

⁽²⁾ Includes DBT’s remaining obligation under the Settlement Agreement to make a payment to MHI of South African Rand 480.9 (or \$26.4 and \$26.2 at June 29, 2024 and December 31, 2023, respectively), due in September 2024. In connection with this remaining

obligation, we entered into a foreign currency forward contract which we are accounting for as a fair value hedge. Refer to Note 14 for additional details.

Wind-Down of the Heat Transfer Business

We completed the wind-down of our SPX Heat Transfer (“Heat Transfer”) business in the fourth quarter of 2020. As a result of completing the wind-down plan, we are reporting Heat Transfer as a discontinued operation for all periods presented.

The assets and liabilities of Heat Transfer have been included within “Assets of DBT and Heat Transfer” and “Liabilities of DBT and Heat Transfer,” respectively, on the condensed consolidated balance sheets as of June 29, 2024 and December 31, 2023. The major line items constituting Heat Transfer’s assets and liabilities as of June 29, 2024 and December 31, 2023 are shown below:

	June 29, 2024	December 31, 2023
ASSETS		
Other current assets	\$ 0.3	\$ 0.3
Other assets	—	0.1
Total assets of Heat Transfer	<u>\$ 0.3</u>	<u>\$ 0.4</u>
LIABILITIES		
Accounts payable	\$ 0.2	\$ 0.2
Total liabilities of Heat Transfer	<u>\$ 0.2</u>	<u>\$ 0.2</u>

Changes in estimates associated with liabilities retained in connection with a business divestiture (e.g. income taxes) may occur. As a result, it is possible that the resulting gains/losses on these and other previous divestitures may be materially adjusted in subsequent periods.

For the three and six months ended June 29, 2024 and July 1, 2023, results of operations from our businesses reported as discontinued operations were as follows:

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
DBT				
Income (loss) from discontinued operations ⁽¹⁾	\$ (0.4)	\$ (2.4)	\$ (0.6)	\$ 0.6
Income tax (provision) benefit	(0.2)	0.2	—	0.9
Income (loss) from discontinued operations, net	<u>(0.6)</u>	<u>(2.2)</u>	<u>(0.6)</u>	<u>1.5</u>
All other				
Loss from discontinued operations ⁽²⁾	(0.2)	(0.1)	(0.4)	(0.1)
Income tax provision	(0.2)	—	(0.2)	—
Loss from discontinued operations, net	<u>(0.4)</u>	<u>(0.1)</u>	<u>(0.6)</u>	<u>(0.1)</u>
Total				
Income (loss) from discontinued operations	(0.6)	(2.5)	(1.0)	0.5
Income tax (provision) benefit	(0.4)	0.2	(0.2)	0.9
Income (loss) from discontinued operations, net	<u>\$ (1.0)</u>	<u>\$ (2.3)</u>	<u>\$ (1.2)</u>	<u>\$ 1.4</u>

⁽¹⁾ Income for the six months ended July 1, 2023 resulted primarily from income recorded in connection with the dispute resolutions mentioned above, partially offset by legal costs incurred in connection with various dispute resolution matters that existed prior to the Settlement Agreement. Loss for the three months ended July 1, 2023 resulted primarily from net legal costs incurred in connection with various dispute resolution matters that existed prior to the Settlement Agreement.

⁽²⁾ Loss for the three and six months ended June 29, 2024 and July 1, 2023 resulted primarily from revisions to liabilities, including income tax liabilities, retained in connection with prior dispositions.

(4) REVENUES FROM CONTRACTS

Disaggregated Revenues

We disaggregate revenue from contracts with customers by major product line and based on the timing of recognition for each of our reportable segments, as we believe such disaggregation best depicts how the nature, amount, timing, and uncertainty of our revenues and cash flows are affected by economic factors, with such disaggregation presented below for the three and six months ended June 29, 2024 and July 1, 2023:

Reportable Segments	Three months ended June 29, 2024		
	HVAC	Detection and Measurement	Total
Major product lines			
Package and process cooling equipment and services, and engineered air movement solutions	\$ 244.6	\$ —	\$ 244.6
Boilers, electrical heating, and ventilation	111.9	—	111.9
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	66.1	66.1
Communication technologies, aids to navigation, and transportation systems	—	78.7	78.7
	<u>\$ 356.5</u>	<u>\$ 144.8</u>	<u>\$ 501.3</u>
Timing of Revenue Recognition			
Revenues recognized at a point in time	\$ 315.0	\$ 120.7	\$ 435.7
Revenues recognized over time	41.5	24.1	65.6
	<u>\$ 356.5</u>	<u>\$ 144.8</u>	<u>\$ 501.3</u>

Reportable Segments	Six months ended June 29, 2024		
	HVAC	Detection and Measurement	Total
Major product lines			
Package and process cooling equipment and services, and engineered air movement solutions	\$ 432.4	\$ —	\$ 432.4
Boilers, electrical heating, and ventilation	226.5	—	226.5
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	127.1	127.1
Communication technologies, aids to navigation, and transportation systems	—	180.5	180.5
	<u>\$ 658.9</u>	<u>\$ 307.6</u>	<u>\$ 966.5</u>
Timing of Revenue Recognition			
Revenues recognized at a point in time	\$ 597.4	\$ 258.7	\$ 856.1
Revenues recognized over time	61.5	48.9	110.4
	<u>\$ 658.9</u>	<u>\$ 307.6</u>	<u>\$ 966.5</u>

Reportable Segments	Three months ended July 1, 2023		
	HVAC	Detection and Measurement	Total
Major product lines			
Package and process cooling equipment and services, and engineered air movement solutions	\$ 173.3	\$ —	\$ 173.3
Boilers, electrical heating, and ventilation	95.7	—	95.7
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	67.2	67.2
Communication technologies, aids to navigation, and transportation systems	—	87.1	87.1
	<u>\$ 269.0</u>	<u>\$ 154.3</u>	<u>\$ 423.3</u>
Timing of Revenue Recognition			
Revenues recognized at a point in time	\$ 248.0	\$ 127.3	\$ 375.3
Revenues recognized over time	21.0	27.0	48.0
	<u>\$ 269.0</u>	<u>\$ 154.3</u>	<u>\$ 423.3</u>

Reportable Segments	Six months ended July 1, 2023		
	HVAC	Detection and Measurement	Total
Major product lines			
Package and process cooling equipment and services, and engineered air movement solutions	\$ 331.6	\$ —	\$ 331.6
Boilers, electrical heating, and ventilation	189.0	—	189.0
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	133.1	133.1
Communication technologies, aids to navigation, and transportation systems	—	169.4	169.4
	<u>\$ 520.6</u>	<u>\$ 302.5</u>	<u>\$ 823.1</u>
Timing of Revenue Recognition			
Revenues recognized at a point in time	\$ 476.3	\$ 255.5	\$ 731.8
Revenues recognized over time	44.3	47.0	91.3
	<u>\$ 520.6</u>	<u>\$ 302.5</u>	<u>\$ 823.1</u>

Contract Balances

Our customers are invoiced for products and services at the time of delivery or based on contractual milestones, resulting in outstanding receivables with payment terms from these customers (“Contract Accounts Receivable”). In some cases, the timing of revenue recognition, particularly for revenue recognized over time, differs from when such amounts are invoiced to customers, resulting in a contract asset (revenue recognition precedes the invoicing of the related revenue amount) or a contract liability (payment from the customer precedes recognition of the related revenue amount). Contract assets and liabilities are generally classified as current. On a contract-by-contract basis, the contract assets and contract liabilities are reported net within our condensed consolidated balance sheets. Our contract balances consisted of the following as of June 29, 2024 and December 31, 2023:

Contract Balances	June 29, 2024		December 31, 2023		Change
Contract Accounts Receivable ⁽¹⁾	\$	319.3	\$	275.4	\$ 43.9
Contract Assets		32.0		16.6	15.4
Contract Liabilities - current		(61.7)		(73.5)	11.8
Contract Liabilities - non-current ⁽²⁾		(3.7)		(4.0)	0.3
Net contract balance	<u>\$</u>	<u>285.9</u>	<u>\$</u>	<u>214.5</u>	<u>\$ 71.4</u>

⁽¹⁾ Included in “Accounts receivable, net” within the accompanying condensed consolidated balance sheets.

⁽²⁾ Included in “Other long-term liabilities” within the accompanying condensed consolidated balance sheets.

The timing of revenue recognition, invoicing and cash collections results in contract accounts receivable, contract assets, and customer advances and deposits (contract liabilities) on our condensed consolidated balance sheets. In general, we receive payments from customers based on a billing schedule established in our contracts. During the three and six months ended June 29, 2024, changes in contract balances were not materially impacted by any other factors besides the acquisition of Ingénia. At June 29, 2024, contract account receivables and current contract liabilities attributable to Ingénia were \$20.0 and \$0.5, respectively.

During the three and six months ended June 29, 2024, we recognized revenues of \$14.2 and \$40.7, respectively, related to our contract liabilities at December 31, 2023.

Performance Obligations

As of June 29, 2024, the aggregate amount allocated to remaining performance obligations was \$137.1. We expect to recognize revenue on approximately 76% and 84% of these remaining performance obligations over the next 12 and 24 months, respectively, with the remaining recognized thereafter.

(5) LEASES

There have been no material changes to our finance leases during the three and six months ended June 29, 2024.

During the six months ended June 29, 2024, we obtained operating lease right-of-use assets in exchange for new lease obligations of \$15.8, recorded as a non-cash activity within the condensed consolidated statement of cash flows.

Supplemental balance sheet information related to operating leases is as follows:

	June 29, 2024	December 31, 2023	Affected Line Item in the Condensed Consolidated Balance Sheets
Operating Leases:			
Operating lease ROU assets	\$ 52.2	\$ 42.4	Other assets
Operating lease current liabilities	\$ 10.2	\$ 11.3	Accrued expenses
Operating lease non-current liabilities	39.4	28.5	Other long-term liabilities
Total operating lease liability	\$ 49.6	\$ 39.8	

The weighted average remaining lease term (years) of our operating leases as of June 29, 2024 and December 31, 2023, were as follows:

	June 29, 2024	December 31, 2023
Operating Leases	5.9	5.5

The discount rate utilized to determine the present value of lease payments over the lease term is our incremental borrowing rate based on the information available at lease commencement date. In developing the incremental borrowing rate, we considered the interest rate that reflects a term similar to the underlying lease term on a fully collateralized basis. We concluded to apply the incremental borrowing rate at a consolidated portfolio level using a five-year term, as the results did not materially differ upon further stratification. The weighted-average discount rate for our operating leases was 3.8% and 3.2% at June 29, 2024 and December 31, 2023, respectively.

The future minimum payments under our operating leases were as follows as of June 29, 2024:

	Operating Leases
Remainder of 2024	\$ 6.7
2025	10.5
2026	9.1
2027	8.5
2028	7.7
Thereafter	13.0
Total lease payments	55.5
Less imputed interest	5.9
Total	\$ 49.6

(6) INFORMATION ON REPORTABLE SEGMENTS

We are a global supplier of highly specialized, engineered solutions with operations in 15 countries and sales in over 100 countries around the world.

We have aggregated our operating segments into the following two reportable segments: HVAC and Detection and Measurement. The factors considered in determining our aggregated segments are the economic similarity of the businesses, the nature of products sold or services provided, production processes, types of customers, distribution methods, and regulatory environment. In determining our reportable segments, we apply the threshold criteria of the Segment Reporting Topic of the Codification. Segment Income is determined before considering, if applicable, impairment and special charges, long-term incentive compensation, certain other operating income/expense, other indirect corporate expenses, intangible asset amortization expense, inventory step-up charges, and certain other acquisition and integration-related costs. This is consistent with the way our Chief Operating Decision Maker ("CODM") evaluates the results of each segment.

HVAC Reportable Segment

Our HVAC reportable segment engineers, designs, manufactures, installs and services package and process cooling products and engineered air movement solutions for the HVAC industrial, commercial, data center, and power generation markets, as well as boilers and electrical heating and ventilation products for the residential and commercial markets. The primary distribution channels for the segment's products are direct to customers, independent manufacturing representatives, third-party distributors, and retailers. The segment serves a global customer base in North America, Europe, and Asia.

Detection and Measurement Reportable Segment

Our Detection and Measurement reportable segment engineers, designs, manufactures, services, and installs underground pipe and cable locators, inspection and rehabilitation equipment, robotic systems, transportation systems, communication technologies, and aids to navigation. The primary distribution channels for the segment's products are direct to customers and third-party distributors. The segment serves a global customer base in North America, Europe, Africa, and Asia.

Corporate Expense

Corporate expense generally relates to the operating cost of our Charlotte, North Carolina corporate headquarters.

Financial data for our reportable segments for the three and six months ended June 29, 2024 and July 1, 2023 are presented below:

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Revenues:				
HVAC reportable segment	\$ 356.5	\$ 269.0	\$ 658.9	\$ 520.6
Detection and Measurement reportable segment	144.8	154.3	307.6	302.5
Consolidated revenues	<u>\$ 501.3</u>	<u>\$ 423.3</u>	<u>\$ 966.5</u>	<u>\$ 823.1</u>
Income:				
HVAC reportable segment	\$ 83.7	\$ 55.2	\$ 152.1	\$ 102.9
Detection and Measurement reportable segment	33.9	29.2	65.3	55.9
Total income for segments	<u>117.6</u>	<u>84.4</u>	<u>217.4</u>	<u>158.8</u>
Corporate expense	12.0	16.6	25.9	31.2
Acquisition-related and other costs ⁽¹⁾	2.3	1.5	4.9	2.1
Long-term incentive compensation expense	3.7	3.5	7.0	6.6
Amortization of acquired intangible assets	16.8	11.5	31.6	17.8
Special charges, net	(0.2)	—	0.4	—
Other operating expense, net ⁽²⁾	8.4	—	8.4	—
Consolidated operating income	<u>\$ 74.6</u>	<u>\$ 51.3</u>	<u>\$ 139.2</u>	<u>\$ 101.1</u>

⁽¹⁾ Represents certain integration costs incurred of \$2.3 and \$4.9 during the three and six months ended June 29, 2024, respectively, and \$1.5 and \$2.1 during the three and six months ended July 1, 2023, respectively, including additional "Cost of products sold" related to the step-up of inventory (to fair value) acquired in connection with the Ingénia acquisition of \$0.9 and \$1.8 during the three and six months ended June 29, 2024, respectively, and the ASPEQ acquisition of \$1.1 during the three and six months ended July 1, 2023.

⁽²⁾ Represents a charge of \$8.4 related to a settlement with the seller of ULC Robotics ("ULC") regarding additional contingent consideration.

(7) SPECIAL CHARGES, NET

Special charges, net, for the three and six months ended June 29, 2024 and July 1, 2023 are described in more detail below:

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
HVAC reportable segment	\$ (0.1)	\$ —	\$ 0.2	\$ —
Detection and Measurement reportable segment	(0.1)	—	0.2	—
Total	<u>\$ (0.2)</u>	<u>\$ —</u>	<u>\$ 0.4</u>	<u>\$ —</u>

HVAC — Special charges, net for the three and six months ended June 29, 2024 related primarily to recording, and subsequent adjustments of, severance costs associated with a restructuring action at one of the segment's cooling businesses.

Detection and Measurement — Special charges, net for the three and six months ended June 29, 2024 related primarily to recording, and subsequent adjustments of, severance costs associated with restructuring actions at the segment's inspection and rehabilitation and aids to navigation businesses.

No significant future charges are expected to be incurred under actions approved as of June 29, 2024.

