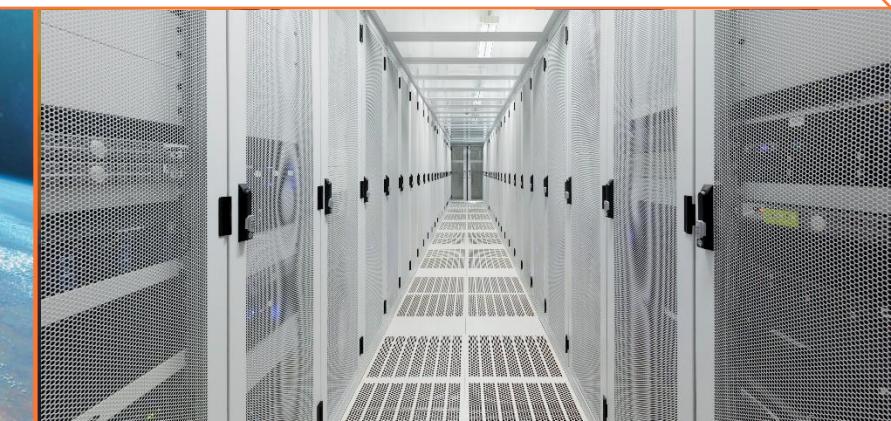


# **Ralliant Q4 and Full Year 2025 Results**

**February 5, 2026**



# Forward Looking Statements & Non-GAAP Financial Measures

Certain statements included in this presentation and the oral remarks made in connection herewith are "forward-looking statements" within the meaning of the U.S. federal securities laws. All statements other than historical factual information are forward-looking statements, including, without limitation, statements regarding: anticipated financial results, outlook or guidance assumptions underlying such outlook or guidance (including the effects of tariffs and our ability to offset them, the effects of seasonality on our business, impacts from changes in incentive compensation, and impacts of project timing); cash flows, the Company's liquidity position or other financial measures; management's plans and strategies for future operations and growth, including statements relating to anticipated operating performance, cost reductions and savings initiatives, innovation, manufacturing efficiency (including in connection with the use of artificial intelligence and automation), restructuring activities, new product and service developments, customer demand, including anticipated orders, competitive strengths or market position, acquisitions, divestitures, strategic opportunities, shareholder value creation, capital allocation priorities (including capital expenditures overall and as a percentage of revenue and investment priorities), stock repurchases and dividends; the effects of the separation from Fortive on the Company; growth, declines, and other trends in markets the Company sells into, including the expected impact of trade and tariff policies, impacts from changes in EV demand, and long-term through-cycle growth targets for our end-markets; changes in government contracting requirements and in federal spending; new or modified laws, regulations and accounting pronouncements; outstanding claims, legal proceedings, tax audits and assessments and other contingent liabilities; foreign currency exchange rates and fluctuations in those rates; tax rates, tax provisions, and the impact of changes to tax laws; general economic and capital markets conditions, including expected impact of inflation or interest rate changes; impact of geopolitical events and other hostilities; the timing of any of the foregoing; assumptions underlying any of the foregoing; and any other statements that address events or developments that the Company intends or believes will or may occur in the future.

Terminology such as "believe", "expect", "anticipate", "forecast", "positioned", "intend", "plan", "project", "estimate", "grow", "will", "should", "could", "would", "may", "strategy", "opportunity", "possible", "potential", "outlook", "assumptions", "target", "on track", and "guidance" and similar references to future periods are intended to identify forward-looking statements, although not all forward-looking statements are accompanied by such words. Forward-looking statements are based on assumptions and assessments made by management of the Company in light of their experience and perceptions of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. These forward-looking statements are subject to a number of risks and uncertainties, including but not limited to the risks and uncertainties set forth under "Cautionary Statement Concerning Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Information Statement filed as an exhibit to the Company's Form 10-12B/A with the U.S. Securities and Exchange Commission (the "SEC") on May 28, 2025, and under "Information Relating to Forward-Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Quarterly Report on Form 10-Q filed with the SEC on November 6, 2025 and Annual Report on Form 10-K for the year ended December 31, 2025 to be filed later with the SEC (the Company's "Annual Report on Form 10-K").

Forward-looking statements are not guarantees of future performance and actual results may differ materially from the results, developments, and business decisions contemplated by the Company's forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Forward-looking statements speak only as of the date of the document or other communication in which they are made (or such earlier date as may be specified in such statement). Ralliant assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

All fourth quarter and full year 2025 financial information in this presentation is preliminary, based on the Company's estimates and subject to completion of its financial closing procedures. Final results for the full year, which will be reported in the Company's Annual Report on Form 10-K, may vary from the information in this presentation. In particular, until the Company's financial statements are issued in the Annual Report on Form 10-K, it may be required to recognize certain subsequent events (such as in connection with contingencies or the realization of assets) which could affect the Company's final results.

## Non-GAAP Financial Measures

This presentation contains references to financial measures not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), including "adjusted net earnings," "adjusted diluted net earnings per share" ("EPS"), "earnings before income taxes, interest, depreciation, and amortization" ("EBITDA"), "adjusted EBITDA" (including segment adjusted EBITDA), "adjusted EBITDA margin" (including segment adjusted EBITDA margin), "adjusted operating profit (loss)," "organic revenue growth," "adjusted gross profit," "adjusted gross profit margin," "adjusted operating expenses," "free cash flow," "free cash flow conversion," and "net leverage". Please refer to the Appendix of this presentation for reconciliations of such historical non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP. The Company has not reconciled the forward-looking statements regarding non-GAAP measures for "adjusted EPS," "adjusted EBITDA margin," "free cash flow" ("FCF"), "free cash flow conversion," "net leverage," or "adjusted effective tax rate" because we are unable to do so without unreasonable efforts or to reasonably estimate the projected outcome of certain significant items, including currency impacts, impacts of acquisitions and divestitures and similar adjustments. These items are uncertain, depend on various factors out of our control and could have a material impact on the corresponding measures calculated in accordance with GAAP.

# Q4 and FY2025 Highlights and Strategic Update



**TAMI NEWCOMBE**

President and Chief  
Executive Officer



# Our Precision Technologies Create Confidence...

## What we do

We deliver instruments and sensors & safety systems for applications where **accuracy, reliability, and safety matter**.

