



# Q1 2025 Earnings Presentation

MAY 1, 2025

# Safe Harbor Statement

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

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

# Introductory Comments

Gene Lowe, President & Chief Executive Officer

# Executive Summary

- **Strong Q1 performance**
  - » 12% Adjusted EBITDA<sup>1</sup> growth
  - » 10% Adjusted EPS<sup>1</sup> growth
- **Sigma & Omega expands value of HVAC solutions**
  - » Highly complementary products and channels
  - » Attractive growth markets
- **Raising 2025 guidance**
  - » Adjusted EBITDA<sup>1</sup> range implies +15% growth at midpoint
- **Well-positioned to manage macro uncertainty**

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

## Continued Strong Execution on Value Creation Roadmap

# Q1 2025 Results Summary

(\$ in millions)

- **Revenue growth of 3.7%**
  - » Solid performance in HVAC
  - » Benefit of acquisitions
- **Adjusted EBITDA<sup>1</sup> growth of 11.5%**
  - » 150 bps of margin<sup>1</sup> expansion with increases in both segments

## First Quarter

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



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

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

# Value Creation Framework



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

# Sigma & Omega - Highly Complementary Addition

Expands value of our HVAC solutions in attractive multi-story market



**MARLEY**  
Cooling towers

Hot water  
system

Cooling  
system

**SIGMA & OMEGA**  
Heat pumps and fan coils  
& self-contained units

**PATTERSON-KELLEY**  
Boilers

*Typical value of hot  
water and cooling  
systems is*

**2X**

*the value of cooling  
towers and boilers  
combined*

Based on management estimates

# Q1 2025 Financial Review

Mark A. Carano, Chief Financial Officer

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

	<u>Q1 2024</u>	<u>Q1 2025</u>
<b>GAAP EPS from continuing operations</b>	<b>\$1.05</b>	<b>\$1.10</b>
Intangible amortization	\$0.24	\$0.31
Acquisition and integration-related	\$0.08	\$0.14
Non-service pension & other <sup>2</sup>	(\$0.12)	(\$0.17)
<b>Adj EPS<sup>1</sup> from continuing operations</b>	<b>\$1.25</b>	<b>\$1.38</b>

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

<sup>2</sup> Q1 2025 and 2024 include the removal of certain favorable discrete tax items.

## Q1 2025 Adjusted EPS<sup>1</sup> of \$1.38

# Q1 2025 Results

(\$ in millions)

## Q1 Revenue:

- 3.7% year-over-year increase:
  - » **0.4% organic** increase with growth in HVAC largely offset by Detection & Measurement large project timing
  - » **3.7% acquisition** impact
  - » **-0.4% currency** impact

## Q1 Consolidated Segment Income / Margin<sup>1</sup>:

- Both segments drove an increase in Consolidated Segment Income<sup>1</sup> +\$10.7m y/y
- Detection & Measurement was the primary driver of the Margin<sup>1</sup> increase of +140 bps y/y

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

## First Quarter

- Revenue
- ◆ Consolidated Segment Income / Margin<sup>1</sup>



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

# HVAC Q1 2025 Results

(\$ in millions)

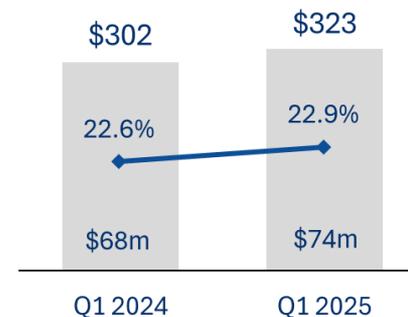
## Q1 Revenue:

- 6.8% year-over-year increase:
  - » 4.4% **organic increase** due primarily to higher Heating sales
  - » 2.9% **acquisition** impact (Ingénia)
  - » -0.5% **currency** impact

## Q1 Segment Income / Margin:

- Operating leverage due to revenue growth, including the Ingénia acquisition, drove increases:
  - » Segment Income: +\$5.5m y/y
  - » Margin: +30 bps y/y

## First Quarter



## Solid Operational Execution and YoY Growth

# Detection & Measurement Q1 2025 Results

(\$ in millions)

## Q1 Revenue:

- -2.0% year-over-year decrease:
  - » -6.9% **organic** decrease due primarily to timing of project deliveries vs prior year
  - » 5.2% **acquisition** impact (KTS)
  - » -0.3% **currency** impact

