



# Thermon Group Holdings, Inc

## **Investor Presentation**

December 2025



# Cautionary Note Regarding Forward-looking Statements

This presentation includes forward-looking statements within the meaning of the U.S. federal securities laws in addition to historical information. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words "anticipate," "assume," "believe," "budget," "continue," "contemplate," "could," "should," "estimate," "expect," "intend," "may," "plan," "possible," "potential," "predict," "project," "will," "would," "future," and similar terms and phrases are intended to identify forward-looking statements in this release. Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our financial condition, results of operations and cash flows.

Actual events, results and outcomes may differ materially from our expectations due to a variety of factors. Although it is not possible to identify all of these factors, they include, among others, (i) future growth of our key end markets and related capital investments; (ii) our ability to operate successfully in foreign countries; (iii) uncertainty over and changes in administrative policy; (iv) general economic conditions and cyclicity in the markets we serve; (v) our ability to successfully develop and improve our products and successfully implement new technologies; (vi) competition from various other sources providing similar heat tracing and process heating products and services, or alternative technologies, to customers; (vii) our ability to deliver existing orders within our backlog; (viii) our ability to bid and win new contracts; (ix) the imposition of certain operating and financial restrictions contained in our debt agreements; (x) our revenue mix; (xi) our ability to grow through strategic acquisitions; (xii) our ability to manage risk through insurance against potential liabilities (xiii) changes in relevant currency exchange rates; (xiv) tax liabilities and changes to tax policy; (xv) impairment of goodwill and other intangible assets; (xvi) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (xvii) our ability to protect our trade secrets; (xviii) our ability to protect our intellectual property; (xix) our ability to protect data and thwart potential cyber-attacks and incidents; (xx) a material disruption at any of our manufacturing facilities; (xxi) our dependence on subcontractors and third-party suppliers; (xxii) our ability to profit on fixed-price contracts; (xxiii) the credit risk associated to our extension of credit to customers; (xxiv) our ability to achieve our operational initiatives; (xxv) unforeseen difficulties with expansions, relocations, or consolidations of existing facilities; (xxvi) potential liability related to our products as well as the delivery of products and services; (xxvii) our ability to comply with foreign anti-corruption laws; (xxviii) export control regulations or sanctions; (xxix) environmental and health and safety laws and regulations as well as environmental liabilities; and (xxx) climate change and related regulation of greenhouse gases. Any one of these factors or a combination of these factors could materially affect our future results of operations and could influence whether any forward-looking statements contained in this annual report ultimately prove to be accurate. See also Item 1A, "Risk Factors" for information regarding the additional factors that have impacted or may impact our business and operations.

## NON-GAAP FINANCIAL MEASURES

Disclosure in this release of "Adjusted EPS," "Adjusted EBITDA," "Adjusted EBITDA margin," "Adjusted Net Income/(loss)," "Free Cash Flow," "Organic Sales," "OPEX Sales," "CAPEX Sales" and "Net Debt," which are "non-GAAP financial measures" as defined under the rules of the Securities and Exchange Commission (the "SEC"), are intended as supplemental measures of our financial performance that are not required by, or presented in accordance with, U.S. generally accepted accounting principles ("GAAP"). "Adjusted Net Income/(loss)" and "Adjusted EPS" (or "Adjusted fully diluted EPS") represent net income/(loss) before the impact of restructuring and other charges/(income), Enterprise Resource Planning ("ERP") system implementation related cost, costs associated with impairments and other charges, acquisition costs, amortization of intangible assets, tax expense for impact of foreign rate increases, and any tax effect of such adjustments. "Adjusted EBITDA" represents net income before interest expense (net of interest income), income tax expense, depreciation and amortization expense, stock-based compensation expense, acquisition costs, costs associated with restructuring and other income/(charges), ERP implementation related cost, debt issuance costs and costs associated with impairments and other charges. "Adjusted EBITDA margin" represents Adjusted EBITDA as a percentage of total revenue. "Free Cash Flow" represents cash provided by operating activities less cash used for the purchase of property, plant, and equipment. "Organic Sales" represent revenue excluding the impact of the Company's October 2024 acquisition of F.A.T.I. "OPEX Sales" represents Point-in-Time Sales plus Over-Time Small projects "(i.e., less than \$0.5 million in total revenue). "CAPEX Sales" represents Over Time-Large Projects (i.e., equal to or greater than \$0.5 million in total revenue)". "Net Debt" represents total outstanding principal debt less cash and cash equivalents.

We believe these non-GAAP financial measures are meaningful to our investors to enhance their understanding of our financial performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin or Adjusted Net Income. Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Organic Sales, OPEX Sales, CAPEX Sales and Free Cash Flow should be considered in addition to, and not as substitutes for, revenue, income from operations, net income, net income per share and other measures of financial performance reported in accordance with GAAP. We provide Free Cash Flow as a measure of liquidity. Our calculation of Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, OPEX Sales, CAPEX Sales and Free Cash Flow may not be comparable to similarly titled measures reported by other companies. For a description of how Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, OPEX Sales, CAPEX Sales and Free Cash Flow are calculated and reconciliations to the corresponding GAAP measures, see the sections of this release titled "Reconciliation of Net income to Adjusted EBITDA," "Reconciliation of Net income to Adjusted Net Income and Adjusted EPS," "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales and CAPEX Sales" and "Reconciliation of Cash Provided by Operating Activities to Free Cash Flow." We are unable to reconcile projected fiscal 2026 Adjusted EBITDA and Adjusted EPS to the most directly comparable projected GAAP financial measure because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. Therefore, because of the uncertainty and variability of the nature of and the amount of any potential applicable future adjustments, which could be significant, we are unable to provide a reconciliation for projected Fiscal 2026 Adjusted EBITDA and Adjusted EPS without unreasonable effort.