## Why it matters

**Precision creates confidence** for the innovators, scientists, and engineers we empower.

## Who we serve

**Customers designing mission critical systems in demanding environments** like utilities, aerospace, defense, electronics, and industrial manufacturing.

## What sets us apart

Our **people-first culture, precision expertise**, and the **Ralliant Business System** together drive growth and productivity.

**Tektronix**

**PACIFIC SCIENTIFIC**  
ENERGETIC MATERIALS COMPANY

**QUALITROL**

**HENGSTLER DYNAPAR**

**Gems Setra**

**ANDERSON-NEGELE**

**RALLIANT**



# Key Messages



01

In 2025, sharpened long-term strategy, ramped innovation, and **executed with discipline** while navigating successful spin-off in June

02

**Exceeded Q4 revenue guidance** as demand trends were stable to improving, with strong secular demand across high-growth vectors

03

Q4 adj. EBITDA and adj. EPS were both at or above the **high end of guidance ranges**

04

**Strong free cash flow** in Q4, with Trailing Twelve Months (TTM) conversion rate above long-term target

05

Entered 2026 with momentum: strong secular tailwinds, a healthy balance sheet, and a **clear focus on strategic priorities**

# Q4 2025 Summary

**Revenue**  
**\$555 Million**

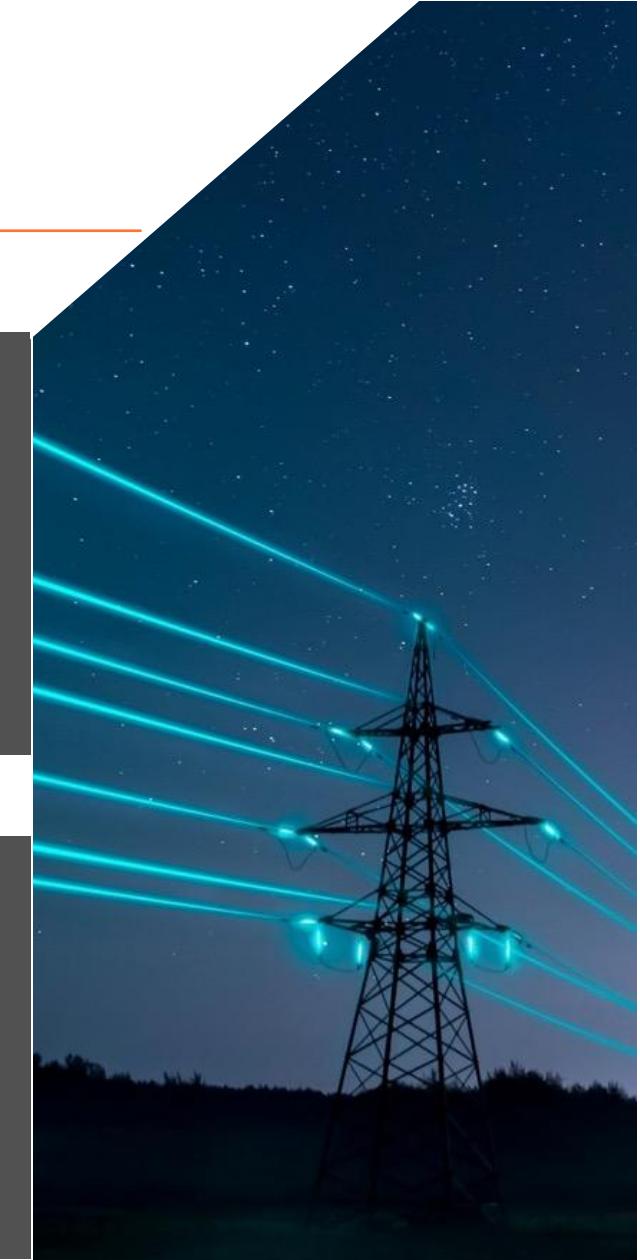
**Revenue Growth**  
**+1% Y/Y | +5% Q/Q**

**Adj. EBITDA Margin<sup>1</sup>**  
**20.8%**

**Adj. Diluted EPS<sup>1</sup>**  
**\$0.69**

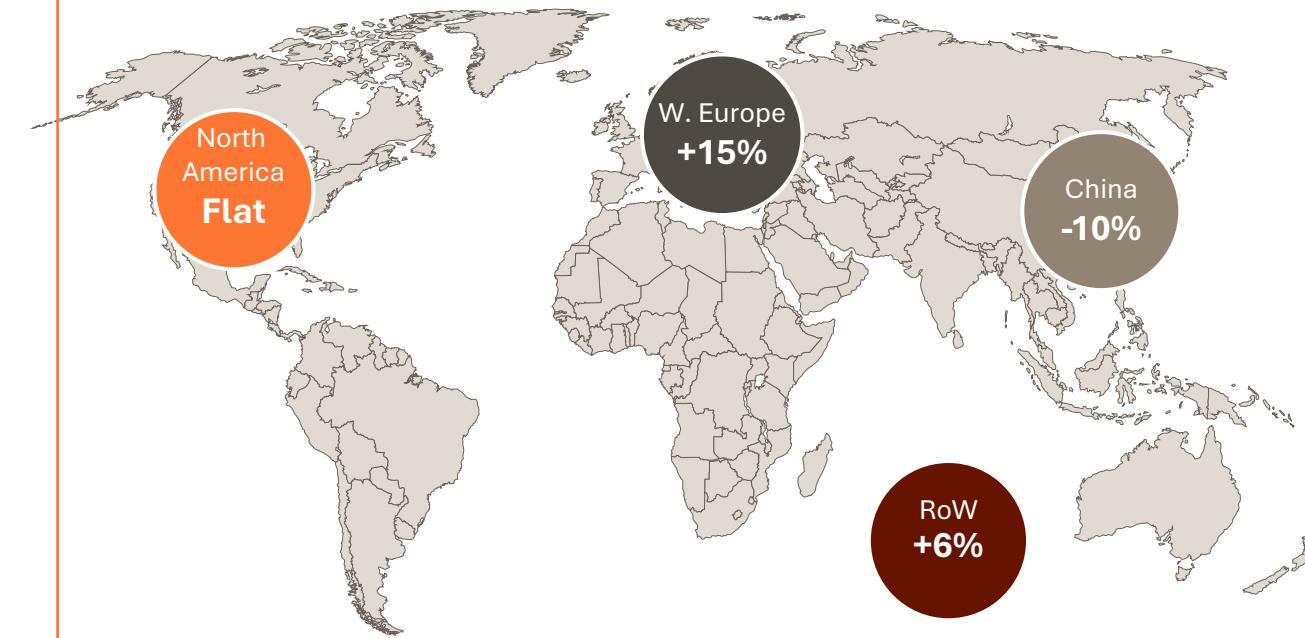
**Free Cash Flow  
Conversion (TTM)**  
**117%**

**Net Leverage**  
**1.9x**



Adjusted results exclude a non-cash goodwill impairment charge of \$1.4 billion related to the Test & Measurement reporting unit. The impairment was primarily driven by revised expectations for the EA Elektro-Automatik business that was acquired in January 2024, reflecting slower-than-anticipated progression and recent reduction in industry forecasts of future electric vehicle ("EV") adoption.

