

SPX Technologies

Q3 2023

Earnings Presentation

November 2, 2023



- Certain statements contained in this presentation that are not historical facts, including any statements as to future market conditions, results of operations, products 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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- Statements in this presentation are only as of the time made, and SPX Technologies disclaims any responsibility to update or revise such statements except as required by law.
- 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. We believe that these non-GAAP measures are useful to investors in evaluating our operating performance and our management of business from period to period.

Introductory Comments

Gene Lowe

- ❑ Strong Q3 2023 performance
 - ✓ Significant y/y revenue and margin growth
 - ✓ Solid performance from acquisitions

- ❑ Increasing full-year guidance midpoint
 - ✓ Strong performance across both segments
 - ✓ Adjusted EPS* growth of ~38%

- ❑ Settlement brings South Africa involvement to end
 - ✓ Eliminates risk
 - ✓ No impact on capital deployment

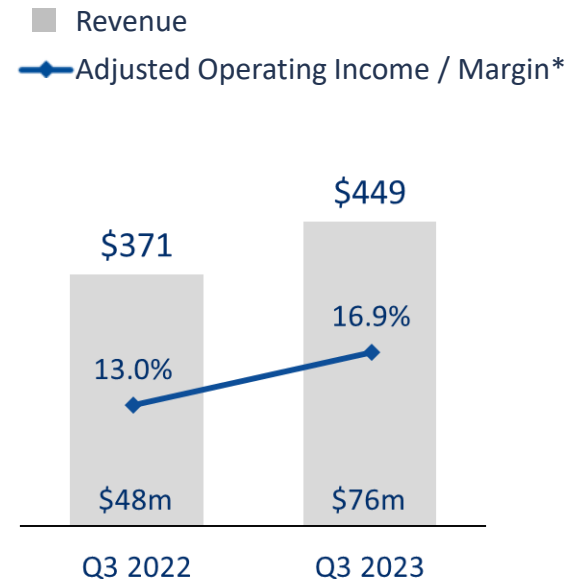
Strong Execution on Value Creation Roadmap

*Adjusted EPS is a non-GAAP financial measure. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix of the presentation.

(\$ millions)

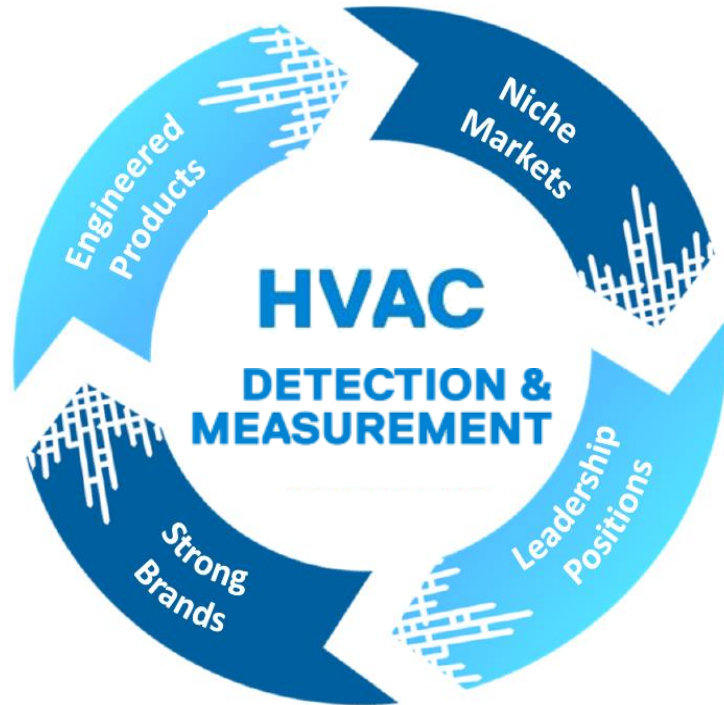
Q3 2023

- Revenue growth of 21%
 - ✓ Strength in both segments
 - ✓ Strong organic* and inorganic growth
- Strong margin performance continues
 - ✓ 57% growth in Adj. Operating Income*
 - ✓ 390 bps of margin* expansion



Strong Demand Trends and Operational Performance

*Adjusted results are non-GAAP financial measures. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.



Organic Growth

- New products
- Channel expansion
- Adjacent markets

Inorganic Growth

- Strategic platform focus
- Significant capital to deploy
- Large target pipeline

SPX Business System

- Digital initiatives
- Continuous Improvement
- Sustainability

Culture & Values

- Integrity
- Results/accountability
- Diversity & Inclusion
- Employee development

Q3 Financial Review

Mark Carano

Adjusted Earnings Per Share

	<u>Q3 2022</u>	<u>Q3 2023</u>
GAAP EPS from continuing operations	\$0.27	\$0.76
Amortization	\$0.11	\$0.24
Acquisition-related	(\$0.01)	\$0.05
Asbestos-related	\$0.27	-
Non-service pension & other*	\$0.17	\$0.01
Adj. EPS from continuing operations	\$0.81	\$1.06

Q3 2023 Adjusted EPS of \$1.06

Note: Adjusted results are non-GAAP financial measures. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.