The following is an analysis of our restructuring liabilities for the six months ended June 29, 2024 and July 1, 2023:

	Six months ended	
	June 29, 2024	July 1, 2023
Balance at beginning of year	\$ 0.7	\$ —
Special charges	0.4	—
Utilization — cash	(0.8)	—
Balance at end of period	<u>\$ 0.3</u>	<u>\$ —</u>

(8) INVENTORIES, NET

Inventories are accounted for under the first-in, first-out method and are comprised of the following at June 29, 2024 and December 31, 2023:

	June 29, 2024	December 31, 2023
Finished goods	\$ 73.8	\$ 79.4
Work in process	35.7	31.4
Raw materials and purchased parts	183.2	165.9
Total inventories	<u>\$ 292.7</u>	<u>\$ 276.7</u>

Inventories include material, labor and factory overhead costs and are reduced, when necessary, to estimated net realizable values.

(9) GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

The changes in the carrying amount of goodwill for the six months ended June 29, 2024 were as follows:

	December 31, 2023	Goodwill Resulting from Business Combinations ⁽¹⁾	Foreign Currency Translation	June 29, 2024
HVAC reportable segment				
Gross goodwill	\$ 777.8	\$ 147.2	\$ (7.6)	\$ 917.4
Accumulated impairments	(331.9)	—	3.2	(328.7)
Goodwill	445.9	147.2	(4.4)	588.7
Detection and Measurement reportable segment				
Gross goodwill	432.6	—	(3.2)	429.4
Accumulated impairments	(173.7)	—	0.6	(173.1)
Goodwill	258.9	—	(2.6)	256.3
Total				
Gross goodwill	1,210.4	147.2	(10.8)	1,346.8
Accumulated impairments	(505.6)	—	3.8	(501.8)
Goodwill	\$ 704.8	\$ 147.2	\$ (7.0)	\$ 845.0

⁽¹⁾ Reflects (i) goodwill acquired with the Ingénia acquisition of \$141.6 and (ii) an increase in ASPEQ and TAMCO goodwill of \$3.9 and \$1.7, respectively, resulting from revisions to the valuation of certain assets and liabilities. As indicated in Notes 1 and 3, the acquired assets, including goodwill, and liabilities assumed in the Ingénia acquisition have been recorded at estimates of fair value and are subject to change upon completion of acquisition accounting.

Other Intangibles, Net

Identifiable intangible assets at June 29, 2024 and December 31, 2023 comprised the following:

	June 29, 2024			December 31, 2023		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Intangible assets with determinable lives: ⁽¹⁾						
Customer relationships	\$ 424.4	\$ (86.1)	\$ 338.3	\$ 403.2	\$ (68.8)	\$ 334.4
Technology	184.7	(34.6)	150.1	139.5	(27.8)	111.7
Patents	4.5	(4.5)	—	4.5	(4.5)	—
Other	72.6	(38.7)	33.9	45.4	(32.0)	13.4
	686.2	(163.9)	522.3	592.6	(133.1)	459.5
Trademarks with indefinite lives	220.4	—	220.4	221.3	—	221.3
Total	\$ 906.6	\$ (163.9)	\$ 742.7	\$ 813.9	\$ (133.1)	\$ 680.8

⁽¹⁾ The gross carrying value of identifiable intangible assets acquired with the Ingénia acquisition consist of technology of \$46.7, customer relationships of \$23.5, definite-lived trademarks of \$13.9, and backlog of \$13.8.

In connection with the acquisition of Ingénia, which has definite-lived intangible assets as noted above, we updated our estimated annual amortization expense related to intangible assets to approximately \$66.0 for the full year 2024, \$54.0 for 2025, and \$53.0 for each of the three years thereafter.

At June 29, 2024, the net carrying value of intangible assets with determinable lives consisted of \$408.8 in the HVAC reportable segment and \$113.5 in the Detection and Measurement reportable segment. At June 29, 2024, trademarks with indefinite lives consisted of \$156.6 in the HVAC reportable segment and \$63.8 in the Detection and Measurement reportable segment.

We review goodwill and indefinite-lived intangible assets for impairment annually during the fourth quarter in conjunction with our annual financial planning process, with such testing based primarily on events and circumstances existing as of the end of the third quarter. In addition, we test goodwill for impairment on a more frequent basis if there are indications

of potential impairment. In reviewing goodwill and indefinite-lived intangible assets for impairment, we initially perform a qualitative analysis. If there is an indication of impairment, we then perform a quantitative analysis. A significant amount of judgment is involved in determining if an indication of impairment has occurred between annual testing dates. Such indication may include: a significant decline in expected future cash flows; a significant adverse change in legal factors or the business climate; unanticipated competition; and a more likely than not expectation of selling or disposing all, or a portion, of a reporting unit.

The fair value of the assets related to the ASPEQ and Ingénia acquisitions approximate their respective carrying values. If ASPEQ and Ingénia are unable to achieve their current financial forecast, we may be required to record an impairment charge in a future period related to their goodwill or indefinite-lived intangible assets. As of June 29, 2024, ASPEQ and Ingénia's goodwill totaled \$195.0 and \$139.4, respectively, and indefinite-lived intangible assets totaled \$51.5 for ASPEQ.

We perform our annual trademarks impairment testing during the fourth quarter, or on a more frequent basis, if there are indications of potential impairment. The fair value of our trademarks is based on applying estimated royalty rates to projected revenues, with resulting cash flows discounted at a rate of return that reflects current market conditions (fair value based on unobservable inputs - Level 3, as defined in Note 17). The primary basis for these projected revenues is the annual operating plan for each of the related businesses, which is prepared in the fourth quarter of each year.

(10) WARRANTY

The following is an analysis of our product warranty accrual for the periods presented:

	Six months ended	
	June 29, 2024	July 1, 2023
Balance at beginning of year	\$ 37.9	\$ 34.7
Acquisitions	0.3	0.8
Provisions	9.8	7.9
Usage	(7.6)	(7.5)
Balance at end of period	40.4	35.9
Less: Current portion of warranty	16.7	13.2
Non-current portion of warranty	\$ 23.7	\$ 22.7

(11) EMPLOYEE BENEFIT PLANS

Net periodic benefit (income) expense for our pension and postretirement plans included the following components:

Domestic Pension Plans

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Service cost	\$ —	\$ —	\$ —	\$ —
Interest cost	3.0	3.3	6.0	6.6
Expected return on plan assets	(2.2)	(2.2)	(4.4)	(4.4)
Net periodic pension benefit expense	\$ 0.8	\$ 1.1	\$ 1.6	\$ 2.2

Foreign Pension Plans

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Service cost	\$ —	\$ —	\$ —	\$ —
Interest cost	1.4	1.4	2.8	2.8
Expected return on plan assets	(1.3)	(1.6)	(2.6)	(3.2)
Net periodic pension benefit (income) expense	\$ 0.1	\$ (0.2)	\$ 0.2	\$ (0.4)

Postretirement Plans

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Service cost	\$ —	\$ —	\$ —	\$ —
Interest cost	0.3	0.3	0.6	0.6
Amortization of unrecognized prior service credits	(0.8)	(1.0)	(1.6)	(2.0)
Net periodic postretirement benefit income	<u>\$ (0.5)</u>	<u>\$ (0.7)</u>	<u>\$ (1.0)</u>	<u>\$ (1.4)</u>

(12) INDEBTEDNESS

The following summarizes our debt activity (both current and non-current) for the six months ended June 29, 2024:

	December 31, 2023	Borrowings	Repayments	Other ⁽⁵⁾	June 29, 2024
Revolving loans ⁽¹⁾	\$ —	\$ 575.2	\$ (375.2)	\$ —	\$ 200.0
Term loans ⁽²⁾	539.9	—	(6.8)	0.2	533.3
Trade receivables financing arrangement ⁽³⁾	16.0	132.0	(93.0)	—	55.0
Other indebtedness ⁽⁴⁾	2.4	—	(0.8)	0.4	2.0
Total debt	558.3	<u>\$ 707.2</u>	<u>\$ (475.8)</u>	<u>\$ 0.6</u>	790.3
Less: short-term debt	17.9				256.3
Less: current maturities of long-term debt	17.3				24.1
Total long-term debt, net	<u>\$ 523.1</u>				<u>\$ 509.9</u>

⁽¹⁾ While the revolving credit facility extends through August 2027 under the terms of our senior credit agreement, it is available in notes that mature, but may be reissued upon maturity, over varying terms of twelve months or less. The revolving credit facility, classified within short-term debt, is primarily used to provide liquidity for general corporate and business needs or for funding acquisitions. The revolving credit facility was utilized as the primary funding mechanism for the Ingénia acquisition.

⁽²⁾ The term loans are repayable in quarterly installments equal to 0.625% of the initial balances of \$545.0, in each of the first three quarters of 2024, and 1.25% during the fourth quarter of 2024, all quarters of 2025 and 2026, and the first two quarters of 2027. The remaining balances are payable in full on August 12, 2027. Balances are net of unamortized debt issuance costs of \$1.5 and \$1.7 at June 29, 2024 and December 31, 2023, respectively.

⁽³⁾ Under this arrangement, we can borrow, on a continuous basis, up to \$60.0, as available. Borrowings under this arrangement are collateralized by eligible trade receivables of certain of our businesses. At June 29, 2024, we had \$5.0 of available borrowing capacity under this facility after giving effect to outstanding borrowings of \$55.0.

⁽⁴⁾ Primarily includes balances under a purchase card program of \$1.3 and \$1.9 and finance lease obligations of \$0.7 and \$0.5 at June 29, 2024 and December 31, 2023, respectively. The purchase card program allows for payment beyond the normal payment terms for goods and services acquired under the program. As this arrangement extends the payment of these purchases beyond their normal payment terms through third-party lending institutions, we have classified these amounts as short-term debt.

⁽⁵⁾ “Other” includes the amortization of debt issuance costs associated with the term loans.

Senior Credit Facilities

A detailed description of our senior credit facilities is included in our 2023 Annual Report on Form 10-K.

At June 29, 2024, we had \$288.9 of available borrowing capacity under our revolving credit facilities, after giving effect to borrowings under the domestic revolving loan facility of \$200.0 and \$11.1 reserved for outstanding letters of credit. In addition, at June 29, 2024, we had \$6.4 of available issuance capacity under our foreign credit instrument facilities after giving effect to \$18.6 reserved for outstanding letters of credit.

The weighted-average interest rate of outstanding borrowings under our senior credit agreement was approximately 6.9% at June 29, 2024.

At June 29, 2024, we were in compliance with all covenants of our senior credit agreement.

Company-owned Life Insurance

The Company has investments in company-owned life insurance (“COLI”) policies, which are recorded at their cash surrender value at each balance sheet date. Changes in the cash surrender value during the period are recorded as a gain or loss

within “Other income (expense), net” within our condensed consolidated statements of operations. The Company has the ability to borrow against a portion of its investment in the COLI policies as an additional source of liquidity. During the quarter ended June 29, 2024, the Company borrowed \$41.2 against the cash surrender value of these COLI policies. Such borrowings were primarily used to pay down amounts payable under the revolving credit facility. The amounts borrowed incur interest at a rate of 5.3%. The cash surrender value of the Company’s investments in COLI assets, net of the aforementioned borrowing, was \$34.9 and \$76.7 at June 29, 2024 and December 31, 2023, respectively, recorded in “Other assets” on the condensed consolidated balance sheets.

(13) DERIVATIVE FINANCIAL INSTRUMENTS

Interest Rate Swaps

We maintain interest rate swap agreements (“Swaps”) that have a remaining notional amount of \$212.5, cover the period through November 2024, and effectively convert this portion of the borrowings under our senior credit facilities to a fixed rate of 1.077%, plus the applicable margin. We have designated, and are accounting for, our Swaps as cash flow hedges.

As of June 29, 2024 and December 31, 2023, the unrealized gain, net of tax, recorded in accumulated other comprehensive income (“AOCI”) was \$2.9 and \$5.7, respectively. In addition, the fair value of our Swaps, recorded as a current asset, was \$3.8 and \$7.5 as of June 29, 2024 and December 31, 2023, respectively. Changes in the fair value of our Swaps are reclassified into earnings, as a component of interest expense, when the forecasted transaction impacts earnings.

Currency Forward Contracts

We manufacture and sell our products in a number of countries and, as a result, are exposed to movements in foreign currency exchange rates. Our objective is to preserve the economic value of non-functional currency-denominated cash flows and to minimize the impact of changes as a result of currency fluctuations. Our principal currency exposures relate to the South African Rand, British Pound Sterling, Canadian Dollar, and Euro.

From time to time, we enter into forward contracts to manage the exposure on contracts with forecasted transactions denominated in non-functional currencies and to manage the risk of transaction gains and losses associated with assets/liabilities denominated in currencies other than the functional currency of certain subsidiaries (“FX forward contracts”).

We had FX forward contracts with an aggregate notional amount of \$8.0 and \$9.4 outstanding as of June 29, 2024 and December 31, 2023, respectively, with all of the \$8.0 scheduled to mature within one year. The fair value of our FX forward contracts was less than \$0.1 at June 29, 2024 and December 31, 2023.

In addition to the above, we entered FX forward contracts associated with the Settlement Agreement, to mitigate our exposure to fluctuations in the South African Rand, with a notional amount of South African Rand 480.9 (or \$24.9 at the time of execution) and a fair value of \$1.5 and \$1.3 at June 29, 2024 and December 31, 2023, respectively, which are included within “Assets of DBT and Heat Transfer” on the condensed consolidated balance sheets. All of these FX forward contracts are scheduled to mature within one year. Refer to Note 3 for additional details.

(14) STOCKHOLDERS' EQUITY AND LONG-TERM INCENTIVE COMPENSATION

Income Per Share

The following table sets forth the number of weighted-average shares outstanding used in the computation of basic and diluted income per share:

	Three months ended		Six months ended	
	June 29, 2024	July 1, 2023	June 29, 2024	July 1, 2023
Weighted-average number of common shares used in basic income per share	46.246	45.533	46.038	45.457
Dilutive securities — Employee stock options and restricted stock units	0.912	1.094	0.863	1.043
Weighted-average number of common shares and dilutive securities used in diluted income per share	47.158	46.627	46.901	46.500

The weighted-average number of restricted stock units and stock options excluded from the computation of diluted income per share because the assumed proceeds for these instruments exceed the average market value of the underlying common stock for the related period were 0.155 and 0.283, respectively, for the three months ended June 29, 2024, and 0.137 and 0.305, respectively, for the six months ended June 29, 2024.

The weighted-average number of restricted stock units and stock options excluded from the computation of diluted income per share because the assumed proceeds for these instruments exceed the average market value of the underlying common stock for the related period were 0.228 and 0.535, respectively, for the three months ended July 1, 2023, and 0.198 and 0.529, respectively, for the six months ended July 1, 2023.

Long-Term Incentive Compensation

Long-term incentive compensation awards may be granted to certain eligible employees or non-employee directors. A detailed description of the awards granted prior to 2024 is included in our 2023 Annual Report on Form 10-K.

Awards granted on February 28, 2024 to executive officers and other members of senior management were comprised of performance stock units (“PSU’s”), stock options, and time-based restricted stock units (“RSU’s”), while other eligible employees were granted PSU’s and RSU’s. The PSU’s are eligible to vest at the end of a three-year performance period, with performance based on the total return of our stock over the three-year performance period against a peer group within the combined S&P 600 Small Cap Capital Goods Index and S&P 400 Mid Cap Capital Goods Index. Stock options and RSU’s vest ratably over the three-year period subsequent to the date of grant.

Effective May 14, 2024, we granted 0.008 RSU’s to our non-employee directors, which vest in their entirety immediately prior to the annual meeting of stockholders in May 2025.