# Regional Trends



## Quarterly Y/Y Revenue Growth Trends

% of Total '25 Revenue	Q1'25	Q2'25	Q3'25	Q4'25	FY '25
N. America	54%	-7%	-5%	+2%	0% -3%
W. Europe	13%	-28%	-23%	-6%	+15% -12%
China	14%	-12%	-1%	-6%	-10% -7%
Rest of World	19%	-4%	+3%	+1%	+6% +1%
Total	-11%	-6%	0%	1%	-4%

Overall sequential improvement throughout 2025

# End Market Momentum

End Market	% of Revenue <sup>1</sup>	2025 Revenue Y/Y	LT Expected Served Market Growth <sup>2</sup>
<b>Sensors &amp; Safety Systems</b>	<b>~60%</b>	<b>+4%</b>	
Industrial Manufacturing	21%	+4%	0-2%
Defense and Space	17%	+4%	5-7%
Utilities	15%	+12%	5-7%
Other <sup>3</sup>	9%	(8%)	0-2%
<b>Test &amp; Measurement</b>	<b>~40%</b>	<b>(15%)</b>	
Diversified Electronics <sup>4</sup>	19%	(19%)	3-5%
Communications	12%	(7%)	2-4%
Semiconductors	8%	(13%)	2-4%

1. Based on full year 2025 revenue. Numbers may not foot due to rounding. 2. As communicated at June 2025 Investor Day. 3. Other includes Food and Beverage, Healthcare, and HVAC; expected growth rates for this market were not provided at June 2025 Investor Day and are based on Company estimates. 4. Diversified Electronics includes Industrial, Consumer, Automotive, Medical, Education, and General Purpose.

# Executing Our Profitable Growth Strategy

## RBS Everywhere

Continuing our operating discipline to unlock efficiency and profitability enterprise-wide

## Stronghold Positions

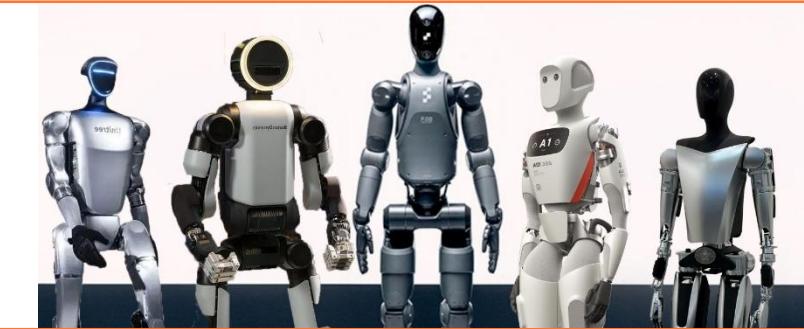
Deepening our advantaged positions in target markets where we have longstanding customer loyalty

## Winning Growth Vectors

Expanding portfolio to capture outsized secular growth in defense technologies, grid modernization and power electronics

**Continued Durable FCF and Enhanced Growth through the Cycle**

# Customer Highlights



## DEFENSE TECHNOLOGIES

### *Ramping Production to Meet Rising Defense Demand*

PacSci EMC achieved record Q4 revenue, enabled by the Ralliant Business System

- Recognized by a major defense prime for rapid proposal turnaround and consistent on-time delivery
- Trusted supplier to customers who have recently announced significant multi-year agreements on critical missile programs

## GRID MODERNIZATION

### *Supporting Global Grid Expansion With Monitoring Solutions*

Qualitrol selected as a global standard by a large cloud provider for future data center buildouts

- Comprehensive monitoring solution for critical electrical asset failure modes
- End-to-end condition-based monitoring, including sensors, data aggregation, software, and analytics
- Initial orders delivered in Q4, with additional orders expected under the global specification