# Trailing Twelve Months Highlights

**\$522MM**

Total Revenue

**45.4%**

Gross Margin

**22.6%**

Adj. EBITDA  
Margin

**\$2.13**

Adjusted EPS

**\$55MM**

Free Cash Flow

**\$36MM**

Share Repurchases

**\$549MM**

Total Bookings

**1.05x**

Book-to-Bill

**70%**

Diverse Mkt. Sales

**\$100M**

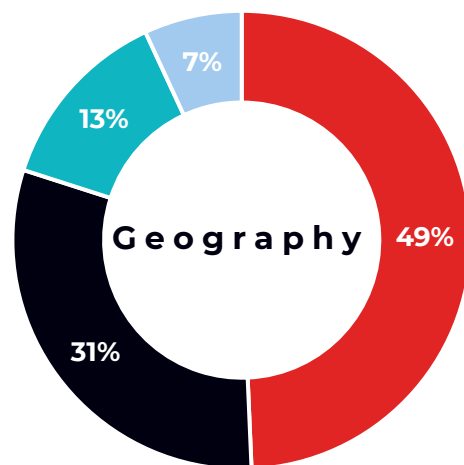
3D Initiatives  
Revenue

**27**

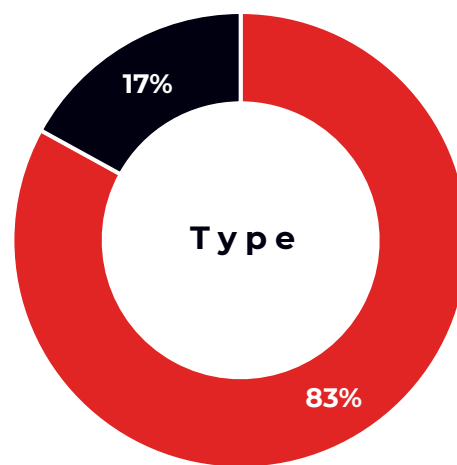
New Products

**0.8x**

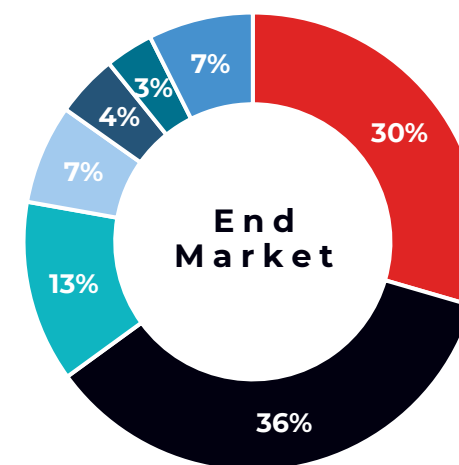
Net Leverage



■ USLAM ■ CAN ■ EMEA ■ APAC



■ OPEX Sales1 ■ CAPEX Sales2



■ O&G ■ General Industries & Other  
 ■ Chemical / Petrochemical ■ Commercial  
 ■ Power ■ Renewables  
 ■ Strategic Adjacencies3



December 2025

1. "OPEX Sales" (non-GAAP) represents Point-in-Time Sales plus Over Time - Small Projects. See table "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales."
2. "CAPEX sales" (non-GAAP) represents large projects tied to our customers' capital expenditure budgets and are comprised of more than \$0.5 million in total revenue
3. Includes Mining & Mineral Processing, Maritime / Shipbuilding, Semiconductors, Pharmaceutical & Biotechnology, Rail and Transit, Food & Beverage, and Data Centers

# Our Purpose, Vision and Values

Thermon is a diversified industrial technology company and a global leader in industrial process heating, temperature maintenance, environmental monitoring, and temporary power distribution solutions. We deliver engineered solutions that enhance operational awareness, safety, reliability, and efficiency to deliver the lowest total cost of ownership.

## Purpose

We transfer the  
warmth needed  
to make life  
work

## Vision

To be the world  
leader in  
industrial  
process heating  
solutions

## Values

Care  
Commit  
Collaborate



# Product Overview

	Heat Tracing	Heating Systems	Transport Heating	Temp. Power Solutions	Tubing Bundles	Powerblanket
Total Revenue <sup>1</sup>	~52%	~34%	~14%			
Key Products	<ul style="list-style-type: none"> <li>• Cables</li> <li>• Heat Transfer Compounds</li> <li>• Steam Tracing Products</li> <li>• System Accessories</li> <li>• Heat Tracing Cables</li> <li>• Controls &amp; Monitoring Systems</li> <li>• Tank &amp; Hopper Heating Products</li> </ul>	<ul style="list-style-type: none"> <li>• Liquid Load Banks</li> <li>• Electric Air and Space Heaters</li> <li>• Filtration Systems</li> <li>• Explosion Proof Gas Catalytic Heaters</li> <li>• Engineered Systems</li> <li>• Electric Explosion Proof Heaters</li> <li>• Proof Duct for Harsh Environments</li> <li>• Steam and Hot Water Boilers</li> <li>• Thermal Fluid Heaters and Supercritical Steam Generators</li> </ul>	<ul style="list-style-type: none"> <li>• Forced Air Heaters</li> <li>• Strip Heaters</li> <li>• Rail Heating</li> <li>• Track and Switch Heaters</li> <li>• Control Panels</li> <li>• Air Curtains</li> </ul>	<ul style="list-style-type: none"> <li>• Main Distribution Centers</li> <li>• Temp. Power Distribution for Hazardous Areas</li> <li>• LED Light Towers</li> <li>• General Purpose Cords</li> <li>• Stepdown Transformers</li> </ul>	<ul style="list-style-type: none"> <li>• Electric Heating Tubing Bundles</li> <li>• Pre-insulated Tubing Bundles</li> <li>• Steam of Fluid Heated Tubing Bundles</li> </ul>	<ul style="list-style-type: none"> <li>• Container Temperature Control</li> <li>• Flat Heated Blankets</li> <li>• Snow Melting Mats</li> <li>• Customized Heaters</li> <li>• Gas Cylinder Warmers</li> </ul>

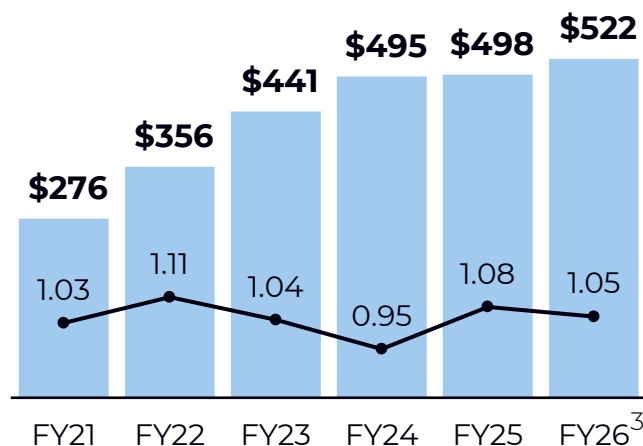


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1. Trailing Twelve Months revenue of \$522MM, as of Q3 FY2026

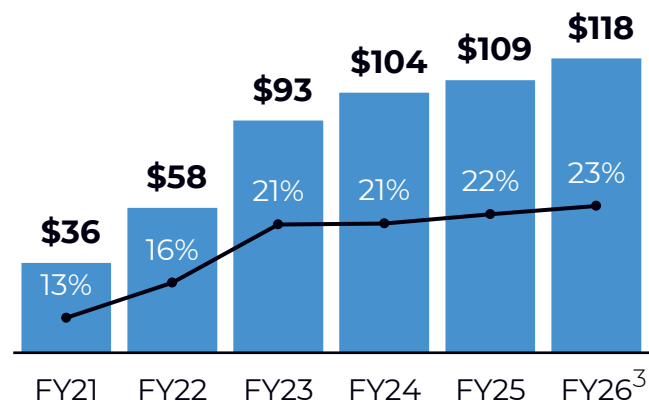
# Strong Historical Financial Performance

**Total Revenue (\$MM)  
& Book-to-Bill**



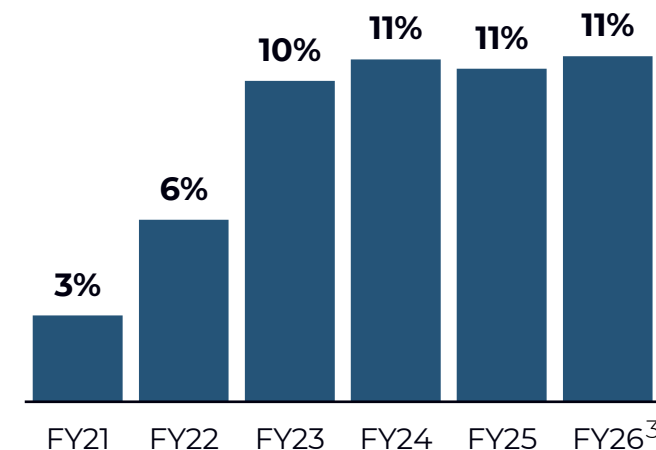
- Western Hemisphere momentum continues to drive recent growth
- Backlog remains near record levels with attractive margins
- Small projects and maintenance revenues driven by customer OPEX spending

**Adj. EBITDA<sup>1</sup> (\$MM)  
& Margin (%)**



- Executing on commitment to profitably grow the business
- Recent and continuing investment in R&D, centers of excellence, and digital transformation enabling OPEX leverage