*Q3 2022 primarily includes (i) the impact of non-cash mark-to-market pension losses associated with higher market interest rates, (ii) costs associated with the reorganization of SPX Technologies' legal structure, (iii) a non-cash change in fair value in equity security and removal of long-term incentive compensation forfeitures, and (iv) certain discrete tax matters, among other items.

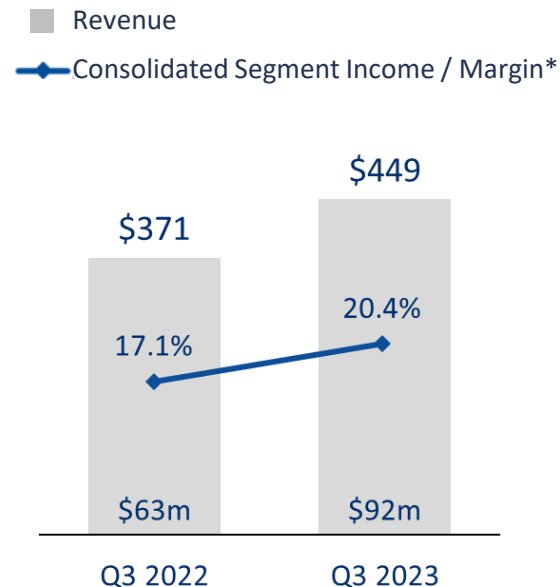
Q3 Revenue:

- ❑ 21.1% year-over-year increase:
 - ✓ **10.5% organic** increase with strength in both HVAC and Detection & Measurement
 - ✓ **10.0% acquisition** impact (TAMCO & ASPEQ)
 - ✓ **0.6% currency** impact

Q3 Consolidated Segment Income* and Margin*:

- ❑ \$28.2m increase in Consolidated Segment Income* driven primarily by HVAC
- ❑ 330 bps increase in margin* driven by HVAC

Q3 2023



Strong Performance in Both Segments

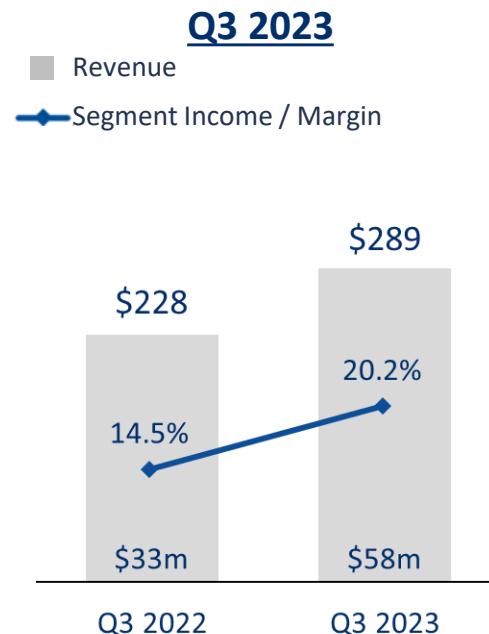
*Consolidated segment income and margin as shown above are non-GAAP financial measures, and represent the summation of our HVAC and D&M segments. Reconciliations from US GAAP financial measures are available in the Appendix of the presentation.

Q3 Revenue:

- 27.0% year-over-year increase:
 - ✓ **10.6% organic** increase driven by Cooling
 - ✓ **16.3% acquisition** impact (*TAMCO & ASPEQ*)
 - ✓ **0.1% currency** impact

Q3 Segment Income and Margin:

- \$25.2m increase in Segment Income
- 570 bps increase in margin primarily due to higher volumes and acquisitions



Strong Organic and Acquisition-Driven Growth

Detection & Measurement Q3 2023 Results

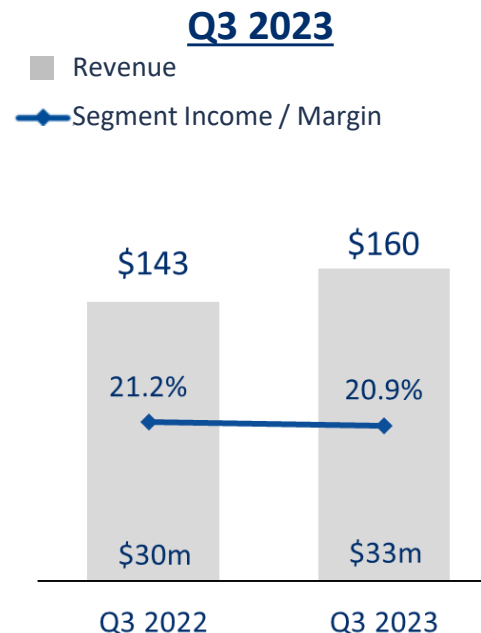
(\$ millions)