## POWER ELECTRONICS

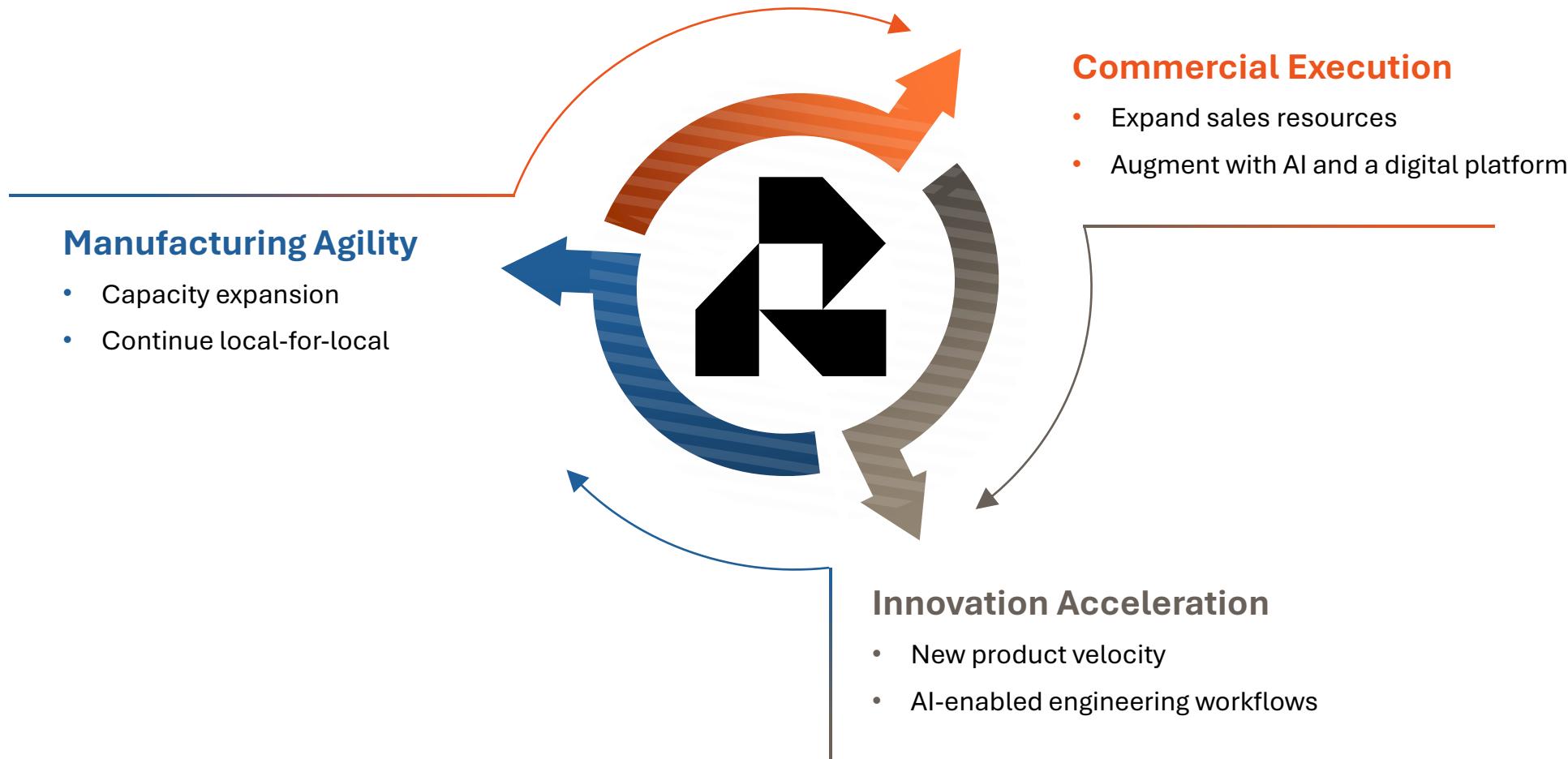
### *Enabling Physical AI in robotics, industrial automation and defense*

Tektronix trusted as a partner to an AI robotics company bringing humanoids to life

- High-integrity validation of electronics that translate intelligence into motion
- Helping customers validate electronics that move AI from software into real-time control of motors, actuators, and sensors

**Winning with innovation leaders on the edge of technology**

# Investing for Growth



**Fueling Above-Market Growth**

# Financial Overview & Outlook



**NEILL REYNOLDS**

Chief Financial Officer



# Q4 2025 Financial Results

(\$ in millions, except Adj. EPS)

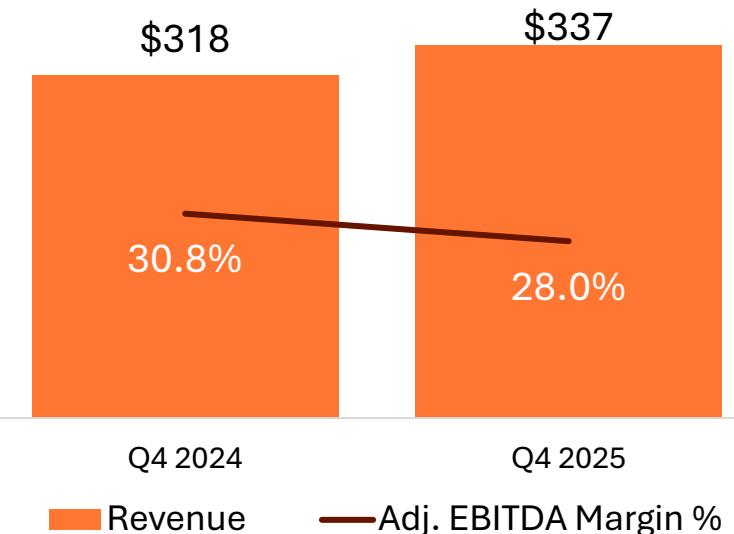
Revenue	Adj. EBITDA Margin <sup>1</sup>	Adj. EPS <sup>1,2</sup>	Free Cash Flow
<p>+1% Y/Y +5% Q/Q</p> <p><b>\$548</b> <b>\$555</b></p> <p>Q4 2024 Q4 2025</p>	<p>(500 bps) Y/Y +40 bps Q/Q</p> <p><b>25.8%</b> <b>20.8%</b></p> <p>Q4 2024 Q4 2025</p>	<p>(27%) Y/Y +15% Q/Q</p> <p><b>\$0.95</b> <b>\$0.69</b></p> <p>Q4 2024 Q4 2025</p>	<p>(37%) Y/Y (28%) Q/Q</p> <p><b>\$147</b> <b>\$92</b></p> <p>Q4 2024 Q4 2025</p>
<ul style="list-style-type: none"> <li>• Total revenue +1%; Organic growth flat Y/Y</li> <li>• Y/Y results driven by volume growth in Sensors &amp; Safety Systems and pricing across the business, offset by lower volume in Test &amp; Measurement</li> <li>• Q/Q increase led by step-up in shipments in Defense &amp; Space and seasonal step-up in Test &amp; Measurement</li> </ul>	<ul style="list-style-type: none"> <li>• Y/Y decline due to lower T&amp;M volume and step-up in standalone public company and employee costs</li> <li>• Q/Q increase driven by operating leverage on higher revenue and Cost Savings Program, partially offset by increase in operating expenses</li> <li>• \$4M annual run-rate of savings achieved in Q4</li> </ul>	<ul style="list-style-type: none"> <li>• Y/Y decline due to lower adjusted EBITDA and increased interest expense</li> <li>• Q/Q increase due to higher revenue and operating leverage and lower than expected tax expense, partially offset by higher opex</li> </ul>	<ul style="list-style-type: none"> <li>• TTM FCF conversion of 117% driven by disciplined capital expenditures and net working capital management</li> <li>• 2025 was third consecutive year with net working capital of only 8% of revenue</li> <li>• Y/Y decline driven by lower earnings</li> </ul>

1. Adjusted results exclude a non-cash goodwill impairment charge of \$1.4 billion related to the Test & Measurement reporting unit. The impairment was primarily driven by revised expectations for the EA Elektro-Automatik business that was acquired in January 2024, reflecting slower-than-anticipated progression and recent reduction in industry forecasts of future electric vehicle ("EV") adoption. 2. Q4 2024 EPS assuming share count of 112.7 million consistent with the share count at time of spin on 28-Jun-2025. Further discussion regarding our use of Non-GAAP financial measures and reconciliations between certain GAAP and non-GAAP measures are included in the Appendix of this presentation.