**ROIC<sup>2</sup>**



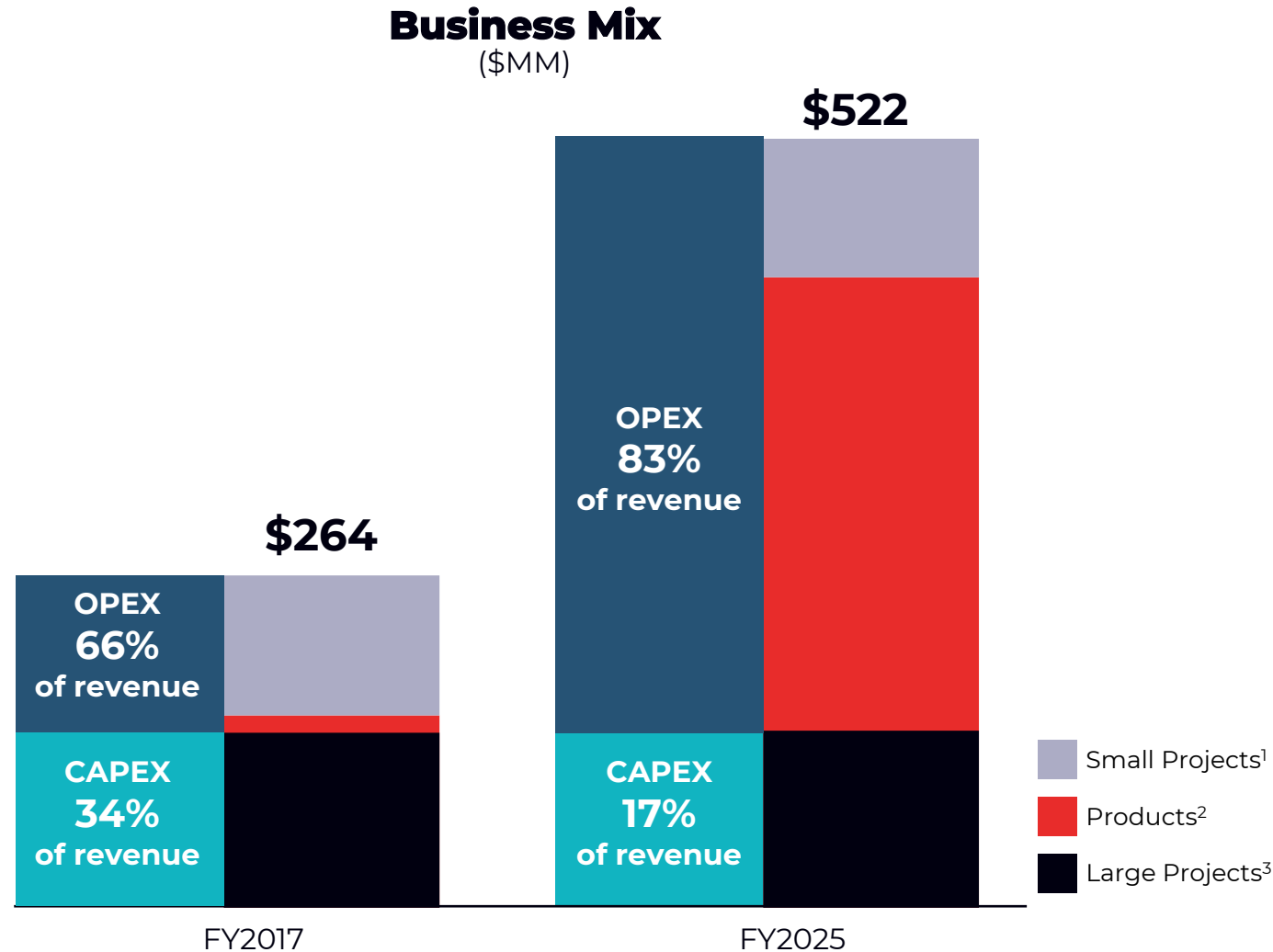
- Delivering value for investors
- Intend to deploy capital at attractive long-term returns
- Aligned investor returns with long-term management incentives



December 2025

1. See table, "Reconciliation of Net Income to Adjusted EBITDA"  
 2. ROIC defined as net operating profit after taxes ("NOPAT") divided by average invested capital  
 3. Trailing Twelve Months as of December 2025

# Shifting Business Mix to Drive.....



## Optimizing Mix

- Shifting to higher margin projects and solutions
- Maximizing profitability
- Mitigating cyclicalty

## Driving Growth through LTSIs

- **Decarbonization:** Providing energy transition solutions to existing customers, expanding environmentally friendly products, and empowering customers to meet sustainability goals
- **Digitization:** Driving margin expansion and enabling recurring licensing revenue
- **Diversification:** Investing into strategic end markets, increasing presence in adjacencies, and displacing incumbents through product differentiation and service levels



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1. Over Time – Small: <\$500K, maintenance, repair, and small upgrades on our installed base
2. Point-in-Time: materials, maintenance, repair, and small upgrades on our installed base
3. Over Time – Large: >\$500K, aligned with customers' capital spending budgets

# Maximizing Profitability by Optimizing Mix

	CAPEX	OPEX		
	Large Projects <sup>2</sup> (>\$500K)	Small Projects <sup>3</sup> (<\$500K)	Products (Upgrades / Expansions)	Services (Maintenance)
Revenue Split <sup>1</sup>	~20%	~10%	——— ~70% ———	
Avg. Gross Margin	20 – 30%	30 – 45%	40 – 50%	50 – 65%
	CAPEX / OPEX			
Digital Solutions	50 – 60% Avg. Margin	Hardware + Install Services	Software Monitoring + Maintenance	Additional Materials Controller Upgrades / Analytics

## Highlights

- Business mix shifting to higher margin projects and solutions
- Mitigating project cyclicalilty with MRO focus
- Targeting 90K Genesis Network Remote Monitoring & Diagnostics circuits by FY2026

Consistent, stable, high margin OPEX revenue overlayed with substantial CAPEX projects



1. Approximates current business performance, rounded to nearest 5%; FY2026 TTM Large Projects 16%, Small Projects 12%, Products 72%  
 2. Over Time – Large: >\$500K, aligned with customers’ capital spending budgets  
 3. Over Time – Small: <\$500K, maintenance, repair, and small upgrades on our installed base



# Key Secular Trends Provide Long-term Tailwinds for Growth

**Energy  
Transition**  
~10% CAGR<sup>1</sup>

**Developing  
Market Growth**  
~5% CAGR<sup>2</sup>

**Chemical and  
Petrochemical  
Demand Growth**  
~5% CAGR<sup>1</sup>

**Industrial  
Internet of Things**  
~25% CAGR<sup>3</sup>

## Sustainable Competitive Advantages



Substantial investment to build and maintain a robust certification portfolio



Capacity and technology to execute world's largest projects



Investing to continue to lead



Direct sales model and customer relationships



Well-positioned to pursue inorganic growth



Commitment to innovation through R&D and M&A



Global installed base



Deep breadth of end-to-end solutions



Software, engineering, and technical services expand our moat



December 2025

1. 9-Year Compound Annual Growth Rate (CAGR); 3rd party industry research
2. 10-Year CAGR; Goldman Sachs; Developing Markets excludes U.S., Euro Area, and Japan
3. 7-Year CAGR; Statista

# Secular Growth Trends by End Market

**Power** – Energy demands from AI, Datacenters, and Electrification trends are accelerating. Renewed interest in Nuclear (SMRs) and energy security (winterization, grid instability) also key themes.