## Q1 Segment Income / Margin:

- Favorable sales mix, project execution, and benefit of KTS acquisition:
  - » Segment Income: +\$5.2m y/y
  - » Margin: +360 bps y/y

## First Quarter



**Favorable Sales Mix and Project Execution Drove Strong Margin Performance**

# Financial Position & Guidance

Mark A. Carano, Chief Financial Officer



# Financial Position Update

(\$ in millions)

	Q4 2024	Q1 2025
Short-term debt	\$10	\$61
Current maturities of long-term debt	28	28
Long-term debt	577	872
<b>Total Debt</b>	<b>\$615</b>	<b>\$960</b>
Less: Cash on hand <sup>2</sup>	(161)	(182)
<b>Net Debt</b>	<b>\$453</b>	<b>\$778</b>



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

<sup>2</sup> Includes cash related to discontinued operations of \$4.5m in Q4 2024 and \$4.4m in Q1 2025.

**Anticipate Leverage Below Low End of 1.5x-2.5x Target Range by Year-End**

# 2025 Guidance<sup>1</sup>

	Total SPX	HVAC	Detection & Measurement
<b>Revenue</b>	<b>\$2.20-\$2.26b</b>	<b>\$1,500-\$1,540m</b>	<b>\$700-\$720m</b>
<i>Prior range</i>	<i>\$2.13-\$2.19b</i>	<i>\$1,440-\$1,480m</i>	<i>\$690-\$710m</i>
<b>Segment Income Margin<sup>1</sup></b>	<b>22.90%-23.60%</b>	<b>23.50%-24.00%</b>	<b>21.50%-22.75%</b>
<i>Prior range</i>	<i>23.00%-24.00%</i>	<i>23.50%-24.50%</i>	<i>22.00%-23.00%</i>

<b>Adj. EBITDA<sup>1</sup></b>	<b>\$470-\$495m</b>
<i>Prior range</i>	<i>\$460-\$490m</i>
<b>Adj. EBITDA Margin<sup>1</sup></b>	<b>21.40%-21.90%</b>
<i>Prior range</i>	<i>21.6%-22.4%</i>
<b>Adj. EPS<sup>1</sup></b>	<b>\$6.10-\$6.40</b>
<i>Prior range</i>	<i>\$6.00-\$6.25</i>

Raising Full-Year Guidance:

Adjusted EPS  
Midpoint Implies 12%  
Growth Y/Y

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

# End Market Review & Closing Comments

Gene Lowe, President & Chief Executive Officer

## HVAC

### Cooling

- Solid backlog and demand in core verticals

### Heating

- Resi and non-resi demand both steady

## DETECTION & MEASUREMENT

### Project Oriented

- Significant activity building for 2026+

### Run-Rate

- Mixed global demand with regional variation

**Diverse End Markets and High Replacement Demand**

# Executive Summary

- Strong start to year
- Sigma & Omega enhances value of HVAC solutions
- Raising full-year guidance
- Well-positioned to manage macro uncertainty

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

# Appendix

# Modeling Considerations – Full-Year 2025

Metric	Considerations
Corporate expense	\$50.0-54.0m
Long-term incentive comp	\$16.0-18.0m
Restructuring costs	~\$1.0m
Interest cost	\$52.0-55.0m
Other income/(expense)	\$0.0-3.0m
Tax rate	24.50%-25.25%
Capex	\$35.0-50.0m
Cash cost of pension + OPEB	\$11.0-12.0m
Depreciation	\$31.0-32.0m
Amortization	\$74.0-78.0m
Share count	47.5-47.7m
Currency effect	Topline sensitivity to USD-GBP and USD-CAD rates

# GAAP Reconciliation Results by Quarter

(\$ in millions)