# Segment Performance: Sensors & Safety Systems

Power grid monitoring solutions, defense and space technologies, industrial sensors for demanding environments

## REVENUE (\$M)



Total revenue growth: **+6%**

Organic revenue growth: **+5%**

## KEY DRIVERS

### Revenue

- Defense & Space up 5% Y/Y and backlog continues to grow driven by demand for critical defense programs
- Utilities up 6% Y/Y driven by secular growth in grid modernization and expansion
- Industrial Manufacturing up 6% Y/Y with pockets of growth

### Adj. EBITDA Margin

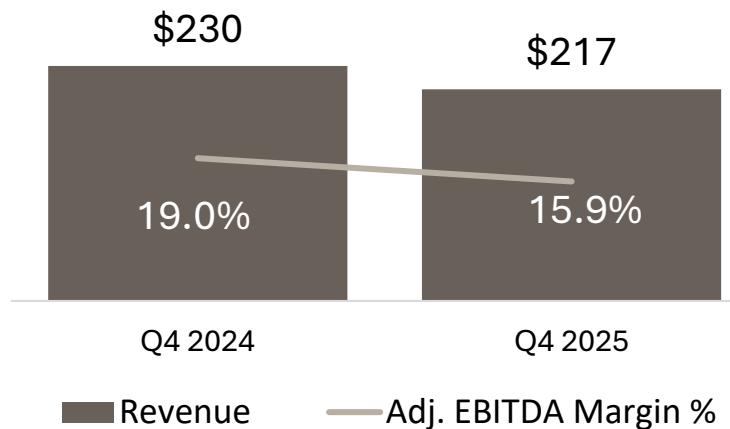
- Decline in margin primarily due to higher post-spin employee costs

**Revenue grew 6% Y/Y as all end markets had mid-single-digit or better revenue growth**

# Segment Performance: Test & Measurement

Precision instruments and essential software and services for advanced electronics

## REVENUE (\$M)



Revenue

Adj. EBITDA Margin %

Total revenue growth: **(6)%**

Organic revenue growth: **(7)%**

## KEY DRIVERS

### Revenue

- Diversified Electronics down (13)% Y/Y, but stabilized broadly sequentially, up 10% Q/Q
- Communications up 29% driven by increased demand from military and government customers
- Semiconductor down (32)% as we lap large customer project that ended in Q3 2025 and did not repeat

### Adj. EBITDA Margin

- Y/Y margin decline due to lower volume and higher post-spin employee costs
- Q/Q margin expansion of 200 bps driven by revenue growth and disciplined cost management

**Demand continued to stabilize, leading to +7% revenue growth sequentially**

# Balance Sheet and Cash Flow

**Closing 2025 with strong balance sheet and durable cash flow**

## Balance Sheet

	As of December 31, 2025
Cash and cash equivalents	\$319M
Debt	\$1.15B
Net debt	\$831M
Net leverage <sup>1</sup>	1.9x

## Cash Flow

### Q4 2025 Full Year 2025

Operating cash flow	\$102M	\$398M
Capital expenditures	\$10M	\$39M
Free cash flow	\$92M	\$358M

## Balance Sheet

- Net leverage steady Q/Q
- \$34M of Fortive commitments related to spinoff paid in Q4

## Cash Flow

- TTM FCF conversion of 117% significantly exceeding long-term target of >95%<sup>1</sup>
  - Q4 FCF conversion of 117%
  - 2025 net working capital only 8% of revenue

**Increase in cash and cash equivalents Y/Y despite spin-related payments in Q4**

# Disciplined Capital Allocation Approach

**Strong cash generation allowing for strategic reinvestment**

	<b>Strategic Focus</b>	<b>Recent Actions</b>
<b>01</b>	<b>Organic Reinvestment</b> Organically invest in high growth markets aligned to long-term secular growth drivers	<ul style="list-style-type: none"><li>Executed record product launch year in 2025 and will continue to invest in new product innovation</li><li>Invested in resources to increase capacity at PacSci EMC within existing footprint to serve growing demand in Defense &amp; Space</li><li>Invested in digital commerce platform</li></ul>
<b>02</b>	<b>Return of Capital</b> Return cash to shareholders through dividend and authorized buybacks	<ul style="list-style-type: none"><li>January 29, 2026: Declared quarterly dividend of \$0.05/share</li><li>In 2025, the Board of Directors approved a share repurchase authorization of \$200 million, which remains fully available</li></ul>
<b>03</b>	<b>Focused Acquisitions</b> Strategic tuck-ins with high returns profile and strong value creation runway	<ul style="list-style-type: none"><li>Continuing to build funnel of potential tuck-in acquisitions aligned with winning growth vectors</li><li>Focus remains on high-return tuck-ins with opportunity for operating synergies, while maintaining target net leverage and minimum cash</li></ul>