Compensation expense within income from continuing operations related to long-term incentive awards totaled \$3.7 and \$3.5 for the three months ended June 29, 2024 and July 1, 2023, respectively, and \$7.0 and \$6.6 for the six months ended June 29, 2024 and July 1, 2023, respectively. The related tax benefit was \$0.6 for the three months ended June 29, 2024 and July 1, 2023 and \$1.2 and \$1.1 for the six months ended June 29, 2024 and July 1, 2023, respectively.

Repurchases of Common Stock

On May 14, 2024, our Board of Directors authorized management, in its sole discretion, to repurchase, in any fiscal year, up to \$100.0 of our common stock, subject to maintaining compliance with all covenants of our senior credit agreement. No share repurchases were effected pursuant to this and prior authorizations during the three and six months ended June 29, 2024.

Accumulated Other Comprehensive Income

The changes in the components of AOCI, net of tax, for the three months ended June 29, 2024 were as follows:

	Foreign Currency Translation Adjustment	Net Unrealized Gains on Qualifying Cash Flow Hedges ⁽¹⁾	Pension and Postretirement Liability Adjustment ⁽²⁾	Total
Balance at beginning of period	\$ 242.7	\$ 4.4	\$ 3.8	\$ 250.9
Other comprehensive income (loss) before reclassifications	(3.9)	0.2	—	(3.7)
Amounts reclassified from accumulated other comprehensive income	—	(1.7)	(0.6)	(2.3)
Current-period other comprehensive loss	(3.9)	(1.5)	(0.6)	(6.0)
Balance at end of period	\$ 238.8	\$ 2.9	\$ 3.2	\$ 244.9

⁽¹⁾ Net of tax provision of \$0.8 and \$1.4 as of June 29, 2024 and March 30, 2024, respectively.

⁽²⁾ Net of tax provision of \$1.4 and \$1.6 as of June 29, 2024 and March 30, 2024, respectively. The balances as of June 29, 2024 and March 30, 2024 include unamortized prior service credits.

The changes in the components of AOCI, net of tax, for the six months ended June 29, 2024 were as follows:

	Foreign Currency Translation Adjustment	Net Unrealized Gains on Qualifying Cash Flow Hedges ⁽¹⁾	Pension and Postretirement Liability Adjustment ⁽²⁾	Total
Balance at beginning of period	\$ 251.0	\$ 5.7	\$ 4.4	\$ 261.1
Other comprehensive income (loss) before reclassifications	(12.2)	0.7	—	(11.5)
Amounts reclassified from accumulated other comprehensive income	—	(3.5)	(1.2)	(4.7)
Current-period other comprehensive loss	(12.2)	(2.8)	(1.2)	(16.2)
Balance at end of period	<u>\$ 238.8</u>	<u>\$ 2.9</u>	<u>\$ 3.2</u>	<u>\$ 244.9</u>

⁽¹⁾ Net of tax provision of \$0.8 and \$1.8 as of June 29, 2024 and December 31, 2023, respectively.

⁽²⁾ Net of tax provision of \$1.4 and \$1.8 as of June 29, 2024 and December 31, 2023, respectively. The balances as of June 29, 2024 and December 31, 2023 include unamortized prior service credits.

The changes in the components of AOCI, net of tax, for the three months ended July 1, 2023 were as follows:

	Foreign Currency Translation Adjustment	Net Unrealized Gains on Qualifying Cash Flow Hedges ⁽¹⁾	Pension and Postretirement Liability Adjustment ⁽²⁾	Total
Balance at beginning of period	\$ 243.5	\$ 9.1	\$ 6.7	\$ 259.3
Other comprehensive income before reclassifications	3.9	1.8	—	5.7
Amounts reclassified from accumulated other comprehensive income	—	(1.7)	(0.8)	(2.5)
Current-period other comprehensive income (loss)	3.9	0.1	(0.8)	3.2
Balance at end of period	<u>\$ 247.4</u>	<u>\$ 9.2</u>	<u>\$ 5.9</u>	<u>\$ 262.5</u>

⁽¹⁾ Net of tax provision of \$3.1 as of July 1, 2023 and April 1, 2023.

⁽²⁾ Net of tax provision of \$2.2 and \$2.4 as of July 1, 2023 and April 1, 2023, respectively. The balances as of July 1, 2023 and April 1, 2023 include unamortized prior service credits.

The changes in the components of AOCI, net of tax, for the six months ended July 1, 2023 were as follows:

	Foreign Currency Translation Adjustment	Net Unrealized Gains on Qualifying Cash Flow Hedges ⁽¹⁾	Pension and Postretirement Liability Adjustment ⁽²⁾	Total
Balance at beginning of period	\$ 239.1	\$ 11.0	\$ 7.4	\$ 257.5
Other comprehensive income before reclassifications	8.3	1.5	—	9.8
Amounts reclassified from accumulated other comprehensive income	—	(3.3)	(1.5)	(4.8)
Current-period other comprehensive income (loss)	8.3	(1.8)	(1.5)	5.0
Balance at end of period	<u>\$ 247.4</u>	<u>\$ 9.2</u>	<u>\$ 5.9</u>	<u>\$ 262.5</u>

⁽¹⁾ Net of tax provision of \$3.1 and \$3.7 as of July 1, 2023 and December 31, 2022, respectively.

⁽²⁾ Net of tax provision of \$2.2 and \$2.7 as of July 1, 2023 and December 31, 2022, respectively. The balances as of July 1, 2023 and December 31, 2022 include unamortized prior service credits.

The following summarizes amounts reclassified from each component of AOCI for the three months ended June 29, 2024 and July 1, 2023:

	Amount Reclassified from AOCI		Affected Line Item in the Condensed Consolidated Statements of Operations
	Three months ended		
	June 29, 2024	July 1, 2023	
Gains on qualifying cash flow hedges:			
Swaps	\$ (2.4)	\$ (2.3)	Interest expense
Pre-tax	(2.4)	(2.3)	
Income taxes	0.7	0.6	
	<u>\$ (1.7)</u>	<u>\$ (1.7)</u>	
Gains on pension and postretirement items:			
Amortization of unrecognized prior service credits - Pre-tax	\$ (0.8)	\$ (1.0)	Other income (expense), net
Income taxes	0.2	0.2	
	<u>\$ (0.6)</u>	<u>\$ (0.8)</u>	

The following summarizes amounts reclassified from each component of AOCI for the six months ended June 29, 2024 and July 1, 2023:

	Amount Reclassified from AOCI		Affected Line Item in the Condensed Consolidated Statements of Operations
	Six months ended		
	June 29, 2024	July 1, 2023	
Gains on qualifying cash flow hedges:			
Swaps	\$ (4.8)	\$ (4.4)	Interest expense
Pre-tax	(4.8)	(4.4)	
Income taxes	1.3	1.1	
	<u>\$ (3.5)</u>	<u>\$ (3.3)</u>	
Gains on pension and postretirement items:			
Amortization of unrecognized prior service credits - Pre-tax	\$ (1.6)	\$ (2.0)	Other income (expense), net
Income taxes	0.4	0.5	
	<u>\$ (1.2)</u>	<u>\$ (1.5)</u>	

(15) CONTINGENT LIABILITIES AND OTHER MATTERS

General

Numerous claims, complaints and proceedings arising in the ordinary course of business have been asserted or are pending against us or certain of our subsidiaries (collectively, "claims"). These claims relate to litigation matters (e.g., class actions, derivative lawsuits and contracts, intellectual property and competitive claims), environmental matters, claims for contingent consideration on prior acquisitions, product liability matters, and other risk management matters (e.g., general liability, automobile, and workers' compensation claims). Additionally, we may become subject to other claims of which we are currently unaware, which may be significant, or the claims of which we are aware may result in our incurring significantly greater loss than we anticipate. While we (and our subsidiaries) maintain property, cargo, auto, product, general liability, environmental, and directors' and officers' liability insurance and have acquired rights under similar policies in connection with acquisitions that we believe cover a significant portion of these claims, this insurance may be insufficient or unavailable (e.g., in the case of insurer insolvency) to protect us against potential loss exposures. Also, while we believe we are entitled to indemnification from third parties for some of these claims, these rights may be insufficient or unavailable to protect us against potential loss exposures.

Our recorded liabilities related to these matters, primarily associated with environmental matters, totaled \$37.8 and \$37.9 at June 29, 2024 and December 31, 2023, respectively. Of these amounts, \$29.7 and \$29.4 are included in "Other long-term liabilities" within our condensed consolidated balance sheets at June 29, 2024 and December 31, 2023, respectively, with the remainder included in "Accrued expenses." The liabilities we record for these matters are based on a number of assumptions, including historical claims and payment experience. While we base our assumptions on facts currently known to

us, they entail inherently subjective judgments and uncertainties. As a result, our current assumptions for estimating these liabilities may not prove accurate, and we may be required to adjust these liabilities in the future, which could result in charges to earnings. These variances relative to current expectations could have a material impact on our financial position and results of operations in future periods.

Large Power Projects in South Africa

Overview - Since 2008, DBT had been executing on two large power projects in South Africa (Kusile and Medupi), on which it has completed its scope of work. During that time, the business environment surrounding these projects was difficult, as DBT, along with many other contractors on the projects, experienced delays, cost over-runs, and various other challenges associated with a complex set of contractual relationships among the end customer, prime contractors, various subcontractors (including DBT and its subcontractors), and various suppliers. DBT had asserted claims against the remaining prime contractor, MHI, and MHI had asserted, or issued letters of intent to claim for, alleged damages against DBT. As previously disclosed in our 2023 Annual Report on Form 10-K, and as mentioned in Note 3, on September 5, 2023, DBT and SPX entered into the Settlement Agreement to resolve all claims between the parties with respect to the two large power projects. The Settlement Agreement provides for full and final settlement and the mutual release of all claims between the parties with respect to the projects, including any claim against SPX Technologies, Inc. as guarantor of DBT's performance on the projects. Refer to Note 3 for additional details. Prior to the Settlement Agreement, DBT had experienced success in enforcing its rights through dispute resolution processes, including a favorable arbitration ruling during the first quarter of 2023 related to awards for costs incurred in connection with delays on the Kusile project of South African Rand 126.6 (or \$7.0) with such amount recorded to "Gain (loss) on disposition of discontinued operations, net of tax" during the first quarter of 2023. Further, in June 2023, the arbitration tribunal ruled DBT was entitled to recover \$1.3 of legal costs incurred related to the arbitration. Additionally, in May 2023, a separate arbitration tribunal ruled DBT was entitled to recover \$5.5 of legal costs incurred related to another prior arbitration. Such amounts were recorded within "Gain (loss) on disposition of discontinued operations, net of tax" during the quarter ended July 1, 2023.

Claim against Surety - On February 5, 2021, DBT received payment of \$6.7 on bonds issued in support of performance by one of DBT's subcontractors. The subcontractor, currently in liquidation, maintains a right to seek recovery of such amount and, thus, the amount received by DBT has not been reflected in our condensed consolidated statements of operations.

Claim for Contingent Consideration Related to ULC Acquisition

In connection with our acquisition of ULC in September 2020, the seller of ULC was eligible to receive additional contingent consideration of up to \$45.0 under an earn-out provision. During the third quarter of 2021, we concluded that none of the milestones for the payment of any of the contingent consideration were achieved.

On May 20, 2024, we entered into a settlement agreement with the seller of ULC to resolve a lawsuit it commenced in August 2022 seeking contingent consideration of \$15.0, prejudgment interest on that amount, and attorney's fees. The settlement agreement required a payment by us to the seller of ULC of \$8.4, which was paid during the second quarter of 2024, with a corresponding charge recorded within "Other operating expense, net" within the condensed consolidated statement of operations for the three and six months ended June 29, 2024. We expect this payment to be tax deductible in future periods.

Resolution of Dispute with Former Representative

On January 18, 2024, a jury ruled that one of our businesses within the Detection and Measurement reportable segment had breached its contract and implied duties of good faith and fair dealings in connection with an agreement entered into with a former representative. On January 26, 2024, we negotiated a settlement requiring a payment, paid during the first quarter of 2024, to the former representative of \$9.0 to resolve all claims related to the matter. This amount was recorded within "Accrued Liabilities" on the condensed consolidated balance sheet as of December 31, 2023.

Litigation Matters

We are subject to other legal matters that arise in the normal course of business. We believe these matters are either without merit or of a kind that should not have a material effect, individually or in the aggregate, on our financial position, results of operations or cash flows; however, we cannot assure you that these proceedings or claims will not have a material effect on our financial position, results of operations or cash flows.

Environmental Matters

Our operations and properties are subject to federal, state, local and foreign regulatory requirements relating to environmental protection. It is our policy to comply fully with all applicable requirements. As part of our effort to comply, we have a comprehensive environmental compliance program that includes environmental audits conducted by internal and external independent professionals, as well as regular communications with our operating units regarding environmental compliance requirements and anticipated regulations. Based on current information, we believe that our operations are in substantial compliance with applicable environmental laws and regulations, and we are not aware of any violations that could have a material effect, individually or in the aggregate, on our business, financial condition, and results of operations or cash flows. We had liabilities for site investigation and/or remediation at 16 sites that we own or control, or formerly owned and controlled, as of June 29, 2024 and December 31, 2023. In addition, while we believe that we maintain adequate accruals to cover the costs of site investigation and/or remediation, we cannot provide assurance that new matters, developments, laws and regulations, or stricter interpretations of existing laws and regulations will not materially affect our business or operations in the future.

Our environmental accruals cover anticipated costs, including investigation, remediation, and maintenance of clean-up sites. Our estimates are based primarily on investigations and remediation plans established by independent consultants, regulatory agencies and potentially responsible third parties. Accordingly, our estimates may change based on future developments, including new or changes in existing environmental laws or policies, differences in costs required to complete anticipated actions from estimates provided, future findings of investigation or remediation actions, or alteration to the expected remediation plans. It is our policy to revise an estimate once the revision becomes probable and the amount of change can be reasonably estimated. We generally do not discount our environmental accruals and do not reduce them by anticipated insurance recoveries. We take into account third-party indemnification from financially viable parties in determining our accruals where there is no dispute regarding the right to indemnification.

In the case of contamination at offsite, third-party disposal sites, as of June 29, 2024 and December 31, 2023, we have been notified that we are potentially responsible and have received other notices of potential liability pursuant to various environmental laws at 9 sites, at which the liability has not been settled and all of which have been active in the past few years. These laws may impose liability on certain persons that are considered jointly and severally liable for the costs of investigation and remediation of hazardous substances present at these sites, regardless of fault or legality of the original disposal. These persons include the present or former owners or operators of the site and companies that generated, disposed of or arranged for the disposal of hazardous substances at the site. We are considered a “de minimis” potentially responsible party at most of the sites, and we estimate that our aggregate liability, if any, related to these sites is not material to our condensed consolidated financial statements. We conduct extensive environmental due diligence with respect to potential acquisitions, including environmental site assessments and such further testing as we may deem warranted. If an environmental matter is identified, we estimate the cost and either establish a liability, purchase insurance or obtain an indemnity from a financially sound seller; however, in connection with our acquisitions or dispositions, we may assume or retain significant environmental liabilities, some of which we may be unaware. The potential costs related to these environmental matters and the possible impact on future operations are uncertain due in part to the complexity of government laws and regulations and their interpretations, the varying costs and effectiveness of various clean-up technologies, the uncertain level of insurance or other types of recovery, and the questionable level of our responsibility. We record a liability when it is both probable and the amount can be reasonably estimated.

In our opinion, after considering accruals established for such purposes of \$24.1 at June 29, 2024 and December 31, 2023, the cost of remedial actions for compliance with the present laws and regulations governing the protection of the environment are not expected to have a material impact, individually or in the aggregate, on our financial position, results of operations or cash flows.