**Semiconductor** – CHIPS Act driving investment in US manufacturing and AI advances spurring increased demand.

**Pharmaceutical** – Microchip and biologic technologies expected to be growth drivers; AI accelerating drug development and improving efficiency.

**Petrochemical** – Energy transition drives chemical demand; sustainability of feedstock, recycling also in focus.

**Oil & Gas** – Startup of Trans Mountain pipeline expansion in Canada supporting near-term activity in Alberta. NA LNG export growth expected to continue over the next decade.

**Rail & Transit** – IIJA committed record amounts of funding for US passenger and freight rail projects through 2030

## Est. CAGR\*

**GDP++**

**15-20%**

**10-12%**

**4-6%**

**GDP**

**GDP+++**

## US Gov't Investments:

- IIJA (2021) - \$550bn invested in infrastructure and R&T
- CHIPS Act (2022) - \$53bn invested in semiconductor manufacturing
- IRA (2022) - \$750bn + invested in renewable power / energy projects



# Thermon's Strategic Pillars

## PROFITABLY GROW INSTALLED BASE

- Apply industry leading process heating technology to solve the world's most difficult thermal engineering problems
- Support ongoing customer operations with upgrades, expansions and maintenance
- Deliver continuous improvement to drive margin expansion

## DECARBONIZATION, DIGITIZATION & DIVERSIFICATION

- Leverage existing Thermon solutions and new product development to meet customers' decarbonization and electrification needs
- Industry-leading controls and monitoring to digitize and optimize maintenance
- Diversify end market exposure into higher growth and defensive markets to deliver above market growth while reducing earnings volatility through economic cycles

## DISCIPLINED CAPITAL ALLOCATION

- Drive organic growth through investments in technology and people
- Prioritize debt paydown and inorganic growth opportunities that exceed WACC by year 3
- Actively returning capital to shareholders via refreshed \$50MM share repurchase authorization
- Target 1.5x – 2.0x Net Debt to Adjusted EBITDA leverage under normal conditions

**Execution on strategic pillars combined with dedicated focus on operational excellence drive long-term shareholder value creation**



# Uniquely Positioned to Grow Our Installed Base



Strategically positioned with Decarbonization initiatives



Technology-enabled end-to-end solutions are “one-stop-shop”



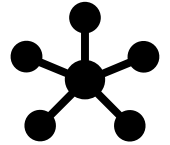
Provide solutions through product lifecycle to capture additional market share



Best-in-class reputation



Industry-leading portfolio of certifications



Current suite of solutions meet shifting requirements

**Sustainable competitive advantages support long-term profitable growth**





# Global Installed Base Supports Strong Customer Relationships

**85+**

Countries with  
Installed Assets

**590+**

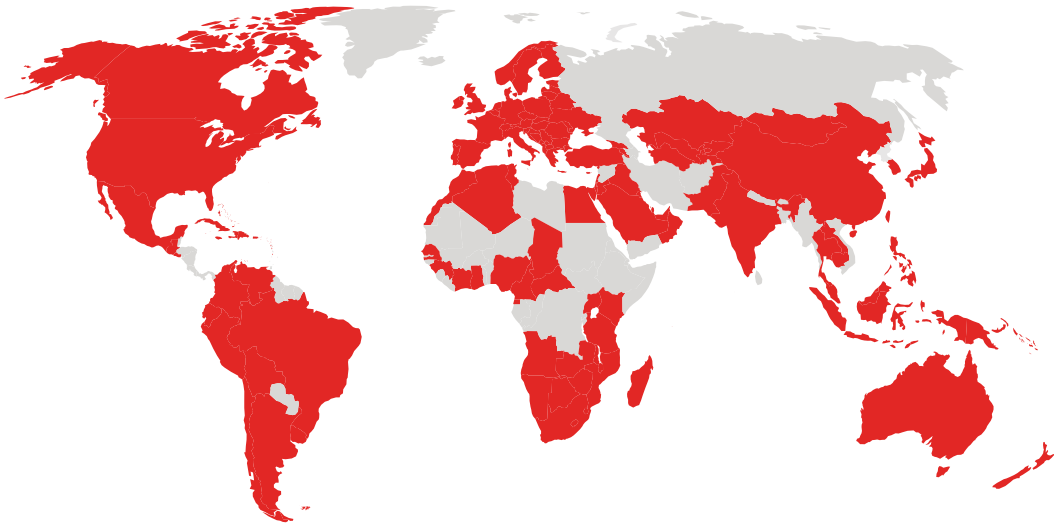
Global  
Certifications

**9K+**

Projects Over  
Past 4 Years

**~200**

Engineers, Designers,  
& Project Personnel



■ Installed base requiring ongoing maintenance, repair, overhaul,  
and upgrades, generating annual OPEX revenue

## By the Numbers

### Value of Installed Base

>10,000 active customers

>210 global  
channel partners

### Since 2018:

+35MM meters of  
heat tracing shipped

+18MM construction and  
engineering hours

+\$530MM Large Project  
sales



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# Customers We Serve



December 2025

# Operational Excellence Is Core to Our Culture

## Purpose-driven Framework to Empower Continuous Improvement

- Significantly reduced lead times and now an industry leader
- Transformation is constantly ongoing with continuous improvement
- Becoming a best-in-class operations leader
- Maximizing value for all stakeholders

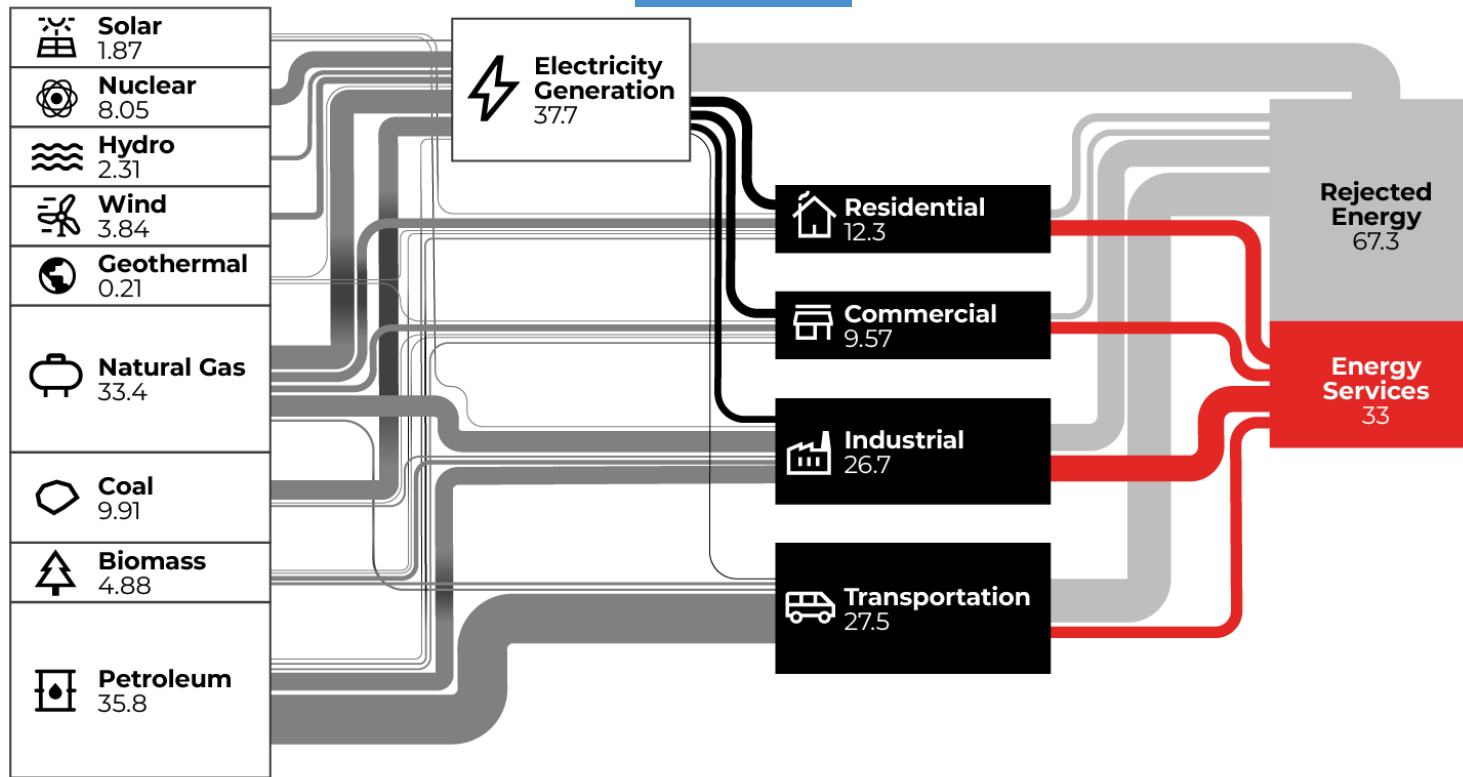
**Driving a transformational shift to sustain improvements over time**