**Focused on fueling growth vectors while returning capital to shareholders**

# Q1 and Full-Year 2026 Outlook

Q1 2026		Assumptions
Revenue	\$508 to \$522M	<ul style="list-style-type: none"> <li>5% to 8% Y/Y growth, including approximately 2 percentage points FX favorability; sequential decline in line with typical seasonality</li> </ul>
Adj. EBITDA Margin	17% to 18%	<ul style="list-style-type: none"> <li>Y/Y stepdown driven by higher operating expenses and investments into our growth strategy, partially offset by the benefit of operating leverage on higher revenue</li> <li>Sequential decline driven by seasonal stepdown of revenue, small increase in costs as incentive compensation resets to target levels as well as initiation of organic investments</li> </ul>
Adj. EPS	\$0.46 to \$0.52	<ul style="list-style-type: none"> <li>Interest expense of \$16 to \$18 million; Adjusted effective tax rate of 16% to 18%</li> <li>Weighted average diluted shares outstanding of 114-115 million</li> </ul>
FY 2026		Assumptions
Revenue	\$2.1 to \$2.2B	<ul style="list-style-type: none"> <li>2% to 6% Y/Y growth; Sequential increase in revenue each quarter consistent with typical seasonality</li> </ul>
Adj. EBITDA Margin	18% to 20%	<ul style="list-style-type: none"> <li>~250 bps headwind from lapping lower pre-spin (1H25) operating costs; Implies a 40-45% incremental margin in 2026 on a like-for-like basis</li> <li>Cost Savings Program on-track for \$9-11M annualized savings by end of 2026</li> <li>Tariff assumptions based on policy as of 30-Jan-26; continue to fully offset cost throughout the year</li> </ul>
Adj. EPS	\$2.22 to \$2.42	<ul style="list-style-type: none"> <li>Interest expense, adjusted effective tax rate, and weighted average diluted shares outstanding to remain consistent with Q1 outlook</li> </ul>

**Expect revenue growth with strong flow-through and FCF conversion > 95%**

# Closing Remarks



**TAMI NEWCOMBE**

President and Chief  
Executive Officer



# Key Takeaways

01

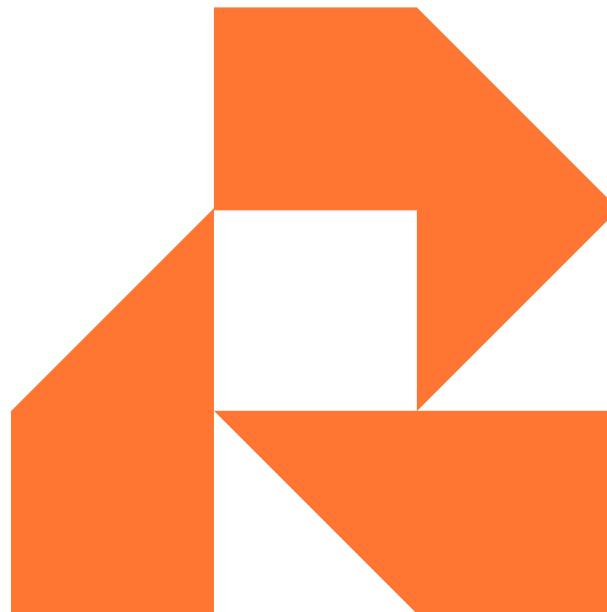
**2025 was a pivotal year as we refined long-term strategy, ramped innovation, and enhanced growth culture, while executing with discipline**

02

**Since launching as a public company, delivered quarterly performance at or above financial guidance and converted FCF significantly above long-term target**

03

**Entering 2026 with strong secular tailwinds and strategic clarity on growth investments in commercial, innovation, and manufacturing**



## 01 **People-First Culture**

- Seasoned business leaders
- Amplified growth culture
- Winning as one team

## 02 **Executing Growth Strategy**

- RBS everywhere
- Stronghold positions
- Winning growth vectors

## 03 **Financial Discipline**

- Continued operating rigor
- Strong cash flow generation
- Focused capital allocation

# Appendix



## END MARKETS

(\$ in millions)	Three Months Ended December 31, 2025			Three Months Ended December 31, 2024		
	Total	Test and Measurement	Sensors and Safety Systems	Total	Test and Measurement	Sensors and Safety Systems
Diversified electronics	\$ 99.6	\$ 99.6	\$ —	\$ 114.2	\$ 114.2	\$ —
Communications	82.7	82.7	—	64.4	64.4	—
Semiconductors	35.1	35.1	—	51.8	51.8	—
Industrial manufacturing	111.0	—	111.0	104.4	—	104.4
Defense and space	100.2	—	100.2	95.3	—	95.3
Utilities	79.7	—	79.7	75.4	—	75.4
Other	46.3	—	46.3	42.6	—	42.6
<b>Total</b>	<b>\$ 554.6</b>	<b>\$ 217.4</b>	<b>\$ 337.2</b>	<b>\$ 548.1</b>	<b>\$ 230.4</b>	<b>\$ 317.7</b>

(\$ in millions)	Year Ended December 31, 2025			Year Ended December 31, 2024		
	Total	Test and Measurement	Sensors and Safety Systems	Total	Test and Measurement	Sensors and Safety Systems
Diversified electronics	\$ 383.6	\$ 383.6	\$ —	\$ 474.3	\$ 474.3	\$ —
Communications	254.3	254.3	—	274.9	274.9	—
Semiconductors	163.6	163.6	—	188.3	188.3	—
Industrial manufacturing	427.6	—	427.6	410.8	—	410.8
Defense and space	355.4	—	355.4	340.2	—	340.2
Utilities	305.7	—	305.7	273.0	—	273.0
Other	178.6	—	178.6	193.2	—	193.2
<b>Total</b>	<b>\$ 2,068.8</b>	<b>\$ 801.5</b>	<b>\$ 1,267.3</b>	<b>\$ 2,154.7</b>	<b>\$ 937.5</b>	<b>\$ 1,217.2</b>

## Summary GAAP to Non-GAAP Bridge

Refer to the following pages for the reconciliations of historical non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP.

(\$ in millions, except per share amounts)	Three Months Ended December 31, 2025		
	GAAP	Non-GAAP Adjustments	Non-GAAP
	\$ 554.6	\$ —	\$ 554.6
<b>Revenue</b>	<b>\$ 554.6</b>	<b>\$ —</b>	<b>\$ 554.6</b>
Cost of sales	(274.6)	7.3 (a)	(267.3)
<b>Gross profit to Adjusted gross profit (Non-GAAP)</b>	<b>280.0</b>	<b>7.3</b>	<b>287.3</b>
Gross margin and Adjusted gross margin	50.5 %	—	51.8 %
Operating costs	(1,647.8)	1,468.2 (b)	(179.6)
<b>Operating (loss) to Adjusted operating profit (Non-GAAP)</b>	<b>(1,367.8)</b>	<b>1,475.5</b>	<b>107.7</b>
Interest expense, net	(16.0)	—	(16.0)
Other non-operating expenses, net	—	—	—
Income taxes	9.9	(23.1) (c)	(13.2)
<b>Net (loss) to Adjusted net earnings (Non-GAAP)</b>	<b>\$ (1,373.9)</b>	<b>\$ 1,452.4</b>	<b>\$ 78.5</b>
<b>Diluted average common stock and common equivalent shares outstanding</b>	<b>113.6</b>		<b>113.6</b>
<b>Diluted net (loss) per share and Adjusted diluted net earnings per share</b>	<b>\$ (12.10)</b>		<b>\$ 0.69</b>

(a) Amount relates to discrete restructuring charges impacting cost of sales.