Self-insured Risk Management Matters

We are self-insured for certain of our workers’ compensation, automobile, product and general liability, disability and health costs, and we believe that we maintain adequate accruals to cover our retained liability. Our accruals for risk management matters are determined by us, are based on claims filed and estimates of claims incurred but not yet reported, and generally are not discounted. We consider a number of factors, including third-party actuarial valuations, when making these determinations. We maintain third-party stop-loss insurance policies to cover certain liability costs in excess of predetermined retained amounts. This insurance may be insufficient or unavailable (e.g., because of insurer insolvency) to protect us against loss exposures.

(16) INCOME AND OTHER TAXES

Uncertain Tax Benefits

As of June 29, 2024, we had gross and net unrecognized tax benefits of \$2.6. All of these unrecognized tax benefits would impact our effective tax rate from continuing operations if recognized.

We classify interest and penalties related to unrecognized tax benefits as a component of our income tax provision. As of June 29, 2024, gross and net accrued interest totaled \$1.3. As of June 29, 2024, we had no accrual for penalties included in our unrecognized tax benefits.

Based on the outcome of certain examinations or as a result of the expiration of statutes of limitations for certain jurisdictions, we do not believe that within the next 12 months our previously unrecognized tax benefits will decrease by a material amount. The previously unrecognized tax benefits relate to a variety of tax matters including transfer pricing and various state matters.

Organization for Economic Co-operation and Development (“OECD”) Pillar Two Model Rules

In December 2021, the OECD issued model rules for a new global minimum tax framework (“Pillar Two”), and various governments around the world have issued, or are in the process of issuing, legislation to implement these rules. The Company is within the scope of the OECD Pillar Two model rules and is assessing the impact thereof. As of June 29, 2024, we believe the implementation of these rules will not have a material impact on our financial results.

Other Tax Matters

For the three months ended June 29, 2024, we recorded an income tax provision of \$15.2 on \$60.4 of pre-tax income from continuing operations, resulting in an effective rate of 25.2%. This compares to an income tax provision for the three months ended July 1, 2023 of \$7.8 on \$46.1 of pre-tax income from continuing operations, resulting in an effective rate of 16.9%. The most significant items impacting the income tax provision for the second quarters of 2024 and 2023 were (i) \$0.5 of tax provision and \$1.2 of tax benefit, respectively, related to revisions to liabilities for uncertain tax positions and (ii) \$0.2 and \$0.5, respectively, of excess tax benefits associated with stock-based compensation awards that vested and/or were exercised during the periods. In addition, the rate for the three months ended July 1, 2023 was favorably impacted by a tax benefit of \$1.8 related to the release of valuation allowances recognized against certain deferred tax assets, as we now expect these deferred tax assets to be realized.

For the six months ended June 29, 2024, we recorded an income tax provision of \$17.1 on \$111.5 of pre-tax income from continuing operations, resulting in an effective rate of 15.3%. This compares to an income tax provision for the six months ended July 1, 2023 of \$19.1 on \$96.5 of pre-tax income from continuing operations, resulting in an effective rate of 19.8%. The most significant items impacting the income tax provision during the first half of 2024 and 2023 were (i) \$11.1 and \$1.4, respectively, of excess tax benefits resulting from stock-based compensation awards that vested and/or were exercised during the periods and (ii) \$0.5 of tax provision and \$1.2 of tax benefit, respectively, related to revisions to liabilities for uncertain tax positions. In addition, the 2023 rate was favorably impacted by a tax benefit of \$1.8 related to the release of valuation allowances recognized against certain deferred tax assets, as we now expect these deferred tax assets to be realized.

We perform reviews of our income tax positions on a continuous basis and accrue for potential uncertain positions when we determine that an uncertain position meets the criteria of the Income Taxes Topic of the Codification. Accruals for these uncertain tax positions are recorded in “Income taxes payable” and “Deferred and other income taxes” in the accompanying condensed consolidated balance sheets based on the expectation as to the timing of when the matters will be resolved. As events change and resolutions occur, these accruals are adjusted, such as in the case of audit settlements with taxing authorities.

U.S. Federal income tax returns are subject to examination for a period of three years after filing the return. We are not currently under examination by the Internal Revenue Service and believe any contingencies in open years are adequately provided for.

State income tax returns generally are subject to examination for a period of three to five years after filing the respective tax returns. The impact on such tax returns of any federal changes remains subject to examination by various states for a period of up to one year after formal notification to the states. We regularly have various state income tax returns in the process of examination. We believe any uncertain tax positions related to these examinations have been adequately provided for.

We regularly have various foreign income tax returns under examination. We believe that any uncertain tax positions related to these examinations have been adequately provided for.

An unfavorable resolution of one or more of the above matters could have a material impact on our results of operations or cash flows in the quarter and year in which an adjustment is recorded or the tax is due or paid. As audits and examinations are still in process, the timing of the ultimate resolution and any payments that may be required for the above matters cannot be determined at this time.

(17) FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

- Level 1 — Quoted prices for identical instruments in active markets.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 — Significant inputs to the valuation model are unobservable.

There were no changes during the periods presented to the valuation techniques we use to measure asset and liability fair values on a recurring or nonrecurring basis. There were no transfers between the three levels of the fair value hierarchy for the periods presented.

Contingent Consideration for the Ingénia Acquisition — In connection with the acquisition of Ingénia, the seller is eligible for additional cash consideration of up to CAD 3.0 (or \$2.2 at the time of acquisition), with payment scheduled to be made in the event certain contingent liabilities do not materialize. The estimated fair value of such contingent consideration is \$0.3, which is reflected as a liability in our condensed consolidated balance sheet as of June 29, 2024.

Goodwill, Indefinite-Lived Intangible and Other Long-Lived Assets — Certain of our non-financial assets are subject to impairment analyses, including long-lived assets, indefinite-lived intangible assets and goodwill. We review the carrying amounts of such assets whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable or at least annually for indefinite-lived intangible assets and goodwill. Any asset impairment would result in the asset being recorded at its fair value.

Derivative Financial Instruments — Our financial derivative assets and liabilities include interest rate swaps and FX forward contracts, and are valued using valuation models based on observable market inputs such as forward rates, interest rates, our own credit risk and the credit risk of our counterparties, which comprise investment-grade financial institutions. Based on these inputs, the derivative assets and liabilities are classified within Level 2 of the valuation hierarchy. We have not made any adjustments to the inputs obtained from the independent sources. Based on our continued ability to enter into forward contracts, we consider the markets for our fair value instruments active. We primarily use the income approach, which uses valuation techniques to convert future amounts to a single present amount.

As of June 29, 2024, there has been no significant impact to the fair value of our derivative liabilities due to our own credit risk, as the related instruments are collateralized under our senior credit facilities. Similarly, there has been no significant impact to the fair value of our derivative assets based on our evaluation of our counterparties' credit risks.

Equity Security — We estimate the fair value of an equity security that we hold utilizing a practical expedient under existing guidance, with such estimated fair value based on our ownership percentage applied to the net asset value as provided quarterly by the investee. The value is updated annually, during the first quarter, based on the investee's most recent audited financial statements. During the three and six months ended June 29, 2024 and July 1, 2023, we recorded gains (losses) of \$0.0 and \$(4.2), and \$0.0 and \$3.6, respectively, to "Other income (expense), net" to reflect changes in the estimated fair value of the equity security. As of June 29, 2024 and December 31, 2023, the equity security had an estimated fair value of \$35.2 and \$39.4, respectively.

Indebtedness and Other — The estimated fair value of our debt instruments as of June 29, 2024 and December 31, 2023 approximated the related carrying values due primarily to the variable market-based interest rates for such instruments. See Note 12 for further details.

ITEM 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations (in millions)

FORWARD-LOOKING STATEMENTS

Some of the statements in this document and any documents incorporated by reference, including any statements as to operational and financial projections, constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our businesses’ or our industries’ actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. Such statements may address our plans, our strategies, our prospects, changes and trends in our business and the markets in which we operate under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (“MD&A”) or in other sections of this document. In some cases, you can identify forward-looking statements by terminology such as “may,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “project,” “potential” or “continue” or the negative of those terms or other comparable terminology. Particular risks and uncertainties that could cause actual results to differ from those contained in the forward-looking statements, include the following: cyclical changes and specific industry events in the Company’s markets; changes in anticipated capital investment and maintenance expenditures by customers; availability, limitations or cost increases of raw materials and/or commodities that cannot be recovered in product pricing; the impact of competition on profit margins and the Company’s ability to maintain or increase market share; inadequate performance by third-party suppliers and subcontractors for outsourced products, components and services and other supply-chain risks; the uncertainty of claims resolution with respect to environmental and other contingent liabilities; the impact of climate change and any legal or regulatory actions taken in response thereto; cyber-security risks; risks with respect to the protection of intellectual property, including with respect to the Company’s digitalization initiatives; the impact of overruns, inflation and the incurrence of delays with respect to long-term fixed-price contracts; defects or errors in current or planned products; the impact of pandemics and governmental and other actions taken in response; domestic economic, political, legal, accounting and business developments adversely affecting the Company’s business, including regulatory changes; changes in worldwide economic conditions, including as a result of geopolitical conflicts; uncertainties with respect to the Company’s ability to identify acceptable acquisition targets; uncertainties surrounding timing and successful completion of acquisition or disposition transactions, including with respect to integrating acquisitions and achieving cost savings or other benefits from acquisitions; the impact of retained liabilities of disposed businesses; potential labor disputes; and extreme weather conditions and natural and other disasters. These statements are only predictions and actual events or results may differ materially. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. In addition, management’s estimates of future operating results are based on our current complement of businesses, which is subject to change as management selects strategic markets.

All the forward-looking statements are qualified in their entirety by reference to the factors discussed under the heading “Risk Factors” in our 2023 Annual Report on Form 10-K, in any subsequent filing with the U.S. Securities and Exchange Commission, as well as in any documents incorporated by reference that describe risks, uncertainties and other factors that could cause results to differ materially from those projected in these forward-looking statements. We caution you that these risk factors may not be exhaustive. We operate in a continually changing business environment and frequently enter into new businesses and product lines. We cannot predict these new risk factors, and we cannot assess the impact, if any, of these new risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, you should not rely on forward-looking statements as a prediction of actual results. We disclaim any responsibility to update or publicly revise any forward-looking statements to reflect events or circumstances that arise after the date of this document.

POTENTIAL IMPACTS OF GEOPOLITICAL CONFLICTS

Ongoing geopolitical conflicts, and governmental actions implemented in response to these conflicts, did not have a significant adverse impact on our operating results during the three and six months ended June 29, 2024 and July 1, 2023. We are monitoring the availability of certain raw materials that are supplied by businesses in the countries impacted by these conflicts. However, at this time, we do not expect the potential impact to be material to our operating results. These conflicts have created additional demand for certain products within our communication technologies business. The longer-term impact of these global events on our business is currently unknown due to the uncertainty around their duration and broader impact.

OTHER SIGNIFICANT MATTERS

- Acquisitions
 - T. A. Morrison & Co. Inc. (“TAMCO”)
 - Acquired on April 3, 2023 for cash consideration of \$125.5, inclusive of an adjustment to the purchase price of \$0.2 paid during the third quarter of 2023 related to acquired working capital, and net of cash acquired of \$1.0.
 - Post-acquisition operating results of TAMCO are included within our HVAC reportable segment.
 - ASPEQ Heating Group (“ASPEQ”)
 - Acquired on June 2, 2023 for cash consideration of \$421.5, net of (i) an adjustment to the purchase price of \$0.3 received during the fourth quarter of 2023 related to acquired working capital and (ii) cash acquired of \$0.9.
 - Post-acquisition operating results of ASPEQ are included within our HVAC reportable segment.
 - Ingénia Technologies Inc. (“Ingénia”)
 - Acquired on February 7, 2024 for cash consideration of Canadian Dollar (“CAD”) 396.8 (or \$294.1 at the time of payment), net of cash acquired of \$1.5.
 - The purchase price is subject to adjustment based upon the final settlement of working capital and cash as of the date of acquisition.
 - Under the terms of the purchase and sales agreement, the seller is eligible for additional cash consideration of up to CAD 3.0 (or \$2.2 at the time of acquisition), with payment scheduled to be made in the event certain contingent liabilities do not materialize. The estimated fair value of such contingent consideration is \$0.3, which is reflected as a liability in our condensed consolidated balance sheet as of June 29, 2024.
 - Post-acquisition operating results of Ingénia are included within our HVAC reportable segment.
- Changes in Estimated Fair Value of an Equity Security
 - We recorded no adjustments to the fair value during the three months ended June 29, 2024 and July 1, 2023. We recorded gains (losses) of \$(4.2) and \$3.6 during the six months ended June 29, 2024 and July 1, 2023, respectively.
 - See Note 17 to our condensed consolidated financial statements for additional details.
- Incremental Term Loan
 - On April 21, 2023, we amended and restated our senior credit agreement (the “Credit Agreement”).
 - The amendment provided for an additional senior secured term loan in the aggregate amount of \$300.0, which was borrowed during the second quarter of 2023.
 - The funds from the additional term loan (“Incremental Term Loan”) were used to partially fund the acquisition of ASPEQ.
 - See Note 12 to our condensed consolidated financial statements for additional details.
- Resolution of Dispute with Seller of ULC Robotics (“ULC”)
 - In connection with our acquisition of ULC in September 2020, the seller of ULC was eligible for contingent consideration of up to \$45.0 under an earn-out provision.
 - During the third quarter of 2021, we concluded that none of the milestones for the payment of any of the contingent consideration had been achieved.
 - On May 20, 2024, we entered into a settlement agreement with the seller of ULC to resolve a lawsuit it commenced in August 2022 seeking contingent consideration of \$15.0, prejudgment interest on that amount, and attorney’s fees.
 - The settlement agreement required a payment by us to the seller of ULC of \$8.4, which was paid during the second quarter of 2024, with a corresponding charge recorded within “Other operating expense, net” within our condensed consolidated statements of operations for the three and six months ended June 29, 2024. We expect this payment to be tax deductible in future periods.

OVERVIEW OF OPERATING RESULTS

Revenues for the three months ended June 29, 2024, totaled \$501.3 compared to \$423.3 during the respective period in 2023. The increase in revenues, compared to the respective period in 2023, was due primarily to (i) inorganic revenue growth resulting from the Ingénia and ASPEQ acquisitions (each within the HVAC reportable segment) and (ii) organic revenue growth within the HVAC reportable segment, partially offset by an organic revenue decline within the Detection and Measurement reportable segment. The organic revenue growth within the HVAC reportable segment was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project. The organic revenue decline within the Detection and Measurement reportable segment was driven by lower large project volumes primarily within the communication technologies business.

Revenues for the six months ended June 29, 2024, totaled \$966.5 compared to \$823.1 during the respective period in 2023. The increase in revenues, compared to the respective period in 2023, was due primarily to (i) inorganic revenue growth resulting from the Ingénia, ASPEQ, and TAMCO acquisitions (each within the HVAC reportable segment) and (ii) organic revenue growth within the HVAC reportable segment and, to a lesser extent, the Detection and Measurement reportable segment. The organic revenue growth within the HVAC reportable segment was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project, partially offset by organic revenue declines of heating products due primarily to (i) the unseasonably warm winter conditions prevalent in the relevant end markets during the first quarter of 2024 and (ii) higher volumes during the first quarter of 2023 that was supported by elevated backlog resulting from the effects of the COVID-19 pandemic. The organic revenue growth within the Detection and Measurement reportable segment was due primarily to higher large project volumes within the communication technologies business.

