



## SPX Technologies Completes Acquisition of ASPEQ

Increasing 2023 Guidance Range for Adjusted EPS\* to \$3.90-\$4.05  
Management to Host Call at 4:30 PM ET

CHARLOTTE, N.C., Jun. 5, 2023 (GLOBE NEWSWIRE) -- SPX Technologies, Inc. (NYSE:SPXC) (“the Company”, “we”, or “our”) announced that it has completed the acquisition of ASPEQ Heating Group (“ASPEQ”) including certain tax attributes for \$418 million in cash, subject to closing adjustments. ASPEQ, a leading provider of electrical heating solutions to customers in industrial and commercial markets, is now a part of SPX Technologies’ HVAC Heating platform.

To reflect this transaction the Company has increased its 2023 full-year guidance for adjusted earnings per share\* of \$3.90 to \$4.05 from a prior range of \$3.80 to \$3.95. The increase in guidance reflects a partial year of ownership of ASPEQ and the impact of financing costs associated with the transaction. At the midpoint, updated adjusted EPS\* guidance represents a year-on-year increase of approximately 28%. Management expects ASPEQ to have annual revenue of approximately \$120 million, and higher-than-company-average sales growth and margins.

“We are excited to welcome the ASPEQ team to the SPX Technologies family,” said Gene Lowe, President and CEO of SPX Technologies. “This transaction more than doubles SPX Technologies’ position in electrical heating and expands our value-creation opportunities in highly complementary and attractive industrial and commercial end markets. We see significant long-term growth potential for our combined businesses, as well as nearer-term benefits from favorable secular trends such as electrification, decarbonization, and reshoring.”

Dave Smith, ASPEQ’s President and CEO, said, “We are delighted to be joining SPX Technologies’ electrical heating team. Bringing together SPX Technologies’ marketing and channel infrastructure and business system with ASPEQ’s technology, and strong product development and application expertise creates numerous opportunities for employees, customers, and shareholders. I personally look forward to working with the SPX Technologies team to build an even stronger, more valuable platform.”

### 2023 Guidance Update:

SPX Technologies is updating full-year 2023 guidance to reflect the acquisition of ASPEQ. The Company is now targeting consolidated revenue of approximately \$1.68 to \$1.72 billion (\$1.61 to \$1.65 billion prior), an adjusted operating income margin\* of approximately 15.00% to 15.75% (14.50% to 15.25% prior), and adjusted earnings per share\* in a range of \$3.90 to \$4.05 (\$3.80 to \$3.95 prior).

Segment and company performance is expected to be as follows:

	Revenue	Segment Income Margin %
HVAC	\$1,110-\$1,130 million <i>(\$1,035-\$1,055 million prior)</i>	18.00%-19.00% <i>(17.25%-18.25% prior)</i>
Detection & Measurement	\$570-\$590 million <i>(unchanged)</i>	20.50%-21.50% <i>(unchanged)</i>
Total SPX	\$1.68-\$1.72 billion <i>(\$1.61-\$1.65 billion prior)</i>	18.75%-19.75% <i>(18.50%-19.50% prior)</i>

\* Adjusted results including consolidated segment income margins are non-GAAP financial measures. Reconciliations of guidance measures to US GAAP financial measures are not predictable and accordingly are not provided in this release.

**Conference Call:** SPX Technologies will host a conference call at 4:30 p.m. (EDT) today, June 5<sup>th</sup>, 2023, to discuss the closing of the ASPEQ acquisition and updated guidance. The call will be simultaneously webcast via the Company's website at [www.spx.com](http://www.spx.com) and the slide presentation will be available in the Investor Relations section of the site.

**Call Access:** To access the call by phone, please go to this link <https://register.vevent.com/register/BI188c148618314cfd9e20cfed4316bfce> and you will be provided with dial-in details. To avoid delays, we encourage participants to dial into the conference call fifteen minutes ahead of the scheduled start time. A replay of the webcast will also be available for a limited time at [www.spx.com](http://www.spx.com).

**About SPX Technologies:** SPX Technologies is a supplier of highly engineered products and technologies, holding leadership positions in the HVAC and detection and measurement markets. Based in Charlotte, North Carolina, SPX Technologies has more than 3,300 employees in 15 countries. SPX Technologies is listed on the New York Stock Exchange under the ticker symbol "SPXC." For more information, please visit [www.spx.com](http://www.spx.com).

**About ASPEQ:** Headquartered in St. Louis, Missouri, ASPEQ is a leading provider of custom-configured electric heating and thermal management products to the industrial, commercial, military, marine, and transportation markets. Products are marketed under well-known brands, such as INDEECO, Heatrex, AccuTherm, Brasch, Spectrum, BannerDay PipeHeating, and Solar Products. For more information, please visit [www.aspeqheating.com](http://www.aspeqheating.com).

#### **Forward-looking Statements:**

Certain statements in this press release 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 the safe harbor created thereby. Please read these results in conjunction with the Company's documents filed with the Securities and Exchange Commission, including the Company's most recent annual report on Form 10-K. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements, including 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 the large power projects in South Africa, as well as claims with respect to, environmental and other contingent liabilities; the impact of climate change and any legal or regulatory actions taken in response there to; 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 the COVID-19 pandemic 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; uncertainties with respect to the Company's ability to identify acceptable acquisition targets; uncertainties surrounding timing and successful completion of any announced 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.

Actual results may differ materially from these statements. The words “guidance,” “believe,” “expect,” “anticipate,” “project” and similar expressions identify forward-looking statements. Although the Company 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.

Statements in this press release speak only as of the date of this press release, and SPX Technologies disclaims any responsibility to update or revise such statements.

**Non-GAAP Financial Information:** This press release contains certain non-GAAP financial measures, including total segment income margin, adjusted operating income margin and adjusted income from continuing operations, adjusted earnings per share, each as anticipated for the full year 2023. These forward-looking non-GAAP measures are presented on a basis consistent with the similarly titled historical non-GAAP measures included in the Company’s earnings press release issued on May 4, 2023, which included reconciliations of each of such historical non-GAAP measures to the comparable financial measures as determined in accordance with accounting principles generally accepted in the United States (“GAAP”). The non-GAAP financial guidance included in this press release excludes items, which would be included in the Company’s GAAP financial measures, that the Company does not consider indicative of its on-going performance. These items include, but are not limited to, acquisition costs, costs associated with dispositions, and potential non-cash income or expense items associated with changes in market interest rates and actuarial or other data related to the Company’s pension and postretirement plans, as the ultimate aggregate amounts associated with these items are out of its control and/or cannot be reasonably predicted. Accordingly, a reconciliation of the non-GAAP financial guidance to the most comparable GAAP financial measures is not practicable. Full-year guidance excludes changes in the number of shares outstanding; impacts from future acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs subsequent to the end of the first quarter, the impact of foreign exchange rate changes subsequent to the end of the first quarter, and environmental and litigation charges.

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