Q3 Revenue:

- ❑ 11.8% year-over-year increase:
 - ✓ **10.4% organic** increase due to growth across all platforms; significant project deliveries
 - ✓ **1.4% currency** impact

Q3 Segment Income and Margin:

- ❑ \$3.0m increase in Segment Income
- ❑ -30 bps decrease in margin due to sales mix



Broad-Based Growth; Significant Project Deliveries

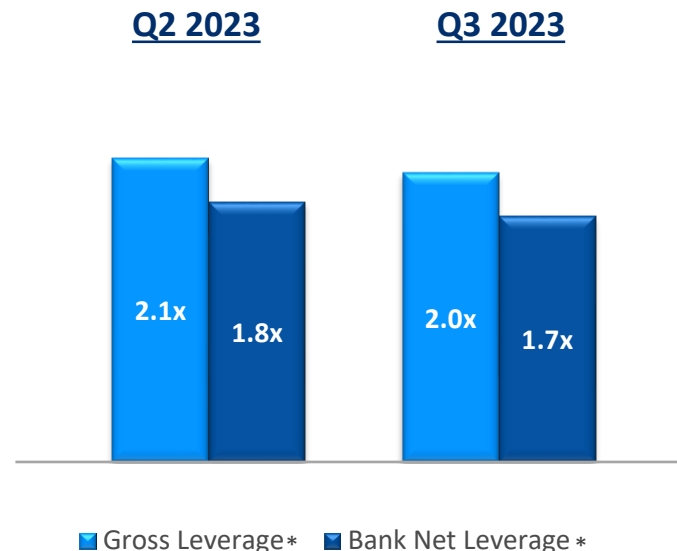
Financial Position and Liquidity Review

Mark Carano

Financial Position - Capital Structure & Liquidity Update

(\$ millions)

	Q2 2023	Q3 2023
Short-term debt	\$132	\$130
Current maturities of long-term debt	11	14
Long-term debt	533	530
Total Debt	\$676	\$674
Less: Cash on hand **	(95)	(102)
Net Debt	\$581	\$572



Well-Positioned to Continue Growth Initiatives

* Calculated as provided in SPX Technologies' credit facility agreement.

** Includes cash related to discontinued operations of ~\$9m in Q2 2023 and ~\$1m in Q3 2023.

	Total SPX	HVAC	Detection & Measurement
Revenue	\$1.74-1.77b	\$1,125-\$1,145m	\$610-\$620m
<i>Prior</i>	<i>\$1.72-1.75b</i>	<i>\$1,125-\$1,145m</i>	<i>\$590-\$605m</i>
Segment Income Margin %*	~20%	~20%	~20%
<i>Prior</i>	<i>~20%</i>	<i>~20%</i>	<i>~20%</i>
<hr/>			
Adj. Operating Income*	\$283-\$288m	SPX 2025 Targets	
<i>Prior</i>	<i>\$277-\$285m</i>		
Adj. Operating Income Margin*	~16.30%		
<i>Prior</i>	<i>16.00%-16.25%</i>		
Adj. EPS*	\$4.22-\$4.32		
<i>Prior</i>	<i>\$4.15-\$4.30</i>	Revenue	\$2.0B
		Segment Income %	~20%
		Adj. Operating Income %*	~16%
		Adj. EPS*	\$5.00+

*Adjusted results and consolidated segment income margin are non-GAAP financial measures. Reconciliations of guidance measures to US GAAP financial measures are not practicable and accordingly are not included in the Appendix of the presentation.

End Market Overview and Closing Remarks

Gene Lowe

Market	Comments
	<ul style="list-style-type: none">❑ Cooling:<ul style="list-style-type: none">- Strong demand trends in Americas (data centers, semiconductors, etc.)- Improved labor and supply chain support growth initiatives❑ Heating:<ul style="list-style-type: none">- Channel balanced; backlog normalizing- Normalization of supply chain and labor
	<ul style="list-style-type: none">❑ Run-rate:<ul style="list-style-type: none">- Steady bookings; regional variations- Locator supply chain challenge resolved❑ Project-oriented:<ul style="list-style-type: none">- Favorable booking trends- Infrastructure spending on horizon