(b) Amount primarily relates to Goodwill impairment of \$1.44 billion and amortization expense of \$22.0 million.

(c) Amount relates to the tax effect of the non-GAAP adjustments of \$5.6 million, as well as discrete tax adjustments of \$17.5 million related to the Goodwill impairment and a reduction in the German corporate tax rate.

## Non-GAAP Financial Measures

The Company reports financial results in accordance with GAAP. However, this presentation contains references to certain non-GAAP measures, which are not recognized financial measures under GAAP, because management believes they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that they do not believe are indicative of ongoing operating performance. Management believes these measures are helpful in highlighting trends in our operating results, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure and allocation, the tax jurisdictions in which companies operate and capital investments and acquisitions.

This presentation contains references to "adjusted net earnings," "adjusted diluted EPS," "EBITDA," "adjusted EBITDA" (including segment adjusted EBITDA), "adjusted EBITDA margin" (including segment adjusted EBITDA margin), "adjusted operating profit (loss)" (including segment adjusted operating profit (loss)), "organic revenue growth," "adjusted gross profit," "adjusted gross profit margin," "adjusted operating expenses," "free cash flow," "free cash flow conversion," and "net leverage" financial measures which are, in each case, not presented in accordance with GAAP. The non-GAAP financial measures are not intended to replace the presentation of the comparable measures under GAAP, should be read in conjunction with the most directly comparable GAAP financial measures, and may not be comparable to similarly titled measures reported by other companies. We define these non-GAAP financial measures as follows:

- Adjusted net earnings refers to net (loss) earnings calculated in accordance with GAAP, adjusted to exclude amortization of acquisition-related intangible assets, acquisition and divestiture related adjustments and costs, discrete restructuring charges, and other non-recurring charges resulting from the separation such as duplicative corporate allocations from Fortive, stock-based compensation modification, separation costs, Goodwill impairment and the tax effect of those adjustments, as well as a discrete tax adjustment related to a reduction in the German corporate tax rate and Goodwill impairment.
- Adjusted diluted EPS refers to adjusted net earnings divided by average common diluted stock outstanding.
- EBITDA refers to net (loss) earnings calculated in accordance with GAAP, excluding, interest, taxes, depreciation, and amortization.
  - Adjusted EBITDA refers to EBITDA adjusted to exclude stock-based compensation modification, acquisition and divestiture related adjustments and costs, discrete restructuring charges, separation costs, Goodwill impairment, and Fortive corporate allocations.
  - Adjusted EBITDA margin refers to adjusted EBITDA as a percentage of GAAP revenue.
  - Adjusted EBITDA, which is also shown for the segments, also refers to operating (loss) profit calculated in accordance with GAAP adjusted to exclude amortization of acquisition-related intangible assets, acquisition and divestiture related adjustments and costs, discrete restructuring charges, Fortive corporate allocations, stock-based compensation modification, separation costs, Goodwill impairment, depreciation, and other.
- Adjusted operating profit (loss) refers to operating profit calculated in accordance with GAAP, adjusted to exclude Goodwill impairment, amortization of acquisition-related intangible assets, acquisition and divestiture related adjustments and costs, discrete restructuring charges, and other non-recurring charges resulting from the separation such as duplicative corporate allocations from Fortive, stock-based compensation modification, and separation costs.
- Organic revenue growth refers to revenue from operations growth calculated according to GAAP, but excluding (1) the impact from acquired and divested businesses and (2) the impact of currency translation. References to revenue attributable to acquisitions or acquired businesses refer to GAAP revenue from acquired businesses recorded prior to the first anniversary of the acquisition, less the amount of revenue attributable to certain businesses or product lines that, at the time of reporting, have been divested or are pending divestiture, but are not, and will not be, considered discontinued operations prior to the first anniversary of the divestiture. The portion of revenue attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in revenue (excluding revenue impact from acquired businesses) and (b) the period-to-period change in revenue (excluding the revenue impact from acquired businesses) after applying the current period foreign exchange rates to the prior year period.
- Adjusted gross profit refers to gross profit calculated in accordance with GAAP, adjusted to exclude discrete restructuring charges impacting cost of sales.
  - Adjusted gross profit margin refers to adjusted gross profit as a percentage of GAAP revenue.
- Adjusted operating expenses refers to operating expenses calculated in accordance with GAAP, adjusted to exclude Goodwill impairment, amortization of acquisition-related intangible assets, acquisition and divestiture related adjustments and costs, discrete restructuring charges, Fortive corporate allocations, separation costs, and stock-based compensation modification.
- Free cash flow refers to cash flow from operations calculated according to GAAP but excluding purchases of property, plant and equipment ("capital expenditures").
  - Free cash flow conversion refers to free cash flow divided by adjusted net earnings.
- Net leverage refers to net debt divided by trailing twelve months (TTM) adjusted EBITDA as defined by the Company's credit agreement.

The Company has not reconciled the forward-looking statements regarding non-GAAP measures for "adjusted EPS," "adjusted EBITDA margin," "free cash flow," "free cash flow conversion," or "adjusted effective tax rate" because we are unable to do so without unreasonable efforts or to reasonably estimate the projected outcome of certain significant items, including currency impacts, impacts of acquisitions and divestitures and similar adjustments. These items are uncertain, depend on various factors out of our control and could have a material impact on the corresponding measures calculated in accordance with GAAP.