During the three and six months ended June 29, 2024, we generated operating income of \$74.6 and \$139.2, respectively, compared to \$51.3 and \$101.1 for the respective periods in 2023. The increase in operating income during the three and six months ended June 29, 2024, compared to the respective periods in 2023, was due primarily to higher income from our reportable segments of \$33.2 and \$58.6, respectively, and lower corporate expense of \$4.6 and \$5.3, respectively, primarily due to lower strategic and acquisition-related costs, partially offset by increases in (i) intangible asset amortization expense of \$5.3 and \$13.8, respectively and (ii) integration costs of \$0.8 and \$2.8, respectively, primarily related to the Ingénia and ASPEQ acquisitions. In addition, the three and six months ended June 29, 2024 included a charge of \$8.4 related to a settlement with the seller of ULC regarding additional contingent consideration. The increase in income from our HVAC and Detection and Measurement reportable segments was primarily due to (i) the revenue growth mentioned above, (ii) more favorable product mix primarily within the Detection and Measurement reportable segment, and (iii) the impact of continuous improvement initiatives. The increase in intangible asset amortization expense was driven by the acquisitions mentioned above.

Cash flows from operating activities associated with continuing operations totaled \$69.4 for the six months ended June 29, 2024, compared to cash flows from operating activities of \$74.6 during the six months ended July 1, 2023. The decrease in cash flows from operating activities was due primarily to (i) decreases in cash flows at certain of our project-related businesses, as cash flows for these businesses are often subject to contract milestones that can impact the timing of cash flows from period to period, (ii) \$11.9 in additional short-term incentive compensation payments, (iii) a payment, during the first quarter of 2024, related to the resolution of a dispute with a former representative at one of our businesses within the Detection and Measurement reportable segment of \$9.0, and (iv) payment of \$8.4 associated with a settlement for additional contingent consideration to the seller of ULC mentioned above. These impacts were partially offset by cash inflows resulting from the increase in income discussed above, exclusive of the non-cash expenses (primarily intangible asset amortization) incurred during the respective periods, and reductions in the level of elevated purchases of raw materials and components during the 2024 period due to stabilization of the supply chain environment.

RESULTS OF CONTINUING OPERATIONS

The unaudited information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements contained in our 2023 Annual Report on Form 10-K. Interim results are not necessarily indicative of results for the full year. We establish actual interim closing dates using a fiscal calendar, which requires our businesses to close their books on the Saturday closest to the end of the first calendar quarter, with the second and third quarters being 91 days in length. Our fourth quarter ends on December 31. The interim closing dates for the first, second and third quarters of 2024 are March 30, June 29, and September 28, compared to the respective April 1, July 1, and September 30, 2023 dates. We had one less day in the first quarter of 2024 and will have two more days in the fourth quarter of 2024 than in the respective 2023 periods.

Cyclicality of End Markets, Seasonality and Competition — The financial results of our businesses closely follow changes in the industries in which they operate and end markets in which they serve. In addition, certain of our businesses have seasonal fluctuations. For example, our heating businesses tend to be stronger in the third and fourth quarters, as customer buying habits are driven largely by seasonal weather patterns. In aggregate, our businesses tend to be stronger in the second half of the year.

Although our businesses operate in highly competitive markets, our competitive position cannot be determined accurately in the aggregate or by segment since none of our competitors offer all the same product lines or serve all the same markets as we do. In addition, specific reliable comparative figures are not available for many of our competitors. In most product groups, competition comes from numerous concerns, both large and small. The principal methods of competition are service, product performance, technical innovation and price. These methods vary with the type of product sold. We believe we compete effectively on the basis of each of these factors.

Non-GAAP Measures — Organic revenue growth (decline) presented herein is defined as revenue growth (decline) excluding the effects of foreign currency fluctuations and acquisitions/divestitures. We believe this metric is a useful financial measure for investors in evaluating our operating performance for the periods presented as, when considered in conjunction with our revenues, it presents a useful tool to evaluate our ongoing operations and provides investors with a tool they can use to evaluate our management of assets held from period to period. In addition, organic revenue growth (decline) is one of the factors we use in internal evaluations of the overall performance of our business. This metric, however, is not a measure of financial performance under accounting principles generally accepted in the United States (“GAAP”), should not be considered a substitute for net revenue growth (decline) as determined in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

The following table provides selected financial information for the three and six months ended June 29, 2024 and July 1, 2023, including the reconciliation of organic revenue increase to the net revenue increase:

	Three months ended			Six months ended		
	June 29, 2024	July 1, 2023	% Change	June 29, 2024	July 1, 2023	% Change
Revenues	\$ 501.3	\$ 423.3	18.4	\$ 966.5	\$ 823.1	17.4
Gross profit	200.8	163.6	22.7	383.7	313.5	22.4
% of revenues	40.1 %	38.6 %		39.7 %	38.1 %	
Selling, general and administrative expense	101.2	100.8	0.4	204.1	194.6	4.9
% of revenues	20.2 %	23.8 %		21.1 %	23.6 %	
Intangible amortization	16.8	11.5	46.1	31.6	17.8	77.5
Special charges, net	(0.2)	—	*	0.4	—	*
Other operating expense, net	8.4	—	*	8.4	—	*
Other income (expense), net	(1.7)	—	*	(5.7)	2.5	(328.0)
Interest expense, net	(12.5)	(5.2)	140.4	(22.0)	(7.1)	209.9
Income from continuing operations before income taxes	60.4	46.1	31.0	111.5	96.5	15.5
Income tax provision	(15.2)	(7.8)	94.9	(17.1)	(19.1)	(10.5)
Income from continuing operations	45.2	38.3	18.0	94.4	77.4	22.0
Components of revenue increase:						
Organic			9.0			5.8
Foreign currency			(0.1)			(0.1)
Acquisitions			9.5			11.7
Net revenue increase			18.4			17.4

* Not meaningful for comparison purposes.

Revenues — For the three months ended June 29, 2024, revenues totaled \$501.3 compared to \$423.3 during the respective period in 2023. The increase in revenues, compared to the respective period in 2023, was due primarily to (i) inorganic revenue growth resulting from the Ingénia and ASPEQ acquisitions (each within the HVAC reportable segment) and (ii) organic revenue growth within the HVAC reportable segment, partially offset by an organic revenue decline within the Detection and Measurement reportable segment. The organic revenue growth within the HVAC reportable segment was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project. The organic revenue decline within the Detection and Measurement reportable segment was driven by lower large project volumes primarily within the communication technologies business.

For the six months ended June 29, 2024, revenues totaled \$966.5 compared to \$823.1 during the respective period in 2023. The increase in revenues, compared to the respective period in 2023, was due primarily to (i) inorganic revenue growth resulting from the Ingénia, ASPEQ, and TAMCO acquisitions (each within the HVAC reportable segment) and (ii) organic

revenue growth within the HVAC reportable segment and, to a lesser extent, the Detection and Measurement reportable segment. The organic revenue growth within the HVAC reportable segment was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project, partially offset by organic revenue declines from heating products due primarily to (i) the unseasonably warm winter conditions prevalent in the relevant end markets during the first quarter of 2024 and (ii) higher volumes during the first quarter of 2023 that were supported by elevated backlog resulting from the effects of the COVID-19 pandemic. The organic revenue growth within the Detection and Measurement reportable segment was due primarily to higher large project volumes within the communication technologies business.

See “Results of Reportable Segments” for additional details.

Gross Profit — For the three and six months ended June 29, 2024, the increase in gross profit and gross profit as a percentage of revenues, compared to the respective periods in 2023, was due primarily to (i) the revenue growth mentioned above and associated operating leverage, (ii) more favorable product mix from certain large projects within our transportation, communication technologies and aids to navigation businesses within the Detection and Measurement reportable segment, and (iii) the impact of continuous improvement initiatives.

Selling, General and Administrative (“SG&A”) Expense — For the three months ended June 29, 2024, the increase in SG&A expense, compared to the respective period in 2023, was due primarily to incremental SG&A resulting from the acquisitions of Ingénia and ASPEQ of \$6.1 (including higher integration costs of \$1.0) partially offset by lower corporate expense resulting primarily from a reduction in various strategic and acquisition-related costs of \$4.3.

For the six months ended June 29, 2024, the increase in SG&A expense, compared to the respective period in 2023, was due primarily to incremental SG&A resulting from the acquisitions of Ingénia, ASPEQ, and TAMCO of \$14.9 (including higher integration costs of \$2.1) partially offset by lower corporate expense resulting primarily from a reduction in various strategic and acquisition-related costs of \$3.4 and a reduction in short-term incentive compensation expense.

Intangible Amortization — For the three and six months ended June 29, 2024, the increase in intangible amortization, compared to the respective periods in 2023, was primarily related to incremental amortization associated with (i) backlog from the Ingénia acquisition and (ii) other intangible assets associated with the acquisitions of Ingénia and ASPEQ and, for the six month period, the acquisition of TAMCO.

Special Charges, net — Special charges, net, for the three and six months ended June 29, 2024 related primarily to recording, and subsequent adjustments of, severance costs associated with restructuring actions at businesses within our HVAC and Detection and Measurement reportable segments. See Note 7 to our condensed consolidated financial statements for additional details.

Other Operating Expense, net — Other operating expense, net for the three and six months ended June 29, 2024 related to a charge of \$8.4 regarding a settlement with the seller of ULC referred to previously.

Other Income (Expense), net — Other expense, net, for the three months ended June 29, 2024 was composed primarily of environmental remediation charges of \$1.0, pension and postretirement expense of \$0.4, and foreign currency transaction losses of \$0.4.

Other income, net, for the three months ended July 1, 2023 was composed primarily of a gain of \$0.4 related to income derived from company-owned life insurance (“COLI”) policies, offset by pension and postretirement expense of \$0.2, foreign currency transaction losses of \$0.1, and environmental remediation charges of \$0.1.

Other expense, net, for the six months ended June 29, 2024 was composed primarily of a loss of \$4.2 related to a change in the estimated fair value of an equity security that we hold, environmental remediation charges of \$1.8, and pension and postretirement expense of \$0.8, partially offset by income of \$0.9 derived from COLI policies.

Other income, net, for the six months ended July 1, 2023 was composed primarily of a gain of \$3.6 related to a change in the estimated fair value of an equity security that we hold and a gain of \$0.4 related to income derived from COLI policies, partially offset by foreign currency transaction losses of \$0.7, pension and postretirement expense of \$0.4, and environmental remediation charges of \$0.2.

Interest Expense, net — Interest expense, net, includes both interest expense and interest income. The increase in interest expense, net, during the three and six months ended June 29, 2024, compared to the respective periods in 2023, was due primarily to higher average debt balances during the 2024 periods and, to a lesser extent, a higher average effective interest rate. The higher average debt balances primarily resulted from borrowings associated with the Ingénia, ASPEQ, and TAMCO acquisitions. Refer to Note 12 to the condensed consolidated financial statements for additional details.

Income Tax Provision — For the three months ended June 29, 2024, we recorded an income tax provision of \$15.2 on \$60.4 of pre-tax income from continuing operations, resulting in an effective rate of 25.2%. This compares to an income tax provision for the three months ended July 1, 2023 of \$7.8 on \$46.1 of pre-tax income from continuing operations, resulting in an effective rate of 16.9%. The most significant items impacting the income tax provision for the second quarters of 2024 and 2023 were (i) \$0.5 of tax provision and \$1.2 of tax benefit, respectively, related to revisions to liabilities for uncertain tax positions and (ii) \$0.2 and \$0.5, respectively, of excess tax benefits associated with stock-based compensation awards that vested and/or were exercised during the periods. In addition, the rate for the three months ended July 1, 2023 was favorably impacted by a tax benefit of \$1.8 related to the release of valuation allowances recognized against certain deferred tax assets, as we now expect these deferred tax assets to be realized.

For the six months ended June 29, 2024, we recorded an income tax provision of \$17.1 on \$111.5 of pre-tax income from continuing operations, resulting in effective rate of 15.3%. This compares to an income tax provision for the six months ended July 1, 2023 of \$19.1 on \$96.5 of pre-tax income from continuing operations, resulting in an effective rate of 19.8%. The most significant items impacting the income tax provision during the first half of 2024 and 2023 were (i) \$11.1 and \$1.4, respectively, of excess tax benefits resulting from stock-based compensation awards that vested and/or were exercised during the periods and (ii) \$0.5 of tax provision and \$1.2 of tax benefit, respectively, related to revisions to liabilities for uncertain tax positions. In addition, the 2023 rate was favorably impacted by a tax benefit of \$1.8 related to the release of valuation allowances recognized against certain deferred tax assets, as we now expect these deferred tax assets to be realized.

RESULTS OF REPORTABLE SEGMENTS

The following information should be read in conjunction with our condensed consolidated financial statements and related notes. These results exclude the operating results of discontinued operations for all periods presented. See Note 6 to our condensed consolidated financial statements for a description of our reportable segments.

Non-GAAP Measures — Throughout the following discussion of segment results, we use “organic revenue” growth (decline) to facilitate explanation of the operating performance of our segments. Organic revenue growth (decline) is a non-GAAP financial measure and is not a substitute for revenue growth (decline). Refer to the explanation of this measure and purpose of use by management under “Results of Continuing Operations—Non-GAAP Measures.”

HVAC Reportable Segment

	Three months ended			Six months ended		
	June 29, 2024	July 1, 2023	% Change	June 29, 2024	July 1, 2023	% Change
Revenues	\$ 356.5	\$ 269.0	32.5	\$ 658.9	\$ 520.6	26.6
Income	83.7	55.2	51.6	152.1	102.9	47.8
% of revenues	23.5 %	20.5 %		23.1 %	19.8 %	
Components of revenue increase:						
Organic			17.7			8.2
Foreign currency			(0.2)			(0.1)
Acquisition			15.0			18.5
Net revenue increase			32.5			26.6

Revenues — For the three months ended June 29, 2024, the increase in revenues, compared to the respective period in 2023, was due primarily to organic revenue growth as well as inorganic revenue growth resulting from the Ingénia and ASPEQ acquisitions. The organic revenue growth was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project.

For the six months ended June 29, 2024, the increase in revenues, compared to the respective period in 2023, was due primarily to (i) inorganic revenue growth resulting from the Ingénia, ASPEQ, and TAMCO acquisitions and (ii) organic revenue growth. The organic revenue growth was due primarily to increased sales of cooling products associated with volume increases, including execution of a larger than typical service project, partially offset by organic revenue declines within heating products due primarily to (i) the unseasonably warm winter conditions prevalent in the relevant end markets during the first quarter of 2024 and (ii) higher volumes during the first quarter of 2023 that were supported by elevated backlog resulting from the effects of the COVID-19 pandemic.

Income — For the three and six months ended June 29, 2024, the increase in income and margin, compared to the respective periods in 2023, was due primarily to the revenue growth mentioned above and associated operating leverage, as well as the impact of continuous improvement initiatives.

Backlog — The segment had backlog of \$433.7 and \$337.2 as of June 29, 2024 and July 1, 2023, respectively. Backlog associated with the Ingénia acquisition totaled \$107.5 as of June 29, 2024.

Detection and Measurement Reportable Segment

	Three months ended			Six months ended		
	June 29, 2024	July 1, 2023	% Change	June 29, 2024	July 1, 2023	% Change
Revenues	\$ 144.8	\$ 154.3	(6.2)	\$ 307.6	\$ 302.5	1.7
Income	33.9	29.2	16.1	65.3	55.9	16.8
% of revenues	23.4 %	18.9 %		21.2 %	18.5 %	
Components of revenue increase (decrease):						
Organic			(6.2)			1.6
Foreign currency			—			0.1
Acquisitions			—			—
Net revenue increase (decrease)			(6.2)			1.7

Revenues — For the three months ended June 29, 2024, the decrease in revenues, compared to the respective period in 2023, was due to an organic revenue decline. The organic revenue decline was driven by lower large project volumes, with the comparative period including revenue associated with a larger than typical project within the communication technologies business that executed throughout 2023 and completed during the first quarter of 2024.