Overall Demand Trends Remain Solid

- ❑ Continued strong performance and outlook
- ❑ Updated guidance reflects ~38% Adjusted EPS* growth
- ❑ Attractive acquisition pipeline
- ❑ Settlement ends involvement in South Africa

Well-Positioned to Continue Value-Creation Journey

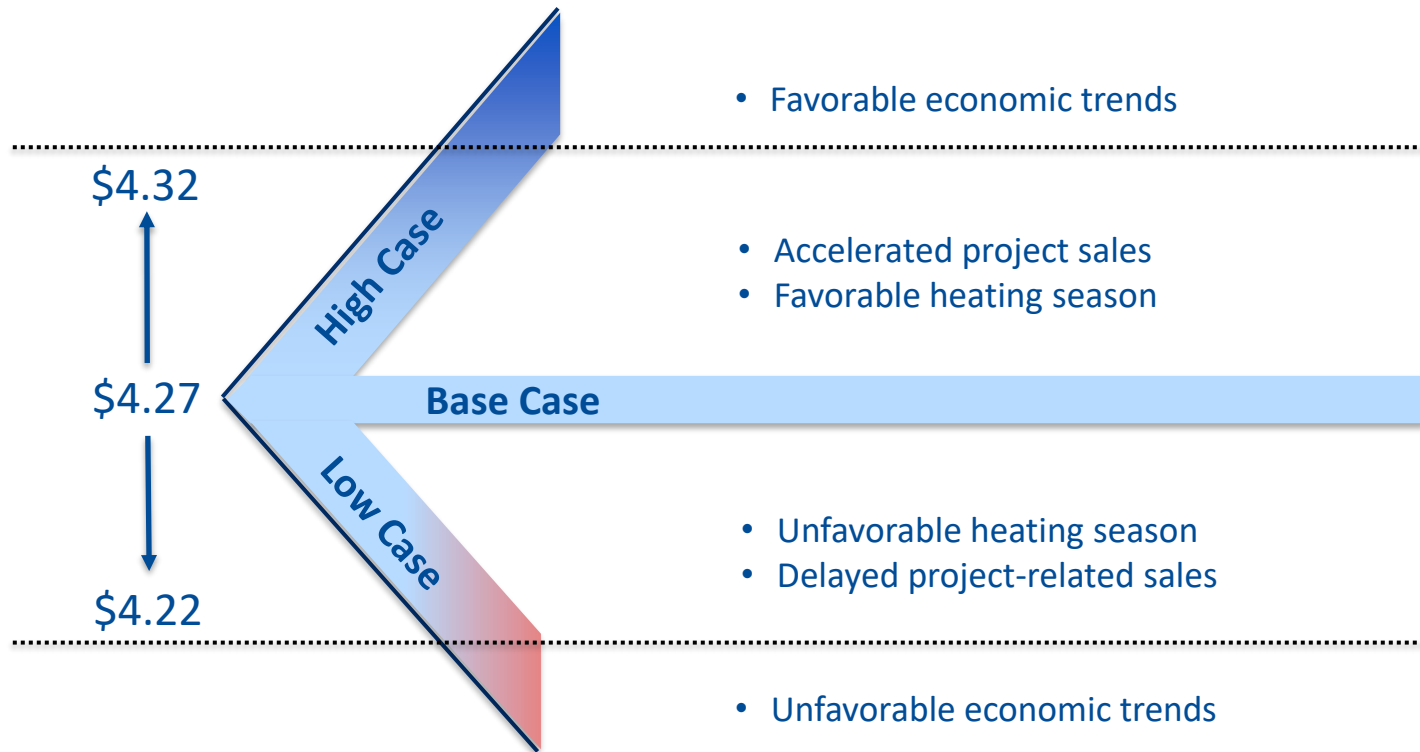
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Appendix

Modeling Considerations – Full Year 2023

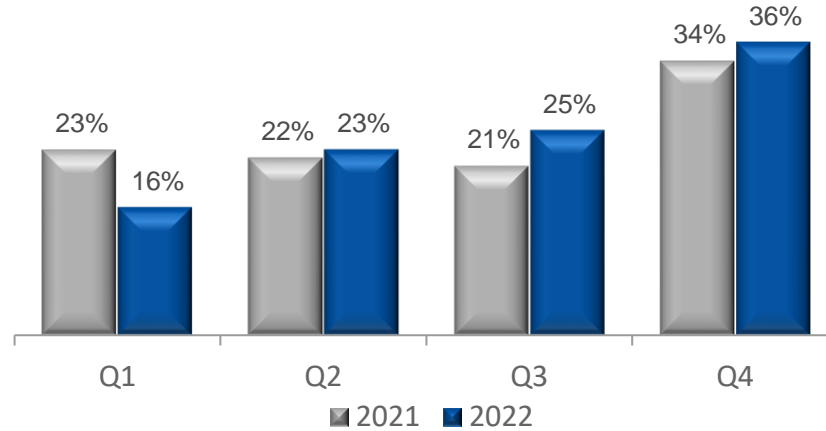
Metric	Considerations
Corporate expense	\$51.5-52.5m
Long-term incentive comp	\$13.0-13.5m
Restructuring costs	\$0
Interest cost	\$25.0-25.5m
Other income/(expense), and Non-service pension benefit/(expense)	\$3.5-4.0m
Tax rate	24.0%-24.5%
Capex	~\$25m
Cash cost of pension + OPEB	\$10-11m
Depreciation & Amortization	\$63-64m
Share count	~46.7m
Currency effect	Topline sensitivity to USD-GBP rate