	2024					2025
	Q1	Q2	Q3	Q4	FY	Q1
Consolidated segment income <sup>1</sup>	\$ 99.8	\$ 117.6	\$ 113.8	\$ 129.4	\$ 460.6	\$ 110.5
Corporate expense	(13.9)	(12.0)	(12.4)	(15.3)	(53.6)	(14.0)
Acquisition and integration-related costs	(2.6)	(2.3)	(1.4)	(0.9)	(7.2)	(6.4)
Long-term incentive compensation expense	(3.3)	(3.7)	(4.0)	(4.0)	(15.0)	(3.7)
Amortization of intangible assets	(14.8)	(16.8)	(16.6)	(16.3)	(64.5)	(19.7)
Special charges, net	(0.6)	0.2	(0.5)	(2.7)	(3.6)	(0.1)
Other operating expense, net	-	(8.4)	-	-	(8.4)	-
<b>Operating income</b>	<b>64.6</b>	<b>74.6</b>	<b>78.9</b>	<b>90.2</b>	<b>308.3</b>	<b>66.6</b>
Other income (expense), net	(4.0)	(1.7)	(1.4)	(2.2)	(9.3)	2.7
Interest expense, net	(9.5)	(12.5)	(11.5)	(10.1)	(43.6)	(11.4)
<b>Income from continuing operations before income taxes</b>	<b>51.1</b>	<b>60.4</b>	<b>66.0</b>	<b>77.9</b>	<b>255.4</b>	<b>57.9</b>
Income tax provision	(1.9)	(15.2)	(15.1)	(21.4)	(53.6)	(6.2)
<b>Income from continuing operations</b>	<b>49.2</b>	<b>45.2</b>	<b>50.9</b>	<b>56.5</b>	<b>201.8</b>	<b>51.7</b>
Income (loss) on disposition of discontinued operations, net of tax	(0.2)	(1.0)	(0.7)	0.6	(1.3)	(0.5)
<b>Income (loss) from discontinued operations, net of tax</b>	<b>(0.2)</b>	<b>(1.0)</b>	<b>(0.7)</b>	<b>0.6</b>	<b>(1.3)</b>	<b>(0.5)</b>
<b>Net income</b>	<b>\$ 49.0</b>	<b>\$ 44.2</b>	<b>\$ 50.2</b>	<b>\$ 57.1</b>	<b>\$ 200.5</b>	<b>\$ 51.2</b>

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

# Segment Results

(\$ in millions)

HVAC	2024					2025
	Q1	Q2	Q3	Q4	FY	Q1
Revenue	\$302.4	\$356.5	\$335.3	\$370.5	\$1,364.7	\$323.0
Segment income	\$68.4	\$83.7	\$80.0	\$91.8	\$323.9	\$73.9
	23%	23%	24%	25%	24%	23%

Detection and Measurement	2024					2025
	Q1	Q2	Q3	Q4	FY	Q1
Revenue	\$162.8	\$144.8	\$148.4	\$163.2	\$619.2	\$159.6
Segment income	\$31.4	\$33.9	\$33.8	\$37.6	\$136.7	\$36.6
	19%	23%	23%	23%	22%	23%

# Q1 2025 Revenue by Major product lines

(\$ in millions)

Reportable Segments	Three months ended March 29, 2025		
	HVAC	Detection and Measurement	Total
<b>Major product lines</b>			
Package and process cooling equipment and services, and engineered air movement and handling solutions	\$ 199.1	\$ —	\$ 199.1
Boilers, electrical heating, and ventilation	123.9	—	123.9
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	56.7	56.7
Communication technologies, aids to navigation, and transportation systems	—	102.9	102.9
	<u>\$ 323.0</u>	<u>\$ 159.6</u>	<u>\$ 482.6</u>
<b>Timing of Revenue Recognition</b>			
Revenues recognized at a point in time	\$ 304.1	\$ 141.5	\$ 445.6
Revenues recognized over time	18.9	18.1	37.0
	<u>\$ 323.0</u>	<u>\$ 159.6</u>	<u>\$ 482.6</u>

# Q1 2024 Revenue by Major product lines

(\$ in millions)

Reportable Segments	Three months ended March 30, 2024		
	HVAC	Detection and Measurement	Total
<b>Major product lines</b>			
Package and process cooling equipment and services, and engineered air movement and handling solutions	\$ 187.8	\$ —	\$ 187.8
Boilers, electrical heating, and ventilation	114.6	—	114.6
Underground locators, inspection and rehabilitation equipment, and robotic systems	—	61.0	61.0
Communication technologies, aids to navigation, and transportation systems	—	101.8	101.8
	<u>\$ 302.4</u>	<u>\$ 162.8</u>	<u>\$ 465.2</u>
<b>Timing of Revenue Recognition</b>			
Revenues recognized at a point in time	\$ 282.4	\$ 138.0	\$ 420.4
Revenues recognized over time	20.0	24.8	44.8
	<u>\$ 302.4</u>	<u>\$ 162.8</u>	<u>\$ 465.2</u>