For the six months ended June 29, 2024, the increase in revenues, compared to the respective period in 2023, was due primarily to organic revenue growth. The organic revenue growth was due primarily to higher large project volumes within our communication technologies business.

Income — For the three and six months ended June 29, 2024, the increase in income and margin, compared to the respective periods in 2023, was due primarily to (i) more favorable product mix from certain large projects within our transportation, communication technologies, and aids to navigation businesses and (ii) the impact of continuous improvement initiatives.

Backlog — The segment had backlog of \$205.4 and \$233.9 as of June 29, 2024 and July 1, 2023, respectively.

CORPORATE AND OTHER EXPENSES

	Three months ended			Six months ended		
	June 29, 2024	July 1, 2023	% Change	June 29, 2024	July 1, 2023	% Change
Total consolidated revenues	\$ 501.3	\$ 423.3	18.4	\$ 966.5	\$ 823.1	17.4
Corporate expense	12.0	16.6	(27.7)	25.9	31.2	(17.0)
% of revenues	2.4 %	3.9 %		2.7 %	3.8 %	
Long-term incentive compensation expense	3.7	3.5	5.7	7.0	6.6	6.1

Corporate Expense — Corporate expense generally relates to the operating costs of our Charlotte, North Carolina corporate headquarters. The decrease in corporate expense during the three months ended June 29, 2024, compared to the respective period in 2023, was due primarily to lower expense related to various strategic and acquisition-related costs of \$4.3 largely driven by the ASPEQ and TAMCO acquisitions in 2023.

The decline in corporate expense during the six months ended June 29, 2024, compared to the respective period in 2023, was due primarily to lower expense related to various strategic and acquisition-related costs of \$3.4 largely driven by the ASPEQ and TAMCO acquisitions in 2023, partially offset by expense incurred for the Ingénia acquisition in 2024 and a reduction in short-term incentive compensation expense.

Long-Term Incentive Compensation Expense — Long-term incentive compensation expense represents our consolidated expense, which we do not allocate for segment reporting purposes.

LIQUIDITY AND FINANCIAL CONDITION

Listed below are the cash flows from (used in) operating, investing, and financing activities and discontinued operations, as well as the net change in cash and equivalents for the six months ended June 29, 2024 and July 1, 2023.

	Six months ended	
	June 29, 2024	July 1, 2023
Continuing operations:		
Cash flows from operating activities	\$ 69.4	\$ 74.6
Cash flows used in investing activities	(271.5)	(554.8)
Cash flows from financing activities	230.5	426.2
Cash flows used in discontinued operations	(1.4)	(7.0)
Change in cash and equivalents due to changes in foreign currency exchange rates	1.1	(0.5)
Net change in cash and equivalents	<u>\$ 28.1</u>	<u>\$ (61.5)</u>

Operating Activities — The decrease in cash flows from operating activities for the six months ended June 29, 2024, compared to the six months ended July 1, 2023, was due primarily to (i) decreases in cash flows at certain of our project-related businesses, as cash flows for these businesses are often subject to contract milestones that can impact the timing of cash flows from period to period, (ii) \$11.9 in additional short-term incentive compensation payments, (iii) a payment, during the first quarter of 2024, related to the resolution of a dispute with a former representative at one of our businesses within the Detection and Measurement reportable segment of \$9.0, and (iv) payment of \$8.4 associated with a settlement with the seller of ULC for additional contingent consideration as mentioned previously. These impacts were partially offset by cash inflows resulting from the increase in income discussed above, exclusive of the non-cash expenses (primarily intangible asset amortization) incurred during the respective periods, and reductions in the level of elevated purchases of raw materials and components during the 2024 period due to stabilization of the supply chain environment.

Investing Activities — Cash flows used in investing activities of continuing operations for the six months ended June 29, 2024 were comprised primarily of net cash utilized in the acquisition of Ingénia of \$294.1 and capital expenditures of \$20.3, partially offset by net proceeds from COLI policies of \$42.9, inclusive of borrowings of \$41.2 against the cash surrender value of these COLI policies. See Note 12 to the condensed consolidated financial statements for additional details. Cash flows used in investing activities of continuing operations for the six months ended July 1, 2023 were comprised of net cash utilized in the acquisitions of TAMCO and ASPEQ of \$547.1 and capital expenditures of \$8.7, partially offset by proceeds from COLI policies of \$1.0.

Financing Activities — Cash flows from financing activities of continuing operations for the six months ended June 29, 2024 were comprised of net borrowings under the Credit Agreement and trade receivables financing arrangement of \$193.2 and \$39.0, respectively, primarily in connection with the Ingénia acquisition. These net borrowings were partially offset by minimum tax withholdings paid on behalf of employees related to long-term incentive awards, net of proceeds from options exercised, of \$0.9 and net repayments under our other various debt instruments of \$0.8.

Cash flows from financing activities of continuing operations for the six months ended July 1, 2023 were comprised of net borrowings under the Credit Agreement and trade receivables financing arrangement of \$400.0 and \$30.0, respectively, primarily in connection with the TAMCO and ASPEQ acquisitions, minimum withholdings paid on behalf of employees on long-term incentive awards, net of proceeds from options exercised, of \$2.4, and fees paid in connection with the Incremental Term Loan of \$1.3.

Discontinued Operations — Cash flows used in discontinued operations for the six months ended June 29, 2024 relate primarily to disbursements for liabilities retained in connection with previous dispositions.

Cash flows used in discontinued operations for the six months ended July 1, 2023 relate primarily to disbursements for professional fees incurred in connection with the claims activities related to the large power projects in South Africa (see Notes 3 and 15 to the condensed consolidated financial statements for additional details).

Change in Cash and Equivalents due to Changes in Foreign Currency Exchange Rates — Changes in foreign currency exchange rates did not have a significant impact on our cash and equivalents during the first six months of 2024 and 2023.

Borrowings and Availability

Borrowings — The following summarizes our debt activity (both current and non-current) for the six months ended June 29, 2024.

	December 31, 2023	Borrowings	Repayments	Other ⁽⁵⁾	June 29, 2024
Revolving loans ⁽¹⁾	\$ —	\$ 575.2	\$ (375.2)	\$ —	\$ 200.0
Term loans ⁽²⁾	539.9	—	(6.8)	0.2	533.3
Trade receivables financing arrangement ⁽³⁾	16.0	132.0	(93.0)	—	55.0
Other indebtedness ⁽⁴⁾	2.4	—	(0.8)	0.4	2.0
Total debt	558.3	\$ 707.2	\$ (475.8)	\$ 0.6	790.3
Less: short-term debt	17.9				256.3
Less: current maturities of long-term debt	17.3				24.1
Total long-term debt, net	\$ 523.1				\$ 509.9

⁽¹⁾ While the revolving credit facility extends through August 2027 under the terms of the Credit Agreement, it is available in notes that mature, but may be reissued upon maturity, over varying terms of twelve months or less. The revolving credit facility, classified within short-term debt, is primarily used to provide liquidity for general corporate and business needs or for funding acquisitions. The revolving credit facility was utilized as the primary funding mechanism for the Ingénia acquisition.

⁽²⁾ The term loans are repayable in quarterly installments equal to 0.625% of the initial balances of \$545.0, in each of the first three quarters of 2024, and 1.25% during the fourth quarter of 2024, all quarters of 2025 and 2026, and the first two quarters of 2027. The remaining balances are payable in full on August 12, 2027. Balances are net of unamortized debt issuance costs of \$1.5 and \$1.7 at June 29, 2024 and December 31, 2023, respectively.

⁽³⁾ Under this arrangement, we can borrow, on a continuous basis, up to \$60.0, as available. Borrowings under this arrangement are collateralized by eligible trade receivables of certain of our businesses. At June 29, 2024, we had \$5.0 of available borrowing capacity under this facility after giving effect to outstanding borrowings of \$55.0.

⁽⁴⁾ Primarily includes balances under a purchase card program of \$1.3 and \$1.9 and finance lease obligations of \$0.7 and \$0.5 at June 29, 2024 and December 31, 2023, respectively. The purchase card program allows for payment beyond the normal payment terms for goods and services acquired under the program. As this arrangement extends the payment of these purchases beyond their normal payment terms through third-party lending institutions, we have classified these amounts as short-term debt.

⁽⁵⁾ “Other” includes the amortization of debt issuance costs associated with the term loans.

At June 29, 2024, we were in compliance with all covenants of the Credit Agreement.

Availability — At June 29, 2024, we had \$288.9 of available borrowing capacity under our revolving credit facilities, after giving effect to borrowings under the domestic revolving loan facility of \$200.0 and \$11.1 reserved for outstanding letters of credit. In addition, at June 29, 2024, we had \$6.4 of available issuance capacity under our foreign credit instrument facilities after giving effect to \$18.6 reserved for outstanding letters of credit.

Financing instruments may be used from time to time including, but not limited to, public and private debt and equity offerings, operating leases, finance leases and securitizations. We expect that we will continue to access these markets as appropriate to maintain liquidity and to provide sources of funds for general corporate purposes, acquisitions or to refinance existing debt.

The Company has investments in COLI policies, which are recorded at their cash surrender value at each balance sheet date. Changes in the cash surrender value during the period are recorded as a gain or loss within “Other income (expense), net” within our condensed consolidated statements of operations. The Company has the ability to borrow against a portion of its investment in the COLI policies as an additional source of liquidity. During the quarter ended June 29, 2024, the Company borrowed \$41.2 against the cash surrender value of these COLI policies. Such borrowings were used primarily to pay down amounts payable under the revolving credit facility. The amounts borrowed incur interest at a rate of 5.3%. The cash surrender value of the Company’s investments in COLI assets, net of the aforementioned borrowing, was \$34.9 and \$76.7 at June 29, 2024 and December 31, 2023, respectively, recorded in “Other assets” on the condensed consolidated balance sheets. See Note 12 to the condensed consolidated financial statements for additional information.

Concentrations of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist of cash and equivalents, trade accounts receivable, COLI policies, and interest rate swap and foreign currency forward contracts. These financial instruments, other than trade accounts receivable, are placed with high-quality financial institutions. We periodically evaluate the credit standing of these financial institutions.

We maintain cash levels in bank accounts that, at times, may exceed federally-insured limits. We have not experienced, and believe we are not exposed to, significant risk of loss in these accounts.

We have credit loss exposure in the event of nonperformance by counterparties to the above financial instruments, but have no other off-balance-sheet credit risk of accounting loss. We anticipate, however, that counterparties will be able to fully satisfy their obligations under the contracts. We do not obtain collateral or other security to support financial instruments subject to credit risk, but we do monitor the credit standing of counterparties.

Concentrations of credit risk arising from trade accounts receivable are due to selling to customers in a particular industry. Credit risks are mitigated by performing ongoing credit evaluations of our customers' financial conditions and obtaining collateral, advance payments, or other security when appropriate. No one customer, or group of customers that to our knowledge are under common control, accounted for more than 10% of our revenues for any period presented.

Other Matters

Contractual Obligations — Other than the borrowings under our revolving loan facility in connection with the Ingénia acquisition discussed above, there have been no material changes in the amounts of our contractual obligations from those disclosed in our 2023 Annual Report on Form 10-K. Our total net liabilities for unrecognized tax benefits including interest were \$3.9 as of June 29, 2024. Based on the outcome of certain examinations or as a result of the expiration of statutes of limitations for certain jurisdictions, we believe that within the next 12 months it is reasonably possible that our previously unrecognized tax benefits could decrease by up to \$0.2.

Contingencies and Other Matters — Numerous claims, complaints and proceedings arising in the ordinary course of business have been asserted or are pending against us or certain of our subsidiaries (collectively, "claims"). These claims relate to litigation matters (e.g., contracts, intellectual property, and competitive claims), environmental matters, claims for contingent consideration on prior acquisitions, product liability matters, and other risk management matters (e.g., general liability, automobile, and workers' compensation claims). Additionally, we may become subject to other claims of which we are currently unaware, which may be significant, or the claims of which we are aware may result in our incurring significantly greater loss than we anticipate. We accrue for these contingencies when we believe a liability is probable and can be reasonably estimated. As events change and resolutions occur, these accruals may be adjusted and could differ materially from amounts originally estimated. See [Note 15](#) to the condensed consolidated financial statements for a further discussion of contingencies and other matters.

Our Certificate of Incorporation provides that we shall indemnify our officers and directors to the fullest extent permitted by the Delaware General Corporation Law for any personal liability in connection with their employment or service with us. While we maintain insurance for this type of liability, the liability could exceed the amount of the insurance coverage.

In addition, you should read "Management's Discussion and Analysis of Financial Condition and Results of Operations — Other Matters" herein, and "Risk Factors" in our 2023 Annual Report on Form 10-K, as well as similar sections in any future filings for an understanding of the risks, uncertainties, and trends facing our businesses.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities. The accounting policies that we believe are most critical to the portrayal of our financial condition and results of operations, and that require our most difficult, subjective or complex judgments in estimating the effect of inherent uncertainties are discussed in our [2023 Annual Report on Form 10-K](#), the discussion within which is incorporated herein by reference. We have affected no material change in either our critical accounting policies or use of estimates since the filing of our 2023 Annual Report on Form 10-K.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

Management does not believe our exposure to market risk has significantly changed since December 31, 2023 and does not believe that such risks will result in significant adverse impacts to our financial condition, results of operations or cash flows.

ITEM 4. Controls and Procedures

SPX management, including the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of disclosure controls and procedures, pursuant to Exchange Act Rule 13a-15(b), as of June 29, 2024. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 29, 2024.

Changes in Internal Control Over Financial Reporting

In connection with the evaluation by SPX management, including the Chief Executive Officer and the Chief Financial Officer, of our internal control over financial reporting, pursuant to Exchange Act Rule 13a-15(d), no changes during the quarter ended June 29, 2024 were identified that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. Legal Proceedings

The information required by this Item is incorporated by reference from the footnotes to the condensed consolidated financial statements, specifically [Note 15](#), included under Part I of this Form 10-Q.

ITEM 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, “Item 1A. Risk Factors” in our [2023 Annual Report on Form 10-K](#), which could materially affect our business, financial condition or future results.

ITEM 5. Other Information

No director or officer of the Company adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” (as such terms are defined in Item 408 of Regulation S-K) during the three months ended June 29, 2024.

ITEM 6. Exhibits

3.1	Amended and Restated Certificate of Incorporation of SPX Technologies, Inc., as amended.
3.2	By-laws of SPX Technologies, Inc., Amended and Restated on May 14, 2024, incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K filed on May 14, 2024 (File no. 1-6948).
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL)
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definitions Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in the Interactive Data Files submitted as Exhibit 101.*)

SIGNATURES

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 thereunto duly authorized.

SPX TECHNOLOGIES, INC.
(Registrant)

Date: August 1, 2024

By /s/ Eugene J. Lowe, III
President and Chief Executive Officer

Date: August 1, 2024

By /s/ Mark A. Carano
Vice President, Chief Financial Officer and Treasurer

**AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SPX TECHNOLOGIES, INC.**

SPX Technologies, Inc., a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

- A. The present name of the corporation is SPX Technologies, Inc. On August 1, 2022, the corporation was originally incorporated pursuant to the General Corporation Law of the State of Delaware under the same name.

- B. The Amended and Restated Certificate of Incorporation of SPX Technologies, Inc. in the form attached hereto as Exhibit A restates and integrates and also further amends the provisions of the corporation's Certificate of Incorporation and has been duly adopted in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware by the board of directors and stockholder of the corporation.