2023 Adjusted EPS Guidance - Key Drivers



Note: Adjusted results are non-GAAP financial measures. Reconciliations of non-GAAP guidance measures to US GAAP financial measures are not practicable and accordingly are not included in this Appendix.

Consolidated Segment Income Phasing



GAAP Reconciliation Results by Quarter



	2022					2023				(\$ millions)
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	YTD	
Consolidated Segment income*	\$ 39.6	\$ 56.1	\$ 63.4	\$ 90.5	\$ 249.6	\$ 74.4	\$ 84.4	\$ 91.6	\$ 250.4	
Corporate expense	(16.6)	(16.4)	(17.2)	(18.4)	(68.6)	(14.6)	(16.6)	(13.0)	(44.2)	
Acquisition related and other costs	(0.1)	(0.9)	(0.1)	(0.8)	(1.9)	(0.6)	(1.5)	(2.9)	(5.0)	
Long-term incentive compensation expense	(3.1)	(2.5)	(2.1)	(3.2)	(10.9)	(3.1)	(3.5)	(3.4)	(10.0)	
Intangible amortization	(9.3)	(7.1)	(6.7)	(5.4)	(28.5)	(6.3)	(11.5)	(14.6)	(32.4)	
Impairment of goodwill and intangible assets	-	-	-	(13.4)	(13.4)	-	-	-	-	
Special charges, net	-	(0.1)	-	(0.3)	(0.4)	-	-	-	-	
Other operating income (expense), net	0.9	(1.9)	-	(73.9)	(74.9)	-	-	-	-	
Operating income (loss)	11.4	27.2	37.3	(24.9)	51.0	49.8	51.3	57.7	158.8	
Other income (expense), net	6.5	(1.7)	(24.6)	4.6	(15.2)	2.5	-	(0.2)	2.3	
Interest expense, net	(2.3)	(2.0)	(1.6)	(1.7)	(7.6)	(1.9)	(5.2)	(9.4)	(16.5)	
Loss on amendment/refinancing of senior credit agreement	-	-	(1.1)	-	(1.1)	-	-	-	-	
Income (loss) from continuing operations before income taxes	15.6	23.5	10.0	(22.0)	27.1	50.4	46.1	48.1	144.6	
Income tax (provision) benefit	(2.6)	(4.4)	2.5	(2.8)	(7.3)	(11.3)	(7.8)	(12.4)	(31.5)	
Income (loss) from continuing operations	13.0	19.1	12.5	(24.8)	19.8	39.1	38.3	35.7	113.1	
Income (loss) from discontinued operations, net of tax	-	-	-	-	-	-	-	-	-	
Income (loss) on disposition of discontinued operations, net of tax	(1.6)	(6.1)	(9.4)	(2.5)	(19.6)	3.7	(2.3)	(56.1)	(54.7)	
Income (loss) from discontinued operations, net of tax	(1.6)	(6.1)	(9.4)	(2.5)	(19.6)	3.7	(2.3)	(56.1)	(54.7)	
Net income (loss)	\$ 11.4	\$ 13.0	\$ 3.1	\$ (27.3)	\$ 0.2	\$ 42.8	\$ 36.0	\$ (20.4)	\$ 58.4	

*Consolidated Segment income margin for a period is calculated by dividing consolidated segment income for the period by revenue for the period.