# Q1 2025 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 110.5	\$ —	\$ 110.5
Corporate expense <sup>(1)</sup>	(14.0)	2.2	(11.8)
Acquisition-related costs <sup>(2)</sup>	(6.4)	6.4	—
Long-term incentive compensation expense	(3.7)	—	(3.7)
Amortization of intangible assets <sup>(3)</sup>	(19.7)	19.7	—
Special charges, net	(0.1)	—	(0.1)
<b>Operating income</b>	<b>66.6</b>	<b>28.3</b>	<b>94.9</b>
Other income, net <sup>(4)</sup>	2.7	(2.3)	0.4
Interest expense, net	(11.4)	—	(11.4)
<b>Income from continuing operations before income taxes</b>	<b>57.9</b>	<b>26.0</b>	<b>83.9</b>
Income tax provision <sup>(5)</sup>	(6.2)	(12.9)	(19.1)
<b>Income from continuing operations</b>	<b>51.7</b>	<b>13.1</b>	<b>64.8</b>
Diluted shares outstanding	47.122		47.122
<b>Earnings per share from continuing operations</b>	<b>\$ 1.10</b>		<b>\$ 1.38</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and integration-related costs of \$2.2.

<sup>(2)</sup> Adjustment represents the removal of (i) acquisition and integration-related costs of \$1.0 and \$0.8 within the Detection and Measurement and HVAC reportable segments, respectively, and (ii) amortization of a deferred compensation asset and an inventory step-up charge of \$4.3 and \$0.3, respectively, each related to the KTS acquisition within the Detection and Measurement reportable segment.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$12.2 and \$7.5 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of (i) a gain on an equity security associated with a fair value adjustment of \$4.5 and (ii) non-service pension and postretirement charges of \$2.2.

<sup>(5)</sup> Adjustment represents the tax impact of items (1) through (4) and the removal of certain discrete income tax items that are considered non-recurring.

# Q1 2024 U.S. GAAP to Adjusted EPS Reconciliation

(\$ in millions, except per share values)

	GAAP	Adjustments	Adjusted
Segment income	\$ 99.8	\$ —	\$ 99.8
Corporate expense <sup>(1)</sup>	(13.9)	2.4	(11.5)
Acquisition-related costs <sup>(2)</sup>	(2.6)	2.6	—
Long-term incentive compensation expense	(3.3)	—	(3.3)
Amortization of intangible assets <sup>(3)</sup>	(14.8)	14.8	—
Special charges, net	(0.6)	—	(0.6)
<b>Operating income</b>	<b>64.6</b>	<b>19.8</b>	<b>84.4</b>
Other income (expense), net <sup>(4)</sup>	(4.0)	5.4	1.4
Interest expense, net	(9.5)	—	(9.5)
<b>Income from continuing operations before income taxes</b>	<b>51.1</b>	<b>25.2</b>	<b>76.3</b>
Income tax provision <sup>(5)</sup>	(1.9)	(16.0)	(17.9)
<b>Income from continuing operations</b>	<b>49.2</b>	<b>9.2</b>	<b>58.4</b>
Diluted shares outstanding	46.683		46.683
<b>Earnings per share from continuing operations</b>	<b>\$ 1.05</b>		<b>\$ 1.25</b>

<sup>(1)</sup> Adjustment represents the removal of certain acquisition and integration-related costs of \$2.4.

<sup>(2)</sup> Adjustment represents the removal of (i) acquisition and integration-related costs of \$1.7 and (ii) an inventory step-up charge related to the Ingénia acquisition of \$0.9 within the HVAC reportable segment.

<sup>(3)</sup> Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$10.5 and \$4.3 within the HVAC and Detection & Measurement reportable segments, respectively.

<sup>(4)</sup> Adjustment represents the removal of (i) a loss on an equity security associated with a fair value adjustment of \$4.2 and (ii) non-service pension and postretirement charges of \$1.2.

<sup>(5)</sup> Adjustment represents the tax impact of items (1) through (4) and the removal of certain discrete income tax items that are considered non-recurring.

# U.S. GAAP to Adjusted Operating Income Reconciliation

(\$ in millions)

	Three months ended	
	March 29, 2025	March 30, 2024
Operating income	\$ 66.6	\$ 64.6
Exclude:		
Acquisition-related and other costs <sup>(1)</sup>	(8.6)	(5.0)
Amortization of acquired intangible assets	(19.7)	(14.8)
Adjusted operating income	\$ 94.9	\$ 84.4
as a percent of revenues	19.7 %	18.1 %

<sup>(1)</sup> For the three months ended March 29, 2025, represents (i) certain acquisition and integration-related costs of \$4.0 and (ii) amortization of a deferred compensation asset and additional inventory step-up charges of \$4.3 and \$0.3, respectively, related to the KTS acquisition. For the three months ended March 30, 2024, represents (i) certain acquisition and integration-related costs of \$4.1 and (ii) inventory step-up charges of \$0.9 related to the Ingénia acquisition.