# The Energy Transition is a Significant Opportunity...

## Estimated U.S. Energy Consumption in 2022<sup>1</sup>

100.3 Quads (1 quad = 1 quadrillion BTUs)



## Substantial Runway

**35%**

Of U.S. energy in 2022 consumed by all Industrial applications (largely unchanged since 2010)

**13%**

Of energy for Industrial applications came from electricity

**95%**

Of energy used for Industrial heat comes from non-electric sources<sup>2</sup>

**Very early stages of decarbonization and electrification for Industrial heating applications**



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1. Lawrence Livermore National Laboratory and the Department of Energy
2. Thermon market study, as of 2020



# Industrial Heating Applications

## Applications in Typical Process Plant

	Shell & Tube Heat Exchangers	Steam Traced Piping systems	Gas-fired Process Heaters	Vaporizers	Fluid Reboilers	Preheating Service	Catalyst Regeneration	Bulk Fluid Storage Tanks	Analyzer Shelters	Warehouse & Maintenance
Electric/Electrode Boilers			✓		✓			✓		
Immersion Heaters	✓		✓	✓	✓	✓	✓	✓		
Environmental Heaters			✓					✓	✓	✓
Circulation Heaters	✓	✓	✓	✓	✓	✓	✓	✓		
Electric Heat Tracing	✓	✓	✓				✓	✓	✓	✓
CEMS Bundles		✓	✓				✓	✓	✓	
Removable (Blanket) Heat		✓	✓	✓		✓		✓	✓	✓

## Opportunities

- Provide existing Therman products to a growing market
- Support diversification strategy through decarbonization solutions
- Enable customers to meet their sustainability goals

**Broad portfolio of solutions to enable the energy transition through decarbonization and electrification**



# Strong Progress on Digitization Strategy

## Leveraging Digital Technology across the Breadth of Thermon Solutions

**Genesis Network Installed base growing** to 86,000 Circuits **+49%** in the first half of FY 2026

**Digitization enables growth**—Electrical Heat Tracing (EHT), Rail and Transit (R&T), Liquid Load Banks (LLB) and Commercial expansion

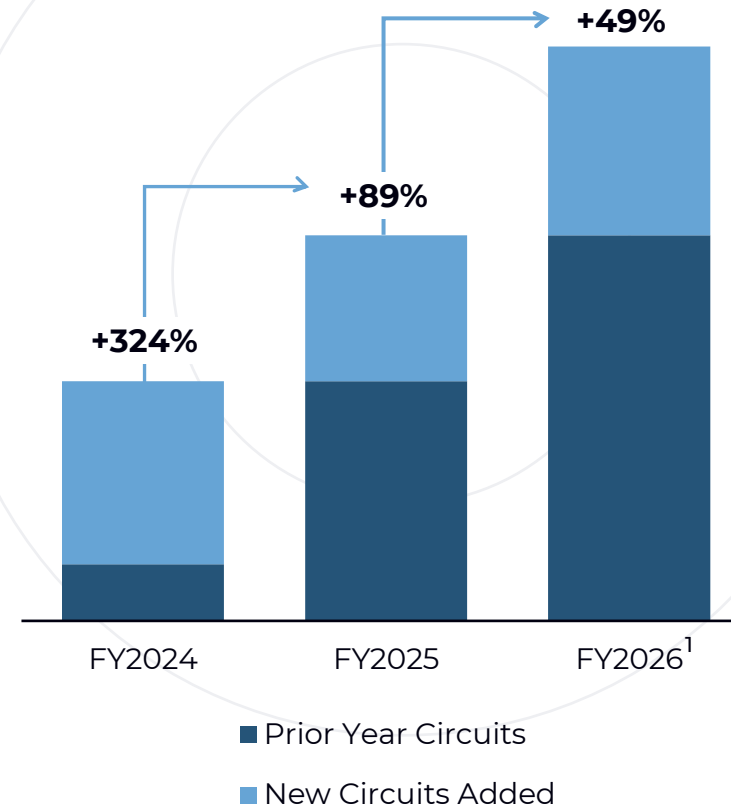
Industrial customers need **real-time operational awareness and analytics** to provide actionable insights

Thermon's digital capabilities are not just add-ons—they're **core to our value proposition**

Data unlocks **predictive** maintenance, performance optimization, and energy efficiency

Digitization **creates customer value**, improves retention, and **drives enhanced returns**

## Genesis Network Adoption



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1. New circuits added from April 1, 2024 to September 30, 2025

# Clear and Disciplined Capital Allocation Priorities

## Organic Growth

Drive organic growth through investment in people, technology, and continuous improvement

- Target 2% – 3% R&D expense as a percent of revenue

### Strategic Initiatives:

- Decarbonization
- Digitization
- Diversification

## Inorganic Growth

Pursue bolt-on acquisition opportunities

- Build the industrial process heating platform
- Expand and diversify addressable markets
- Target EPS accretion in year 1 with ROIC<sup>1</sup> in excess of WACC<sup>2</sup> by year 3

## Capital Structure

Target 1.5x – 2.0x Net Debt to Adjusted EBITDA leverage under normal conditions

- Maintain strong balance sheet through the cycle
- Prioritize growth while evaluating potential debt repayment and return of capital to shareholders



# Targeted Approach to M&A Augments Our Growth Engine

## Aligned with Long-term Strategy

- Expand and diversify addressable markets
- Catalyze growth in non-Oil & Gas end markets
- Continue to build global installed base

## Industrial Technology

- Differentiated, engineered solutions that solve a heat transfer problem
- Enhance Thermon's legacy of innovation
- High barriers to entry

## Well-positioned for Future Growth

- Enabling the energy transition
- Secular tailwinds
- Strong management team with a culture of accountability

## Financial Criteria

- ROIC > WACC by year 3
- Accretive EPS in year 1





# Compelling Investment Opportunity

- **Leading Global Brand** in high value, diversified end markets with mission critical technology and high barriers to entry, supported by culture of operational excellence
- **Large Installed Base** with loyal customers and resilient aftermarket franchise
- **Exposure to Sizeable Growth Opportunities** in high-growth energy transition and decarbonization, chemicals/petrochemicals, power, data centers, onshoring in North America and infrastructure
- **Strong & Flexible Balance Sheet** with high margin, low capital investment model that yields significant free cash flow