Adjusted SPX Results by Quarter



(\$ millions,
except per
share values)

	2022					2023			
	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	YTD
HVAC segment income	\$ 20.6	\$ 28.3	\$ 33.1	\$ 53.5	\$ 135.5	\$ 47.7	\$ 55.2	\$ 58.3	\$ 161.2
Detection & Measurement segment income	19.0	27.8	30.3	37.0	114.1	26.7	29.2	33.3	89.2
Consolidated segment income	<u>\$ 39.6</u>	<u>\$ 56.1</u>	<u>\$ 63.4</u>	<u>\$ 90.5</u>	<u>\$ 249.6</u>	<u>\$ 74.4</u>	<u>\$ 84.4</u>	<u>\$ 91.6</u>	<u>\$ 250.4</u>
Operating income (loss) from continuing operations	\$ 11.4	\$ 27.2	\$ 37.3	\$ (24.9)	\$ 51.0	\$ 49.8	\$ 51.3	\$ 57.7	\$ 158.8
Exclude: "Other" operating adjustments ⁽¹⁾	13.7	15.0	11.0	96.7	136.4	8.5	18.1	18.1	44.7
Adjusted operating income	<u>\$ 25.1</u>	<u>\$ 42.2</u>	<u>\$ 48.3</u>	<u>\$ 71.8</u>	<u>\$ 187.4</u>	<u>\$ 58.3</u>	<u>\$ 69.4</u>	<u>\$ 75.8</u>	<u>\$ 203.5</u>
Net income from continuing operations	\$ 13.0	\$ 19.1	\$ 12.5	\$ (24.8)	\$ 19.8	\$ 39.1	\$ 38.3	\$ 35.7	\$ 113.1
Exclude: "Other" income adjustments ⁽²⁾	5.8	13.9	25.0	78.8	123.5	4.0	11.2	13.7	28.9
Adjusted net income	<u>\$ 18.8</u>	<u>\$ 33.0</u>	<u>\$ 37.5</u>	<u>\$ 54.0</u>	<u>\$ 143.3</u>	<u>\$ 43.1</u>	<u>\$ 49.5</u>	<u>\$ 49.4</u>	<u>\$ 142.0</u>
Adjusted EPS	\$0.40	\$0.71	\$0.81	\$1.17	\$3.10	\$0.93	\$1.06	\$1.06	\$3.05

⁽¹⁾ Excludes amortization expense associated with acquired intangible assets, acquisition-related costs (including inventory step-up charges), strategic/transformation and integration costs, asset impairment charges, costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes, revisions of liabilities associated with contingent consideration on acquisitions, charges resulting from changes in estimates associated with asbestos product liability matters, and the removal of a benefit related to long-term incentive compensation forfeitures. In addition, includes a reclassification of transition services income from "Other non-operating income/expense".

⁽²⁾ Excludes items noted above, gains and losses on an equity security associated with fair value adjustments, non-service pension items, reclassification of transition service income to operating income, non-cash charges and certain expenses incurred in connection with an amendment to our senior credit agreement, and the tax impacts of these items, as well as certain discrete tax items.

HVAC Segment Results



(\$ millions)

	2022					2023			
	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	YTD
Revenue	\$193.1	\$218.7	\$227.8	\$274.2	\$913.8	\$251.6	\$269.0	\$289.2	\$809.8
Segment income	\$20.6	\$28.3	\$33.1	\$53.5	\$135.5	\$47.7	\$55.2	\$58.3	\$161.2
	<i>11%</i>	<i>13%</i>	<i>15%</i>	<i>20%</i>	<i>15%</i>	<i>19%</i>	<i>21%</i>	<i>20%</i>	<i>20%</i>

Detection & Measurement Segment Results



(\$ millions)

	2022					2023			
	Q1	Q2	Q3	Q4	2022	Q1	Q2	Q3	YTD
Revenue	\$114.0	\$135.3	\$142.7	\$155.1	\$547.1	\$148.2	\$154.3	\$159.5	\$462.0
Segment income	\$19.0	\$27.8	\$30.3	\$37.0	\$114.1	\$26.7	\$29.2	\$33.3	\$89.2
	17%	21%	21%	24%	21%	18%	19%	21%	19%

Q3 2023 U.S. GAAP to Adjusted EPS Reconciliation



	GAAP	Adjustments	Adjusted
Segment income	\$ 91.6	\$ —	\$ 91.6
Corporate expense ⁽¹⁾	(13.0)	0.6	(12.4)
Acquisition-related costs ⁽²⁾	(2.9)	2.9	—
Long-term incentive compensation expense	(3.4)	—	(3.4)
Amortization of intangible assets ⁽³⁾	(14.6)	14.6	—
Operating income	57.7	18.1	75.8
Other income (expense), net ⁽⁴⁾	(0.2)	1.2	1.0
Interest expense, net	(9.4)	—	(9.4)
Income from continuing operations before income taxes	48.1	19.3	67.4
Income tax provision ⁽⁵⁾	(12.4)	(5.6)	(18.0)
Income from continuing operations	35.7	13.7	49.4
Diluted shares outstanding	46.751		46.751
Earnings per share from continuing operations	\$ 0.76		\$ 1.06

(\$ millions,
except per
share values)

⁽¹⁾ Adjustment represents the removal of acquisition and strategic/transformation related expenses of \$0.5 and a reclassification of transition services income of \$0.1 from “Other income (expense), net.”