- C. The Amended and Restated Certificate of Incorporation in the form attached hereto as Exhibit A shall be effective at 7:59 a.m. Eastern Time on August 15, 2022.

IN WITNESS WHEREOF, the corporation has caused the Amended and Restated Certificate of Incorporation to be signed by its duly authorized officer.

Dated: August 15, 2022

SPX TECHNOLOGIES, INC.

By: /s/ John Nurkin

Name: John Nurkin

Title: Authorized Person

**AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SPX TECHNOLOGIES, INC.**

FIRST. The name of the corporation is SPX TECHNOLOGIES, INC.

SECOND. The address of its registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, State of Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The nature of the business, or objects or purposes to be conducted or promoted by the Corporation are:

(a) To manufacture, purchase or otherwise acquire invest in, or mortgage, pledge, sell, assign and transfer or otherwise dispose of, trade, deal in and with goods, wares and merchandise and property of every class and description, including but not limited to the manufacture and sale of automotive engine parts and related products.

(b) To have one or more offices, to carry on all or any of its operations and business and without restriction or limit as to amount to purchase or otherwise acquire, hold, own, mortgage, sell, convey or otherwise dispose of, real and personal property of every class and descriptor in any of the states, districts, territories or possessions of the United States, and in any and all foreign countries, subject to the laws of such state, district, territory, possession or country.

(c) To purchase, hold, sell and transfer the shares of its own capital stock; provided it shall not use its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of its capital except as otherwise permitted by law, and provided further that shares of its own capital stock belonging to it shall not be voted upon directly or indirectly.

(d) To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. 1. *Authorized Shares*. The total number of authorized shares of stock of all classes which the Corporation shall have authority to issue is two hundred three million (203,000,000), of which three million (3,000,000) shall be shares of Preferred Stock, without par value, and two hundred million (200,000,000) shall be shares of Common Stock, par value \$0.01 per share.

2. *Preferred Stock*. (a) The Preferred Stock shall be issuable in series, and in connection with the issuance of any series of Preferred Stock and to the extent now or hereafter permitted by the laws of the State of Delaware, the Board of Directors is authorized to fix by resolution the

designation of each series, the stated value of the shares of each series, the dividend rate of each series and the date or dates and other provisions respecting the payment of dividends, the provisions, if any, for a sinking fund for the shares of each series, the preferences of the shares of each series in the event of the liquidation or dissolution of the Corporation, the provisions, if any, respecting the redemption of the shares of each series and, subject to requirements of the laws of the State of Delaware, the voting rights (except that such shares shall not have more than one vote per share), the terms, if any, upon which the shares of each series shall be convertible into or exchangeable for any other shares of stock of the Corporation and any other relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, of the shares of each series.

(b) Preferred Stock of any series redeemed, converted, exchanged, purchased, or otherwise acquired by the Corporation shall constitute authorized but unissued Preferred Stock.

(c) All shares of any series of Preferred Stock, as between themselves, shall rank equally and be identical; and all series of Preferred Stock, as between themselves, shall rank equally and be identical except as set forth in resolutions of the Board of Directors authorizing the issuance of such series.

3. *Common Stock.* (a) After dividends to which the holders of Preferred Stock may then be entitled under the resolutions creating any series thereof have been declared and after the Corporation shall have set apart the amounts required pursuant to such resolutions for the purchase or redemption of any series of Preferred Stock, the holders of Common Stock shall be entitled to have dividends declared in cash, property, or other securities of the Corporation out of any net profits or net assets of the Corporation legally available therefor.

(b) In the event of the liquidation or dissolution of the Corporation's business and after the holders of Preferred Stock shall have received amounts to which they are entitled under the resolutions creating such series, the holders of Common Stock shall be entitled to receive ratably the balance of the Corporation's net assets available for distribution.

(c) Each share of Common Stock shall be entitled to one vote, but shall not be entitled to vote for the election of any directors who may be elected by vote of the Preferred Stock voting as a class.

4. *Preemptive Rights.* No holder of any shares of the Corporation shall have any preemptive right to subscribe for or to acquire any additional shares of the Corporation of the same or of any other class, whether now or hereafter authorized or any options or warrants giving the right to purchase any such shares, or any bonds, notes, debentures or other obligations convertible into any such shares.

FIFTH. Omitted.

SIXTH. The Corporation is to have perpetual existence.

SEVENTH. The private property of the stockholders shall not be subject to the payment of corporate debts to any extent whatever.

EIGHTH. Except as otherwise fixed by resolution of the Board of Directors pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of Preferred Stock to elect directors as a class, the number of the directors of the Corporation shall be fixed from time to time by or pursuant to the By-Laws of the Corporation. The directors, other than those who may be elected by the holders of Preferred Stock, shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible. The first class shall be initially elected for a term expiring at the next ensuing annual meeting, the second class shall be initially elected for a term expiring one year thereafter, and the third class shall be elected for a term expiring two years thereafter, with each class to hold office until its successor is elected and qualified. At each annual meeting of the stockholders of the Corporation held after the initial classification and election of directors, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election.

Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in the By-Laws of the Corporation.

Except as otherwise fixed by resolution of the Board of Directors pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of Preferred Stock to elect directors as a class, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of directors in which the new directorship was created (subject to the requirements of this Article EIGHTH that all classes be as nearly equal in number as possible) or in which the vacancy occurred and until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of an incumbent director.

Subject to the rights of the holders of Preferred Stock to elect directors as a class, a director may be removed only for cause and only by the affirmative vote of the holders of 80% of the combined voting power of the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class.

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

1. To adopt, amend and repeal the By-Laws of the Corporation. Any by-laws adopted by the directors under the powers conferred hereby may be amended or repealed by the directors or by the stockholders. Notwithstanding the foregoing or any other provision in this Certificate of

Incorporation or the By-Laws of the Corporation to the contrary, Article II, Sections 3 and 7 and Article III, Sections 1, 2 and 3 of the By-Laws shall not be amended or repealed and no provision inconsistent therewith shall be adopted without the affirmative vote of the holders of at least 80% of the voting power of all the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

2. To fix and determine, and to vary the amount of, the working capital of the Corporation, and to determine the use or investment of any assets of the Corporation, to set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and to abolish any such reserve or reserves.

3. To authorize the purchase or other acquisition of shares of stock of the Corporation or any of its bonds, debentures, notes, scrip, warrants or other securities or evidences of indebtedness.

4. Except as otherwise provided by law, to determine the places within or without the State of Delaware, where any or all of the books of the Corporation shall be kept.

5. To authorize the sale, lease or other disposition of any part or parts of the properties of the Corporation and to cease to conduct the business connected therewith or again to resume the same, as it may deem best.

6. To authorize the borrowing of money, the issuance of bonds, debentures and other obligations or evidences of indebtedness of the Corporation, secured or unsecured, and the inclusion of provisions as to redeemability and convertibility into shares of stock of the Corporation or otherwise; and the mortgaging or pledging, as security for money borrowed or bonds, notes, debentures or other obligations issued by the Corporation, of any property of the Corporation, real or personal, then owned or thereafter acquired by the Corporation.

In addition to the powers and authorities herein or by statute expressly conferred upon it, the Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the laws of the State of Delaware, of this Certificate of Incorporation and of the By-Laws of the Corporation.

Subject to any limitation in the By-Laws, the members of the Board of Directors shall be entitled to reasonable fees, salaries or other compensation for their services, as determined from time to time by the Board of Directors, and to reimbursement for their expenses as such members. Nothing herein contained shall preclude any director from serving the Corporation or its subsidiaries or affiliates in any other capacity and receiving compensation therefor.

Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of all shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article EIGHTH.

NINTH. Both stockholders and directors shall have power, if the By-Laws so provide, to hold their meetings and to have one or more offices within or without the State of Delaware.

Except as otherwise fixed by resolution of the Board of Directors pursuant to the provision of Article FOURTH hereof relating to the rights of the holders of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders. Except as otherwise required by law and subject to the rights of the holders of Preferred Stock, special meetings of stockholders may be called only by the Chairman on his own initiative, the President on his own initiative or by the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of all shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article NINTH.

TENTH. Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

ELEVENTH. Except as otherwise provided in this Certificate of Incorporation, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

TWELFTH. No contract or other transaction between the Corporation and any person, firm, association or Corporation and no other act of this Corporation shall, in the absence of fraud, be invalidated or in any way affected by the fact that any of the directors of the Corporation are, directly or indirectly, pecuniarily or otherwise interested in such contract, transaction or other act or related to or interested in such person, firm, association or corporation

as director, stockholder, officer, employee, member or otherwise. Any director of the Corporation individually, or any firm or association of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of the Corporation, provided that the fact that he individually or such firm or association is so interested shall be disclosed or known to the Board of Directors or a majority of such members thereof as shall be present at any meeting of the Board of Directors, or of any committee of directors having the powers of the full Board, at which action upon any such contract, transaction or other act is taken, and if such fact shall be so disclosed or known any director of this Corporation so related or otherwise interested may be counted in determining the presence of a quorum at any meeting of the Board of Directors or of such committee at which action upon any such contract, transaction or act shall be taken and may vote thereat with respect to such action with like force and effect as if he were not so related or interested. Any director of the Corporation may vote upon any contract or other transaction between the Corporation and any subsidiary or affiliated corporation without regard to the fact that he is also a director of such subsidiary or affiliated corporation.

THIRTEENTH. (a) A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of the State of Delaware, or any other applicable law, is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware, or any other applicable law, as so amended. Any repeal, or modification of this Section (a) by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

(b)(1) Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer or employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the General Corporation Law of the State of Delaware, or any other applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably

incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in paragraph (2) of the Section (b) with respect to proceedings seeking to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section (b) shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that if the General Corporation Law of the State of Delaware, or any other applicable law, requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section(b) or otherwise.

(2) If a claim under paragraph (1) of this Section (b) is not paid in full by the Corporation within thirty days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the General Corporation Law of the State of Delaware, or any other applicable law, for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, stockholders or Independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the General Corporation Law of the State of Delaware, or any other applicable law, nor an actual determination by the Corporation (including its Board of Directors, stockholders or independent legal counsel) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(3) The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Section (b) shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, By-Law, agreement, vote of stockholders or disinterested directors or otherwise.

(4) The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the General Corporation Law of the State of Delaware, or any other applicable law.

(5) The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Corporation the expenses incurred in defending any proceeding in advance of its final disposition, to any employee or agent of the Corporation to the fullest extent of the provisions of this Section (b) with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

(6) Any repeal or modification of this Section (b) by the stockholders of the Corporation shall not adversely affect any right or protection of a director, officer, employee or agent of the Corporation existing at the time of such repeal or modification.

FOURTEENTH. In determining whether an “Acquisition Proposal” is in the best interests of the Corporation and its stockholders, the Board of Directors shall consider all factors it deems relevant including, without limitation, the following:

(a) the consideration being offered in the Acquisition Proposal, not only in relation to the then current market price, but also in relation to the then current value of the Corporation in a freely negotiated transaction and in relation to the Board of Directors’ estimate of the future value of the Corporation as an independent entity; and

(b) the social, legal and economic effects upon employees, suppliers, customers and on the communities in which the Corporation is located, as well as on the long term business prospects of the Corporation.

“Acquisition Proposal” means any proposal of any person (i) for a tender offer, exchange offer or any other method of acquiring any equity securities of the Corporation with a view to acquiring control of the Corporation, (ii) to merge or consolidate the Corporation with another corporation, or (iii) to purchase or otherwise acquire all or substantially all of the properties and assets of the Corporation.

The Article shall not be interpreted to create any rights on behalf of third persons, such as employees, suppliers, or customers.

FIFTEENTH. 1. *Higher Vote for Certain Business Combinations*. A higher than majority stockholder vote to approve certain Business Combinations shall be required as follows (all capitalized terms being used as subsequently defined in this Article FIFTEENTH):

(a) Any merger or consolidation of the Corporation or any Subsidiary with (i) any Substantial Stockholder or (ii) any other corporation (whether or not itself a Substantial

Stockholder) which is, or after such merger or consolidation would be, an Affiliate or Associate of a Substantial Stockholder; or

(b) Any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Substantial Stockholder or any Affiliate or Associate of any Substantial Stockholder of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value of \$10,000,000 or more; or

(c) The issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Substantial Stockholder or any Affiliate or Associate of any Substantial Stockholder in exchange for cash, securities or other consideration (or a combination thereof) having an aggregate Fair Market Value of \$10,000,000 or more; or

(d) The adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Substantial Stockholder or any Affiliate or Associate of any Substantial Stockholder; or

(e) Any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any Subsidiary or any other transaction (whether or not with or into or otherwise involving a Substantial Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Substantial Stockholder or any Affiliate or Associate of any Substantial Stockholder; shall require the affirmative vote of the holders of at least 80% of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (the "Voting Stock"), voting together as a single class. Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

2. *Definition of "Business Combination"*. The term "Business Combination" as used in this Article FIFTEENTH shall mean any transaction which is referred to in any one or more of subparagraphs (a) through (e) of paragraph 1.

3. *When Higher Vote Is Not Required*. The provisions of paragraph 1 of this Article FIFTEENTH shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote. If any, as is required by law, any other provision of this Certificate of Incorporation or any agreement with any national securities exchange, if in the case of a Business Combination that does not involve any cash or other consideration being received by the stockholders of the Corporation, solely in their capacities as stockholders, the condition specified in the following subparagraph (a) is met, or if in the case of any other Business Combination, the conditions specified in either of the following subparagraphs (a) or (b) are met:

(a) The Business Combination shall have been approved by at least two-thirds of the Continuing Directors.

(b) All of the following conditions shall have been met:

(i) The aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the Business Combination (the "Consummation Date") of the consideration other than cash to be received per share by holders of Common Stock of the Corporation in such Business Combination shall be an amount at least equal to the highest of the following (it being intended that the requirements of this subparagraph (b)(i) shall be required to be met with respect to all shares of Common Stock outstanding, whether or not the Substantial Stockholder has previously acquired any Common Stock):

(A) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any shares of Common Stock beneficially owned by the Substantial Stockholder which were acquired (1) within the two-year period immediately prior to the first public announcement of the proposal of the Business Combination (the "Announcement Date") or (2) in the transaction in which it became a Substantial Stockholder, whichever is higher, plus interest compounded annually from the date on which the Substantial Stockholder became a Substantial Stockholder through the Consummation Date at the prime rate of interest of Harris Trust and Savings Bank (or other major bank headquartered in Chicago, Illinois, selected by a majority of the Continuing Directors) from time to time in effect in Chicago, less the aggregate amount of any cash dividends paid, and the Fair Market Value of any dividends paid in other than cash, per share of Common Stock from the date on which the Substantial Stockholder became a Substantial Stockholder through the Consummation Date in an amount up to but not exceeding the amount of such interest payable per share of Common Stock; or

(B) the Fair Market Value per share of Common Stock on the Announcement Date or on the date on which the Substantial Stockholder become such Substantial Stockholder (the "Determination Date"), whichever is higher; or

(C) the price per share equal to the Fair Market Value per share of Common Stock determined pursuant to clause (B) immediately preceding, multiplied by the ratio of (i) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any shares of Common Stock beneficially owned by the Substantial Stockholder which were acquired within the two-year period immediately prior to the Announcement Date to (ii) the Fair Market Value per share of Common Stock on the first day in such two-year period on which the Substantial Stockholder beneficially owned any shares of Common Stock.