# Third Quarter 2026 Highlights

- Q3 revenue increased 10% driven by improved trends in CAPEX sales activity and pricing benefits
- Adjusted EBITDA increased 12%; margin of 24.2% (up 50 bps y-o-y) illustrative of earnings capacity of the business
- Positioned to benefit from several favorable secular demand trends—including Artificial Intelligence (AI) driven data center build, reshoring, electrification, decarbonization, LNG and rising power demand; bid pipeline up 8%
- Orders for the quarter increased by 14% year-over-year, resulting in a book-to-bill ratio of 1.1x
- Delivered first order for the new Poseidon Liquid Load Bank data center testing solution; robust activity with quote log expanding to ~\$60M, nearly doubling sequentially
- Net leverage at 0.8x and \$141 million in available liquidity providing support for continued growth investments



December 2025



# Q3 FY26 Operating Highlights

- Revenues increased 10% driven by more favorable spending trends, including improved trends in large projects, and strong pricing benefits
  - OPEX Sales<sup>2</sup> +5% as reported
  - CAPEX Sales<sup>3</sup> +37% YOY
- Gross profit margin was 46.6% during the third quarter, up from 46.2% last year, improved profitability in CAPEX and OPEX sales, driven by efficient execution and pricing benefits.
- Adjusted EBITDA was up 12% due to the strong revenue growth and improved gross margins.
- Record incoming order levels +14% year-over-year; book-to-bill<sup>1</sup> for the quarter was 1.1x
- Backlog increased 10% due to continued bookings momentum.

US\$ millions,

except per share data

	FY26 Q3	FY25 Q3	YOY%
Revenue	\$147.3	\$134.4	9.6%
Gross Profit	\$68.7	\$62.1	10.5%
Net Income	\$18.3	\$18.5	(1.1%)
Adjusted EBITDA	\$35.6	\$31.8	11.9%
EPS	\$0.55	\$0.54	1.9%
Adjusted EPS	\$0.66	\$0.56	17.9%
Orders	\$158.2	\$138.6	14.1%
Book-To-Bill <sup>1</sup>	1.1x	1.0x	0.1x
Backlog	\$259.4	\$235.6	10.1%



December 2025

1. Book-to-bill ratio defined as orders/revenue

2. "OPEX Sales" (non-GAAP) represents Point-in-Time Sales plus Over Time - Small Projects. See table "Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales."

3. "CAPEX sales" (non-GAAP) represents large projects tied to our customers' capital expenditure budgets and are comprised of more than \$0.5 million in total revenue

# Balance Sheet and Cash Flow

## SELECTED BALANCE SHEET

<i>US\$ millions</i>	FY26 Q3	FY25 Q3	YOY%
Cash and Cash Equivalents	\$46.9	\$38.7	21.2%
Total Debt	\$143.1	\$153.4	(6.7%)
Net Debt/Adj. EBITDA	0.8x	1.1x	(0.3)x
Working Capital <sup>1</sup>	\$190.0	\$177.2	7.2%
WC % of TTM Revenue	36.4%	36.0%	36 bps

## SELECTED CASH FLOW

<i>US\$ millions</i>	FY26 Q3	FY25 Q3	YOY%
Net Income	\$18.3	\$18.5	(1.1%)
Depreciation & Amortization	\$5.7	\$5.6	1.8%
Change in Working Capital	(\$17.6)	(\$22.1)	(20.4%)
Other	\$11.6	\$7.8	48.7%
CFOA	\$18.0	\$9.8	83.7%
CAPEX	(\$4.9)	(\$1.4)	250.0%
Free Cash Flow	\$13.1	\$8.4	56.0%
FCF % of NI	71.6%	45.4%	2618 bps

- Free cash flow of \$13 million, up from last year reflecting the healthy operating performance
- Leverage of 0.8x down from third quarter last year, reflecting continued financial discipline and balance sheet strength
- Conservative leverage and total available liquidity of \$141 million provide flexibility to pursue strategic initiatives





# Full Year Guidance

- CAPEX: 2.5% - 3.0% revenue
- Depreciation and amortization: ~\$23MM
- Effective tax rate: ~26%

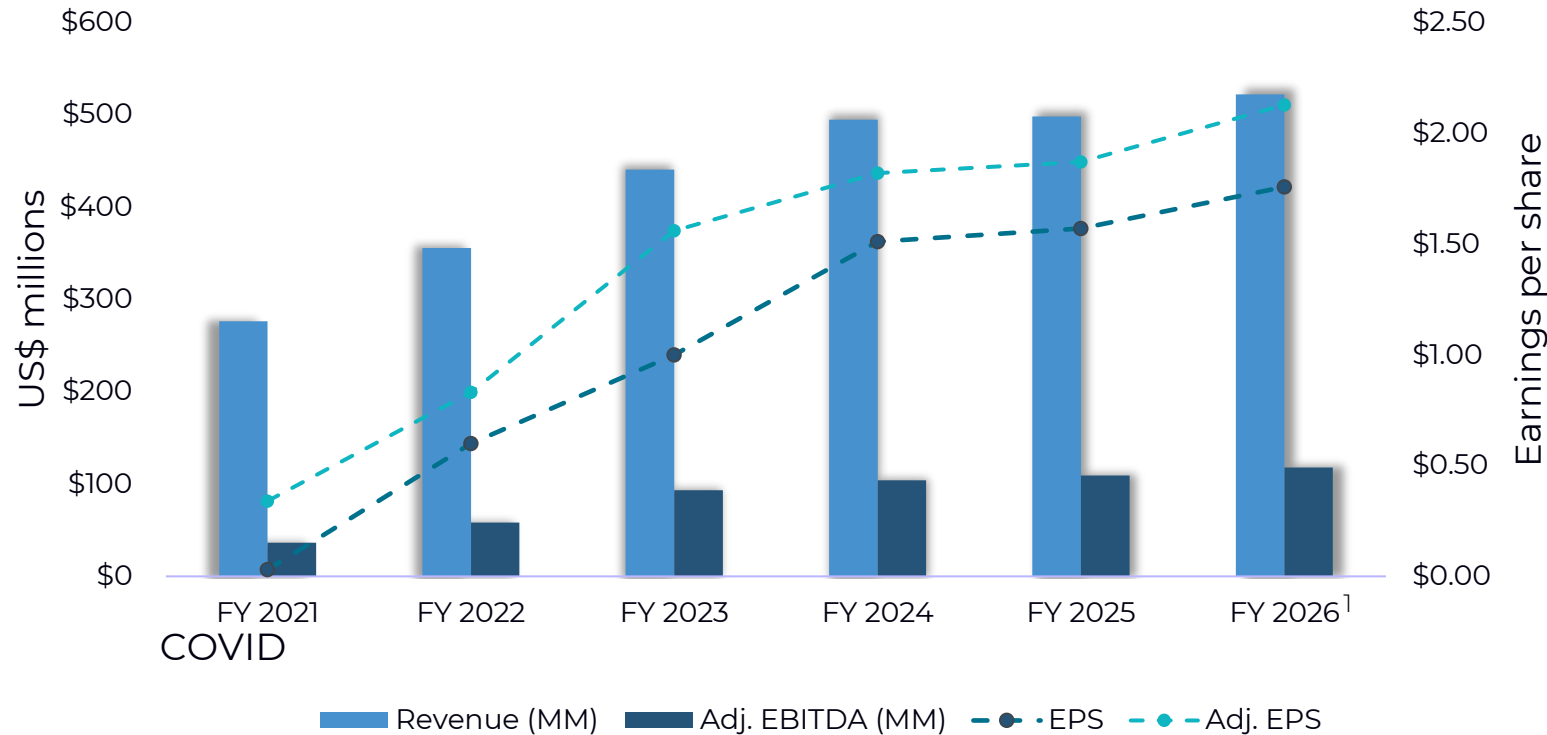
## Assumptions:

- Tariff headwinds fully offset by price and productivity in H2
- Continued order momentum
- Current tariff regime remains in place with no notable improvement or escalation of trade war

US\$ MILLION, EXCEPT PER SHARE DATA	FY25 ACTUAL	FY26 PREV	FY26E
Revenue	\$498.2	\$506 - \$527	\$516 - \$526
YOY%		1.6% -5.8%	3.6% -5.6%
Net Income	\$53.5		
EPS	\$1.57	\$1.62 - \$1.77	\$1.64 - \$1.78
Adjusted EPS	\$1.87	\$2.00 - \$2.15	\$2.05 - \$2.19
Adjusted EBITDA	\$109.2	\$112 - \$119	\$114 - \$120
YOY%		2.6% - 9.0%	4.4% - 9.9%
Adjusted EBITDA %	21.9%	22.1% - 22.6%	22.1% - 22.8%



# Track Record of Performance



**+14%**

**Revenue**  
CAGR

**+26%**

**Adjusted**  
**EBITDA** CAGR



December 2025

1. Trailing Twelve Months as of December 2025

# FINANCIAL RECONCILIATIONS

# Reconciliation of Net Income to Adjusted EBITDA

Unaudited, in thousands

	Three Months Ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Net income	\$ 18,291	\$ 18,539	\$ 41,826	\$ 36,544
Interest expense, net	2,161	2,535	6,144	8,172
Income tax expense	6,333	6,486	13,819	12,488
Depreciation and amortization expense	5,702	5,624	17,173	16,761
<b>EBITDA (non-GAAP)</b>	<b>\$ 32,487</b>	<b>\$ 33,184</b>	<b>\$ 78,962</b>	<b>\$ 73,965</b>
Stock compensation expense	1,838	1,470	5,203	4,046
Restructuring and other charges/(income) <sup>1</sup>	991	(3,029)	1,334	(163)
Transaction-related costs <sup>2</sup>	—	—	—	355
Debt issuance cost <sup>3</sup>	—	—	523	—
ERP implementation-related costs	286	149	1,427	538
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$ 35,602</b>	<b>\$ 31,774</b>	<b>\$ 87,449</b>	<b>\$ 78,741</b>
Adjusted EBITDA %	24.2 %	23.7 %	22.5 %	21.6 %

<sup>1</sup> Fiscal 2026 charges associated with cost-cutting measures. Fiscal 2025 charges associated with cost-cutting measures including reduction-in-force and facility consolidation, of which \$0.1 million are in cost of sales.

<sup>2</sup> Fiscal 2025 charges relate to the January 2024 Vapor Power acquisition and October .

<sup>3</sup> Debt issuance costs related to refinancing the Company's credit facility.



December 2025



# Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS

Unaudited, in thousands except per share amounts

	Three Months Ended December 31,		Nine months ended December 31,		
	2025	2024	2025	2024	
Net income	\$ 18,291	\$ 18,539	\$ 41,826	\$ 36,544	
Amortization of intangible assets	3,480	3,463	10,471	10,262	Intangible amortization
Restructuring and other charges/(income) <sup>1</sup>	991	(3,029)	1,334	(163)	Operating expense and cost of sales
Transaction-related costs <sup>2</sup>	—	—	—	355	Operating expense
Debt issuance cost <sup>3</sup>	—	—	523	—	Operating expense
ERP implementation related costs	286	149	1,427	538	Operating expense
Tax effect of adjustments	(1,141)	(157)	(3,323)	(2,598)	
<b>Adjusted Net Income (non-GAAP)</b>	<b>\$ 21,907</b>	<b>\$ 18,965</b>	<b>\$ 52,258</b>	<b>\$ 44,938</b>	
Adjusted Fully Diluted Earnings per Common Share (Adjusted EPS) (non-GAAP)	\$ 0.66	\$ 0.56	\$ 1.58	\$ 1.32	
Fully-diluted common shares	33,183	34,092	32,991	34,090	

<sup>1</sup> Fiscal 2026 charges associated with cost-cutting measures. Fiscal 2025 charges associated with cost-cutting measures including reduction-in-force and facility consolidation, of which \$0.1 million are in cost of sales.

<sup>2</sup> Fiscal 2025 charges relate to the January 2024 Vapor Power acquisition.

<sup>3</sup> Debt issuance costs related to refinancing the Company's credit facility.



December 2025



# Reconciliation of Cash Provided by Operating Activities to Free Cash Flow

Unaudited, in thousands

	Three Months Ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 17,982	\$ 9,839	\$ 36,149	\$ 31,060
Cash provided by/(used in) by investing activities	(4,471)	(5,570)	(9,875)	(11,319)
Cash provided by/(used in) by financing activities	3,761	(14,163)	(15,720)	(27,822)
Cash provided by operating activities	\$ 17,982	\$ 9,839	\$ 36,149	\$ 31,060
Less: Cash used for purchases of property, plant and equipment	(4,919)	(1,393)	(10,404)	(7,178)
<b>Free cash flow (non-GAAP)</b>	<b>\$ 13,063</b>	<b>\$ 8,446</b>	<b>\$ 25,745</b>	<b>\$ 23,882</b>



# Reconciliation of Point-in-Time and Over-Time Sales to OPEX Sales

Unaudited, in thousands

	Three Months Ended December 31,		Nine months ended December 31,	
	2025	2024	2025	2024
<b>Point-in-Time Sales</b>	\$ 102,310	\$ 99,562	\$ 274,091	\$ 258,607
Over Time - Small Projects	19,600	16,238	48,135	51,860
Over Time - Large Projects (CAPEX)	25,400	18,553	65,705	53,660
<b>Total Over-Time Sales<sup>1</sup></b>	<u>\$ 45,000</u>	<u>\$ 34,791</u>	<u>\$ 113,840</u>	<u>\$ 105,520</u>
<b>Total Sales</b>	<u><u>\$ 147,310</u></u>	<u><u>\$ 134,353</u></u>	<u><u>\$ 387,931</u></u>	<u><u>\$ 364,127</u></u>
Point-in-Time Sales	102,310	99,562	274,091	258,607
Over Time - Small Projects	19,600	16,238	48,135	51,860
<b>OPEX Sales (non-GAAP)</b>	<u>\$ 121,910</u>	<u>\$ 115,800</u>	<u>\$ 322,226</u>	<u>\$ 310,467</u>
OPEX Sales %	82.8 %	86.2 %	83.1 %	85.3 %

<sup>1</sup> Over Time Sales are presented as Over Time - Small Projects and Over Time - Large Projects. Over Time - Small Projects are each less than \$0.5 million in total revenue and Over Time - Large Projects are each equal to or greater than \$0.5 million in total revenue.