⁽²⁾ Adjustment represents the removal of (i) an inventory step-up charge of \$2.5 related to the ASPEQ acquisition and (ii) integration costs of \$0.4 within the HVAC reportable segment.

⁽³⁾ Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$4.3 and \$10.3 within the Detection & Measurement and HVAC reportable segments, respectively.

⁽⁴⁾ Adjustment represents the removal of (i) non-service pension and postretirement charges of \$1.2, (ii) the reclassification of income related to a transition services agreement of \$0.1 to “Corporate expense,” and (iii) the removal of a charge related to the Asbestos Portfolio Sale of \$0.1.

⁽⁵⁾ Adjustment primarily represents the tax impact of items (1) through (4) above.

Q3 2022 U.S. GAAP to Adjusted EPS Reconciliation



	GAAP	Adjustments	Adjusted
Segment income	\$ 63.4	\$ —	\$ 63.4
Corporate expense ⁽¹⁾	(17.2)	5.0	(12.2)
Acquisition-related costs ⁽²⁾	(0.1)	0.1	—
Long-term incentive compensation expense ⁽³⁾	(2.1)	(0.8)	(2.9)
Amortization of intangible assets ⁽⁴⁾	(6.7)	6.7	—
Operating income	37.3	11.0	48.3
Other income (expense), net ⁽⁵⁾	(24.6)	26.4	1.8
Interest expense, net	(1.6)	—	(1.6)
Loss on amendment/refinancing of senior credit agreement ⁽⁶⁾	(1.1)	1.1	—
Income from continuing operations before income taxes	10.0	38.5	48.5
Income tax (provision) benefit ⁽⁷⁾	2.5	(13.5)	(11.0)
Income from continuing operations	12.5	25.0	37.5
Diluted shares outstanding	46.132		46.132
Earnings per share from continuing operations	\$ 0.27		\$ 0.81

(\$ millions,
except per
share values)

⁽¹⁾ Adjustment represents the removal of acquisition and strategic/transformation related expenses (\$4.2), costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes (\$0.2), as well as a reclassification of transition services income (\$0.6) from “Other income (expense), net.”

⁽²⁾ Adjustment represents the removal of an inventory step-up charge related to the ITL acquisition of \$0.1 within the Detection & Measurement reportable segment.

⁽³⁾ Adjustment represents the removal of a benefit of \$0.8 related to long-term incentive compensation forfeitures.

⁽⁴⁾ Adjustment represents the removal of amortization expense associated with acquired intangible assets of \$2.2 and \$4.5 within the HVAC and Detection & Measurement reportable segments, respectively.

⁽⁵⁾ Adjustment represents the removal of (i) asbestos-related charges (\$16.5), (ii) a loss on an equity security associated with a fair value adjustment (\$7.4), and (iii) pension “mark-to-market” losses and non-service pension and postretirement charges (\$3.1), partially offset by (iv) the reclassification of income related to a transition services agreement (\$0.6) to “Corporate expense.”

⁽⁶⁾ Adjustment represents the removal of a non-cash charge and certain expenses incurred in connection with an amendment to our senior credit agreement.

⁽⁷⁾ Adjustment represents the tax impact of items (1) through (6) above and removal of certain non-recurring income tax benefits.

U.S. GAAP to Adjusted Operating Income Reconciliation



(\$ millions)

	Three months ended		Nine months ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Operating income	\$ 57.7	\$ 37.3	\$ 158.8	\$ 75.9
Include - TSA Income ⁽¹⁾	0.1	0.6	0.3	2.4
Exclude:				
Acquisition-related and other costs ⁽²⁾	(3.4)	(3.7)	(12.0)	(13.2)
Other operating expense, net ⁽³⁾	—	—	—	(1.0)
Amortization expense ⁽⁴⁾	(14.6)	(6.7)	(32.4)	(23.1)
Adjusted operating income	\$ 75.8	\$ 48.3	\$ 203.5	\$ 115.6
as a percent of revenues	16.9 %	13.0 %	16.0 %	11.2 %

⁽¹⁾ Represents transition services income related to the Asbestos Portfolio Sale for the three and nine months ended September 30, 2023 and the Transformer Solutions disposition for the three and nine months ended October 1, 2022. Amounts recorded in non-operating income for U.S. GAAP purposes. The Asbestos Portfolio Sale and Transformer Solutions disposition are described in the Company's most recent Form 10-K.