(ii) The aggregate amount of the cash and the Fair Market Value as of the Consummation Date of the consideration other than cash to be received per share by holders of shares of any class of outstanding Voting Stock, other than Common Stock, shall be the amount at least equal to the highest of the following (it being intended that the requirements of this subparagraph (b)(ii) shall be required to be met with respect to every such class of outstanding Voting Stock, whether or not the Substantial Stockholder beneficially owns any shares of a particular class of Voting Stock):

(A) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any shares of such class of Voting Stock beneficially owned by the Substantial Stockholder which were acquired (1) within the two-year period immediately prior to the Announcement Date or (2) in the transaction in which it became a Substantial Stockholder, whichever is higher, plus interest compounded annually from the date on which the Substantial Stockholder became a Substantial Stockholder through the Consummation Date at the prime rate of interest of Harris Trust and Savings Bank (or other major bank headquartered in Chicago, Illinois, selected by a majority of the Continuing Directors) from time to time in effect in Chicago, less the aggregate amount of any cash dividends paid, and the Fair Market Value of any dividends paid in other than cash, per share of such class of Voting Stock from the date on which the Substantial Stockholder became a Substantial Stockholder through the Consummation Date in an amount up to but not exceeding the amount of such interest payable per share of such class of Voting Stock; or

(B) the Fair Market Value per share of such class of Voting Stock on the Announcement Date or on the Determination Date, whichever is higher; or

(C) the price per share equal to the Fair Market Value per share of such class of Voting Stock determined pursuant to clause (B) immediately preceding, multiplied by the ratio of (i) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid in order to acquire any shares of such class of Voting Stock beneficially owned by the Substantial Stockholder which were acquired within the two-year period immediately prior to the Announcement Date to (ii) the Fair Market Value per share of such class of Voting Stock on the first day in such two-year period on which the Substantial Stockholder beneficially owned any shares of such class of Voting Stock; or

(D) the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation.

(iii) The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as was previously paid for shares of such class of Voting Stock which are beneficially owned by the Substantial Stockholder. If the Substantial Stockholder beneficially owns any shares of any class of Voting Stock which were acquired with varying forms of consideration, the form of consideration to be received by holders of such class of Voting Stock shall be either cash or in the form used to acquire the largest number of shares of such class of Voting Stock previously beneficially owned by it.

(iv) After such Substantial Stockholder has become a Substantial Stockholder and prior to the consummation of such Business Combination: (A) except as approved by at least two-thirds of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding Preferred Stock of the Corporation; (B) there shall have been (1) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by at least two-thirds of the Continuing Directors, and (2) an increase in such annual rate of dividends as necessary to prevent any such reduction in the event of any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of Common Stock, unless the failure so to increase such annual rate is approved by at least two-thirds of the Continuing Directors; and (C) such Substantial Stockholder shall not have become the beneficial owner of any additional shares of Voting Stock except as part of the transaction which results in such Substantial Stockholder becoming a Substantial Stockholder.

(v) After such Substantial Stockholder has become a Substantial Stockholder, such Substantial Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(vi) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to public stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions).

(vii) All per share prices shall be adjusted to reflect any intervening stock splits, stock dividends and reverse stock splits.

4. *Certain Definitions.* For the purposes of this Article FIFTEENTH:

(a) A “person” shall mean any individual, firm, corporation or other entity.

(b) “Substantial Stockholder” shall mean any person (other than the Corporation or any Subsidiary) who or which:

(i) is the beneficial owner, directly or indirectly, or more than 10% of the voting power of the outstanding Voting Stock; or

(ii) is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding Voting Stock; or

(iii) is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two-year period immediately prior to the date in question beneficially owned by any Substantial Stockholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.

(c) A person shall be “beneficial owner” of any Voting Stock:

(i) which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or

(ii) which such person or any of its Affiliates or Associates has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (B) the right to vote pursuant to any agreement, arrangement or understanding; or

(iii) which are beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.

(d) For the purpose of determining whether a person is a Substantial Stockholder pursuant to subparagraph (b) of this paragraph 4, the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned by a Substantial Stockholder through application of subparagraph (c) of this paragraph 4, but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(e) “Affiliate” or “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934,

as in effect on March 1, 1985 (the term “registrant” in said Rule 12b-2 meaning in this case the Corporation).

(f) “Subsidiary” means any corporation of which a majority of any class of equity security is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Substantial Stockholder set forth in subparagraph (b) of this paragraph 4, the term “Subsidiary” shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.

(g) “Continuing Director” means any member of the Board of Directors of the Corporation (the “Board”) who is unaffiliated with and not a representative of the Substantial Stockholder and was a member of the Board prior to the time that the Substantial Stockholder became a Substantial Stockholder, and any successor of a Continuing Director who is unaffiliated with and not representative of the Substantial Stockholder and is recommended to succeed a Continuing Director by at least two-thirds of the Continuing Directors then on the Board.

(h) “Fair Market Value” means: (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for the New York Stock Exchange-Listed Stocks, or if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing sale price, or if none, the highest closing bid quotation, with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by at least a two-thirds of the Continuing Directors in good faith; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by at least two-thirds of the Continuing Directors in good faith.

(i) In the event of any Business Combination in which the Corporation survives, the phrase “consideration other than cash to be received” as used in subparagraphs (b)(i) and (ii) of paragraph 3 shall include the Common Shares or the shares of any other class of outstanding Voting Stock retained by the holders of such shares, or both.

5. *Powers of Continuing Directors.* At least two-thirds of the Continuing Directors of the Corporation shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article FIFTEENTH, including without limitation (i) whether a person is a Substantial Stockholder, (ii) the number of shares of Voting Stock beneficially owned by any person, (iii) whether a person is an Affiliate or Associate of another, (iv) whether the requirements of subparagraph (b) of paragraph 3 have been met with respect to any Business Combination, and (v) whether the assets which are the subject of any Business Combination have, or the

consideration to be received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of \$10,000,000 or more, and the good faith determination of at least two-thirds of the Continuing Directors on such matters shall be conclusive and binding for all the purposes of this Article FIFTEENTH.

6. *No Effect on Fiduciary Obligations of Interested Stockholders.* Nothing contained in this Article FIFTEENTH shall be construed to relieve the Board of Directors or any Substantial Stockholder from any fiduciary obligation imposed by law.

7. *Amendment, Repeal, etc.* Notwithstanding any other provisions of this Certificate of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that a lesser percentage may be specified by law, the other sections of this Certificate of Incorporation or the By-Laws of the Corporation), the affirmative vote of the stockholders holding not less than 80% of the outstanding Voting Stock, voting together as a single class, shall be required to amend or repeal, or to adopt any provisions inconsistent with, this Article FIFTEENTH of this Certificate of Incorporation; provided, however, that the preceding provisions of this paragraph 7 shall not be applicable to any amendment to this Article FIFTEENTH, and such amendment shall require only such affirmative vote as is required by law and any other provisions of this Certificate of Incorporation, if such amendment shall have been approved by at least two-thirds of the Continuing Directors.

**CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

SPX TECHNOLOGIES, INC.**

SPX Technologies, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the “Corporation”), DOES HEREBY CERTIFY:

FIRST: On February 13, 2024, the Board of Directors of the Corporation duly adopted resolutions setting forth proposed amendments to the Amended and Restated Certificate of Incorporation (the “Certificate of Incorporation”) of the Corporation in accordance with the provisions of Section 141 of the Delaware General Corporation Law. The consolidated resolutions setting forth the proposed amendments are as follows:

RESOLVED that Article EIGHTH of the Corporation’s Certificate of Incorporation is amended and restated to read as follows:

EIGHTH. Except as otherwise fixed by resolution of the Board of Directors pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of Preferred Stock to elect directors as a class, the number of the directors of the Corporation shall be fixed from time to time by or pursuant to the By-Laws of the Corporation. The directors, other than those who may be elected by the holders of Preferred Stock, shall be classified, with respect to the time for which they severally hold office, into three classes, as nearly equal in number as possible. The first class shall be initially elected for a term expiring at the next ensuing annual meeting, the second class shall be initially elected for a term expiring one year thereafter, and the third class shall be elected for a term expiring two years thereafter, with each class to hold office until its successor is elected and qualified. At each annual meeting of the stockholders of the Corporation held after the initial classification and election of directors, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. Notwithstanding the foregoing provisions of this paragraph, (i) at the 2025 annual meeting of stockholders, the successors of the class of directors whose term expires at that meeting shall be elected to hold office for a term expiring at the 2027 annual meeting of stockholders, (ii) commencing with the 2026 annual meeting of stockholders, directors shall be elected for one-year terms expiring at the next succeeding annual meeting of stockholders, and (iii) commencing with the 2027 annual meeting of stockholders, directors shall no longer be divided into classes.

Advance notice of stockholder nominations for the election of directors shall be given in the manner provided in the By-Laws of the Corporation.

Except as otherwise fixed by resolution of the Board of Directors pursuant to the provisions of Article FOURTH hereof relating to the rights of the holders of Preferred Stock to elect directors as a class, newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors. Any director elected in accordance with the preceding sentence shall, for so long as the Board of Directors is divided into classes, hold office for the remainder of the full term of the class of directors in which the new directorship was created (subject to the requirement that, for so long as directors are divided into classes, all classes be as nearly equal in number as possible) or in which the vacancy occurred, or, commencing with the 2027 annual meeting of stockholders, for a term expiring at the next annual meeting of stockholders and, in either case, until such director's successor shall have been elected and qualified. No decrease in the number of directors constituting the Board of Directors shall shorten the term of an incumbent director.

Subject to the rights of the holders of Preferred Stock to elect directors as a class, (i) for so long as the Board of Directors is divided into classes, a director may be removed by the stockholders only for cause and (ii) commencing with the 2027 annual meeting of stockholders, a director may be removed by the stockholders at any time, with or without cause, and, in each case, only by the affirmative vote of the holders of 80% of the combined voting power of the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class.

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

1. To adopt, amend and repeal the By-Laws of the Corporation. Any by-laws adopted by the directors under the powers conferred hereby may be amended or repealed by the directors or by the stockholders. Notwithstanding the foregoing or any other provision in this Certificate of Incorporation or the By-Laws of the Corporation to the contrary, Article II, Sections 3 and 7 and Article III, Sections 2 and 3 of the By-Laws shall not be amended or repealed and no provision inconsistent therewith shall be adopted without the affirmative vote of the holders of at least 80% of the voting power of all the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

2. To fix and determine, and to vary the amount of, the working capital of the Corporation, and to determine the use or investment of any assets of the Corporation, to set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and to abolish any such reserve or reserves.

3. To authorize the purchase or other acquisition of shares of stock of the Corporation or any of its bonds, debentures, notes, scrip, warrants or other securities or evidences of indebtedness.

4. Except as otherwise provided by law, to determine the places within or without the State of Delaware, where any or all of the books of the Corporation shall be kept.

5. To authorize the sale, lease or other disposition of any part or parts of the properties of the Corporation and to cease to conduct the business connected therewith or again to resume the same, as it may deem best.

6. To authorize the borrowing of money, the issuance of bonds, debentures and other obligations or evidences of indebtedness of the Corporation, secured or unsecured, and the inclusion of provisions as to redeemability and convertibility into shares of stock of the Corporation or otherwise; and the mortgaging or pledging, as security for money borrowed or bonds, notes, debentures or other obligations issued by the Corporation, of any property of the Corporation, real or personal, then owned or thereafter acquired by the Corporation.

In addition to the powers and authorities herein or by statute expressly conferred upon it, the Board of Directors may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the laws of the State of Delaware, of this Certificate of Incorporation and of the By-Laws of the Corporation.

Subject to any limitation in the By-Laws, the members of the Board of Directors shall be entitled to reasonable fees, salaries or other compensation for their services, as determined from time to time by the Board of Directors, and to reimbursement for their expenses as such members. Nothing herein contained shall preclude any director from serving the Corporation or its subsidiaries or affiliates in any other capacity and receiving compensation therefor.

Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 80% of the voting power of all shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article EIGHTH.

RESOLVED that Section (a) of Article THIRTEENTH of the Corporation's Certificate of Incorporation is amended and restated to read as follows:

THIRTEENTH. (a) A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of

law, (iii) under Section 174 of the General Corporation Law of the State of Delaware (the “DGCL”), or (iv) for any transaction from which the director derived an improper personal benefit. If the DGCL, or any other applicable law, is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, or any other applicable law, as so amended. An officer of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as an officer, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL, as the same exists or may hereafter be amended. If the DGCL is amended hereafter to authorize the further elimination or limitation of the liability of officers, then the liability of an officer of the Corporation shall be eliminated or limited to the fullest extent authorized by the DGCL, as so amended. For purposes of this Section (a), “officer” shall have the meaning provided in Section 102(b)(7) of the DGCL, as the same exists or may hereafter be amended. Any repeal; or modification of this Section (a) by the stockholders of the Corporation shall not adversely affect any right or protection of a director or officer of the Corporation existing at the time of such repeal or modification.

RESOLVED that the Corporation’s Certificate of Incorporation is amended and restated by adding the following as an additional article:

SIXTEENTH. Unless the Corporation consents in writing to the selection of an alternative forum, (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, other employee or agent, or stockholder of the Corporation to the Corporation or the Corporation’s stockholders, creditors or other constituents, including a claim alleging the aiding and abetting of such a breach of fiduciary duty, (iii) any action or proceeding asserting a claim against the Corporation or any current or former director, officer or other employee or agent of the Corporation arising pursuant to, or seeking to enforce any right, obligation or other remedy under, any provision of the DGCL or this Certificate of Incorporation or the By-laws of the Corporation, as any of the foregoing may be amended or restated from time to time; (iv) any action or proceeding seeking to interpret, apply, enforce or determine the validity of any provision of this Certificate of Incorporation or the By-Laws of the Corporation, as either may be amended from time to time; or (v) any action or proceeding asserting a claim governed by the internal affairs doctrine of the State of Delaware; or (vi) any action asserting an “internal corporate claim” as that term is defined in Section 115 of the DGCL; or (vii) any action or proceeding as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, shall be solely and exclusively brought in the Court of Chancery of the State of Delaware (or, if the Delaware Court of Chancery in the State of Delaware determines that it lacks jurisdiction over any such action or proceeding, another state or federal court located within the State of Delaware). Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital

stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article SIXTEENTH.

RESOLVED that the Corporation's Certificate of Incorporation is amended and restated by adding the following as an additional article:

SEVENTEENTH. Unless the Corporation consents in writing to the selection of an alternative forum, the federal courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this provision.

SECOND: That thereafter, pursuant to resolution of its Board of Directors, the 2024 Annual Meeting of the Stockholders of the Corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares required by Section 242 of the General Corporation Law of the State of Delaware and the Corporation's Certificate of Incorporation were voted in favor of the amendments.

THIRD: That said amendments were duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, SPX Technologies, Inc. has caused this Certificate of Amendment to be signed by John W. Nurkin, its Vice President, General Counsel and Secretary, this 14th day of May, 2024.

SPX TECHNOLOGIES, INC.

By: /s/ John W. Nurkin
John W. Nurkin
Vice President, General Counsel and Secretary

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Eugene J. Lowe, III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SPX Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 1, 2024

/s/ EUGENE J. LOWE, III

Eugene J. Lowe, III
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark A. Carano, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SPX Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 1, 2024

/s/ MARK A. CARANO

Mark A. Carano
Vice President, Chief Financial Officer and Treasurer

**CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of SPX Technologies, Inc. on Form 10-Q for the period ended June 29, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of SPX Technologies, Inc.

Date: August 1, 2024

/s/ EUGENE J. LOWE, III

Eugene J. Lowe, III
President and Chief Executive Officer

/s/ MARK A. CARANO

Mark A. Carano
Vice President, Chief Financial Officer and Treasurer

A signed original of this written statement required by Section 906 has been provided to SPX Technologies, Inc. and will be retained by SPX Technologies, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.