# Q1 Adjusted EBITDA Reconciliation

(\$ in millions)

	Three months ended	
	March 29, 2025	March 30, 2024
Net income	\$ 51.2	\$ 49.0
Exclude:		
Income tax provision	(6.2)	(1.9)
Interest expense, net	(11.4)	(9.5)
Amortization expense <sup>(1)</sup>	(19.9)	(14.8)
Depreciation expense	(7.1)	(6.2)
Loss from discontinued operations, net of tax	(0.5)	(0.2)
<b>EBITDA</b>	<b>96.3</b>	<b>81.6</b>
Exclude:		
Acquisition-related and other costs <sup>(2)</sup>	(8.6)	(5.0)
Non-service pension and postretirement charges	(2.2)	(1.2)
Fair value adjustments on an equity security	4.5	(4.2)
<b>Adjusted EBITDA</b>	<b>\$ 102.6</b>	<b>\$ 92.0</b>
as a percent of revenues	21.3 %	19.8 %

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

<sup>(2)</sup> For the three months ended March 29, 2025, represents (i) certain acquisition and integration-related costs of \$4.0, inclusive of acquisition and integration-related costs of \$1.0 and \$0.8 within the Detection and Measurement and HVAC reportable segments, respectively, and (ii) amortization of a deferred compensation asset and an inventory step-up charge of \$4.3 and \$0.3, respectively, each related to the KTS acquisition within the Detection and Measurement reportable segment. For the three months ended March 30, 2024, represents (i) certain acquisition and integration-related costs of \$4.1, inclusive of acquisition and integration-related costs of \$1.7 within the HVAC reportable segment and (ii) an inventory step-up charge of \$0.9 related to the Ingénia acquisition within the HVAC reportable segment.

# Q1 2025 Organic Revenue

	Three months ended March 29, 2025		
	HVAC	Detection & Measurement	Consolidated
Net Revenue Growth (Decline)	6.8 %	(2.0) %	3.7 %
Exclude: Foreign Currency	(0.5) %	(0.3) %	(0.4) %
Exclude: Acquisitions	2.9 %	5.2 %	3.7 %
Organic Revenue Growth (Decline)	4.4 %	(6.9) %	0.4 %

# U.S. GAAP to Adjusted Net Income Reconciliation

(\$ in millions)

	<u>Q1 2025</u>
Income from continuing operations	\$ 51.7
Exclude:	
Amortization of acquired intangible assets	(19.7)
Acquisition and integration-related costs <sup>(1)</sup>	(8.6)
Non-service pension and postretirement losses	(2.2)
Fair value adjustment on an equity security	4.5
Tax adjustments <sup>(2)</sup>	12.9
<b>Adjusted net income</b>	<b><u>\$ 64.8</u></b>

<sup>(1)</sup> Represents (i) certain acquisition and integration-related costs of \$4.0 and (ii) amortization of a deferred compensation asset and additional inventory step-up charges of \$4.3 and \$0.3, respectively, related to the KTS acquisition.

<sup>(2)</sup> Adjustment primarily represents the tax impact of the adjustments above, as well as the removal of certain discrete income tax items that are considered non-recurring.

# Q1 2025 Adjusted Free Cash Flow Reconciliation

(\$ in millions)

	<u>Q1 2025</u>
Operating cash flow from continuing operations	\$ (10.4)
Capital expenditures	<u>(5.5)</u>
Free cash flow from continuing operations	(15.9)
Adjustments <sup>(1)</sup>	52.2
Adjusted free cash flow from continuing operations	<u><u>\$ 36.3</u></u>
Adjusted net income	64.8
Adjusted Free Cash Flow Conversion	56%

<sup>(1)</sup>Adjustments represent the removal of (i) cash payments associated with integration costs of \$5.7m within our HVAC and Detection & Measurement reportable segments, and (ii) a one-time cash payment of \$46.5m for acquisition-related employee retention agreements associated with the KTS acquisition in the Detection & Measurement reportable segment.