⁽²⁾ For the three and nine months ended September 30, 2023, represents (i) acquisition and strategic/transformation related costs of \$0.5 and \$7.0, respectively, (ii) certain integration costs of \$0.4 and \$1.4, respectively, and (iii) inventory step-up charges of \$2.5 and \$3.6, respectively, related to the ASPEQ acquisition. For the three and nine months ended October 1, 2022, represents (i) acquisition and strategic/transformation related costs of \$4.2 and \$12.3, respectively, (ii) costs associated with our South Africa business that could not be allocated to discontinued operations for U.S. GAAP purposes of \$0.2 and \$0.6, respectively, (iii) inventory step-up charges of \$0.1 and \$1.1, respectively, related to the ITL acquisition, and (iv) a benefit of \$0.8 related to forfeitures of long-term incentive compensation.

⁽³⁾ For the nine months ended October 1, 2022, represents asbestos-related charges of \$2.3, partially offset by a gain of \$1.3 related to the revision of a liability associated with contingent consideration on a recent acquisition.

⁽⁴⁾ Represents amortization expense associated with acquired intangible assets.

Q3 2023 Non-GAAP Reconciliation - Organic Revenue



	Three months ended September 30, 2023					
	HVAC		Detection & Measurement		Consolidated	
Net Revenue Growth	27.0	%	11.8	%	21.1	%
Exclude: Foreign Currency	0.1	%	1.4	%	0.6	%
Exclude: Acquisitions	16.3	%	-	%	10.0	%
Organic Revenue Growth	10.6	%	10.4	%	10.5	%

Q3 2023 Debt Reconciliation

(\$ millions)

	<u>Q3 2023</u>
Short-term debt	\$ 130.1
Current maturities of long-term debt	14.0
Long-term debt	<u>529.8</u>
Gross debt	673.9
Plus: adjustment associated with credit agreement ⁽¹⁾	-
Adjusted gross debt	673.9
Less: cash and equivalents	<u>(100.9)</u>
Adjusted net debt	<u>\$ 573.0</u>

(1) Includes unamortized debt issuance costs associated with term loan of \$1.8 and excludes purchase card debt of \$1.8.

Note: Adjusted net debt as defined by SPX Technologies' current credit facility agreement.

Adjusted EBITDA* Reconciliation



(\$ millions)

	2022	2023			YTD	LTM**
	Q4	Q1	Q2	Q3		
Net income (loss)	\$ (27.3)	\$ 42.8	\$ 36.0	\$ (20.4)	\$ 58.4	\$ 31.1
Income tax provision	2.8	11.3	7.8	12.4	31.5	34.3
Interest expense	2.0	2.4	5.4	10.2	18.0	20.0
Income (loss) before interest and taxes	(22.5)	56.5	49.2	2.2	107.9	85.4
Depreciation and amortization	9.5	10.7	16.0	19.7	46.4	55.9
EBITDA	(13.0)	67.2	65.2	21.9	154.3	141.3
Adjustments:						
Income (loss) from discontinued operations, net of tax	2.5	(3.7)	2.3	56.1	54.7	57.2
Impairments & other organizational costs	13.4	-	-	-	-	13.4
Non-cash compensation	4.9	6.4	5.5	5.7	17.6	22.5
Pension adjustments	(8.3)	0.2	0.2	0.2	0.6	(7.7)
Extraordinary non-recurring, non-cash charges (gains), net	0.3	(3.6)	1.1	2.5	-	0.3
Extraordinary non-recurring cash charges, net	73.9	-	-	-	-	73.9
Material acquisition / disposition related fees, costs, or expenses, net	0.8	2.0	5.0	0.2	7.2	8.0
Pro forma effect of acquisitions and divestitures, and other	11.8	12.6	5.4	-	18.0	29.8
Adjusted EBITDA	\$ 86.3	\$ 81.1	\$ 84.7	\$ 86.6	\$ 252.4	\$ 338.7

*Adjusted EBITDA includes the pro-forma impact of acquisitions closed during the last 12 months.

Note: Adjusted consolidated EBITDA as defined by SPX Technologies' current credit facility agreement.

**Amounts for the last 12 months are derived by adding, for each respective item, the amounts presented for "2022 Q4" plus "2023 Q1" plus "2023 Q2" and "2023 Q3".

Q3 2023 Adjusted Free Cash Flow Reconciliation



(\$ millions)

	<u>Q3 2023</u>	
Operating cash flow from continuing operations	\$	45.4
Capital expenditures		<u>(7.8)</u>
Free cash flow from continuing operations		37.6
Adjustments*		<u>1.0</u>
Adjusted free cash flow from continuing operations	\$	<u>38.6</u>

*Adjustments represent the removal of acquisition and strategic/transformation related expenses of \$0.5, integration costs of \$0.4 within the HVAC reportable segment, and costs related to the Asbestos Portfolio Sale of \$0.1.