# APPENDIX



# Broad Range of Addressable Markets

- FOOD & BEVERAGE**
  - 1 Bulk Food Processing & Drying
  - 2 Dairy Processing
  - 3 Distilling and Brewing
- CHEMICAL**
  - 4 Chemical Processing
  - 5 Fertilizer Plant
  - 6 Pharmaceutical
- POWER GENERATION**
  - 7 Combined Cycle Power
- RENEWABLE ENERGY**
  - 8 Nuclear Power
  - 9 Concentrated Solar
  - 10 Wind Power
  - 11 Hydrogen Plant
  - 12 Biofuels
  - 13 Sustainable Aviation Fuels
  - 14 Thermal Energy Storage
- OIL & GAS**
  - 15 Bitumen & Oil Production
  - 16 LNG Liquification
  - 17 LNG Terminal
  - 18 Transmission Pipeline
  - 19 Coking Unit
  - 20 Distillation Units
  - 21 Air Separation
  - 22 Catalytic Reforming
  - 23 Fluid & Gas Cracking
  - 24 Sulfur Recovery
  - 25 Carbon Capture
- RAIL AND TRANSIT**
  - 26 Train Switching
  - 27 Commuter Train
- COMMERCIAL**
  - 28 Wastewater Treatment
  - 29 Hot Water & Steam Systems
  - 30 Fire Sprinkler Systems
  - 31 Roof & Gutter Heating
- STRATEGIC ADJACENCIES**
  - 32 Semiconductor
  - 33 Mining & Minerals
  - 34 EV Battery Manufacturing

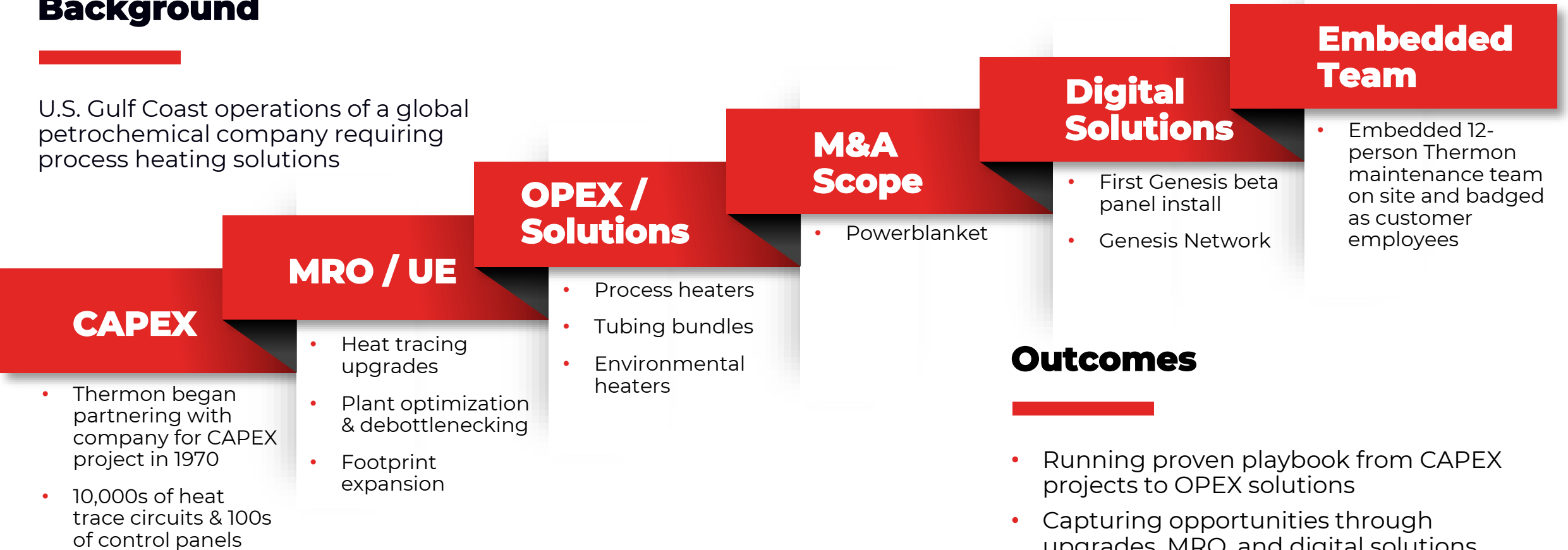




# Case Study | Deepening Customer Relationship

## Background

U.S. Gulf Coast operations of a global petrochemical company requiring process heating solutions



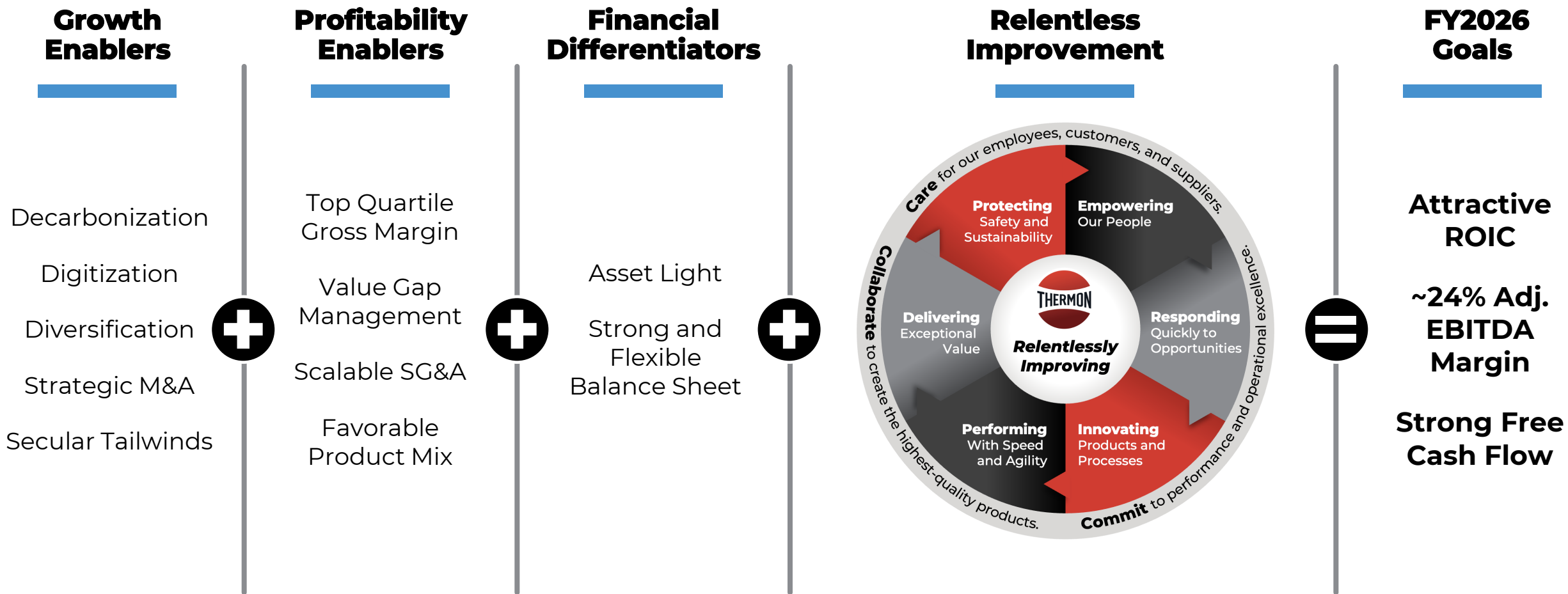
## Outcomes

- Running proven playbook from CAPEX projects to OPEX solutions
- Capturing opportunities through upgrades, MRO, and digital solutions
- “Operationally Entangled” with customer
- Higher ROI for customer
- Drives margins and recurring revenue





# Sustainable Growth Strategy Enables Long-term Value Creation





**Thank you.**