## ADJUSTED NET EARNINGS AND ADJUSTED DILUTED NET EPS (UNAUDITED)

(\$ in millions, except per share amounts)	Three Months Ended									
	December 31, 2025			September 26, 2025			December 31, 2024			Per share values
		Per share values			Per share values			Per share values		
<b>Net (loss) earnings and net diluted (loss) earnings per share (GAAP)</b>	\$ (1,373.9)	\$ (12.10)	\$ 39.9	\$ 0.35	\$ 82.7	\$ 0.73				
Goodwill impairment	1,441.7	12.69	—	—	—	—				
Amortization of acquisition related intangible assets	22.2	0.20	22.5	0.20	20.8	0.18				
Acquisition and divestiture related adjustments and costs	—	—	—	—	3.9	0.03				
Discrete restructuring charges	9.0	0.08	3.1	0.03	9.1	0.08				
Stock-based compensation modification	—	—	22.4	0.20	—	—				
Separation costs	2.6	0.02	0.9	0.01	—	—				
Tax effect of the adjustments reflected above	(5.6)	(0.05)	(7.9)	(0.07)	(9.0)	(0.08)				
Discrete tax adjustments	(17.5)	(0.15)	(12.4)	(0.11)	—	—				
<b>Adjusted net earnings and adjusted diluted net earnings per share (Non-GAAP)</b>	<b>\$ 78.5</b>	<b>\$ 0.69</b>	<b>\$ 68.5</b>	<b>\$ 0.60</b>	<b>\$ 107.5</b>	<b>\$ 0.95</b>				
<b>Average common diluted stock outstanding (shares in millions)</b>		<b>113.6</b>		<b>113.4</b>		<b>112.7</b>				

The sum of the components of adjusted diluted net earnings per share may not equal due to rounding.

## ADJUSTED NET EARNINGS AND ADJUSTED DILUTED NET EPS (UNAUDITED)

(\$ in millions, except per share amounts)	Year Ended	
	December 31, 2025	
	Per share values	
<b>Net loss and net diluted loss per share (GAAP)</b>	\$ (1,222.5)	\$ (10.78)
Goodwill impairment	1,441.7	12.71
Amortization of acquisition related intangible assets	86.9	0.77
Acquisition and divestiture related adjustments and costs	2.4	0.02
Discrete restructuring charges	13.0	0.11
Fortive corporate allocations	10.1	0.09
Stock-based compensation modification	22.4	0.20
Separation costs	3.5	0.03
Tax effect of the adjustments reflected above	(22.4)	(0.20)
Discrete tax adjustments	(29.8)	(0.26)
<b>Adjusted net earnings and adjusted diluted net earnings per share (Non-GAAP)</b>	<b>\$ 305.3</b>	<b>\$ 2.69</b>
<b>Average common diluted stock outstanding (shares in millions)</b>	<b>113.4</b>	

The sum of the components of adjusted diluted net earnings per share may not equal due to rounding.

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (UNAUDITED)

(\$ in millions)	Three Months Ended		
	December 31, 2025	September 26, 2025	December 31, 2024
<b>Revenue (GAAP)</b>	\$ 554.6	\$ 529.1	\$ 548.1
<b>Net (loss) earnings (GAAP)</b>	<b>\$ (1,373.9)</b>	<b>\$ 39.9</b>	<b>\$ 82.7</b>
Interest expense, net	16.0	16.3	—
Income tax (benefit) expense	(9.9)	(4.7)	19.0
Depreciation	7.8	7.5	6.1
Amortization	22.2	22.5	20.8
<b>EBITDA (Non-GAAP)</b>	<b>(1,337.8)</b>	<b>81.5</b>	<b>128.6</b>
Goodwill impairment	1,441.7	—	—
Stock-based compensation modification	—	22.4	—
Acquisition and divestiture related adjustments and costs	—	—	3.9
Discrete restructuring charges	9.0	3.1	9.1
Separation costs	2.6	0.9	—
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 115.5</b>	<b>\$ 107.9</b>	<b>\$ 141.5</b>
<b>Net (loss) earnings margin (GAAP)</b>	<b>(247.7) %</b>	<b>7.5 %</b>	<b>15.1 %</b>
<b>Adjusted EBITDA margin (Non-GAAP)</b>	<b>20.8 %</b>	<b>20.4 %</b>	<b>25.8 %</b>

The sum of the components of adjusted EBITDA may not equal due to rounding.

## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (UNAUDITED)

	Year Ended
	December 31, 2025
(\$ in millions)	
<b>Revenue (GAAP)</b>	<b>\$ 2,068.8</b>
<b>Net loss (GAAP)</b>	<b>\$ (1,222.5)</b>
Interest expense, net	32.3
Income tax expense	6.1
Depreciation	28.6
Amortization	86.9
<b>EBITDA (Non-GAAP)</b>	<b>(1,068.6)</b>
Goodwill impairment	1,441.7
Stock-based compensation modification	22.4
Acquisition and divestiture related adjustments and costs	2.4
Discrete restructuring charges	13.0
Separation costs	3.5
Fortive corporate allocations	10.1
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 424.5</b>
<b>Net loss margin (GAAP)</b>	<b>(59.1) %</b>
<b>Adjusted EBITDA margin (Non-GAAP)</b>	<b>20.5 %</b>

# ADJUSTED OPERATING PROFIT (LOSS), ADJUSTED EBITDA and ADJUSTED EBITDA MARGIN (including segments) (UNAUDITED)

(\$ in millions)	Three Months Ended											
	December 31, 2025				September 26, 2025				December 31, 2024			
	Ralliant	Test and Measurement	Sensors and Safety Systems	Unallocated Corporate Costs and Other <sup>(a)</sup>	Ralliant	Test and Measurement	Sensors and Safety Systems	Unallocated Corporate Costs and Other <sup>(a)</sup>	Ralliant	Test and Measurement	Sensors and Safety Systems	Unallocated Corporate Costs and Other
Revenue (GAAP)	\$ 554.6	\$ 217.4	\$ 337.2	\$ —	\$ 529.1	\$ 203.1	\$ 326.0	\$ —	\$ 548.1	\$ 230.4	\$ 317.7	\$ —
Operating (loss) profit (GAAP)	\$ (1,367.8)	\$ (1,437.6)	\$ 84.6	\$ (14.8)	\$ 52.0	\$ (1.7)	\$ 90.1	\$ (36.4)	\$ 102.2	\$ 11.2	\$ 91.0	\$ —
Goodwill impairment	1,441.7	1,441.7	—	—	—	—	—	—	—	—	—	—
Amortization of acquisition-related intangible assets	22.2	21.9	0.3	—	22.5	22.0	0.5	—	20.8	20.2	0.6	—
Acquisition related adjustments and costs	—	—	—	—	—	—	—	—	3.9	4.0	(0.1)	—
Discrete restructuring charges	9.0	3.1	5.9	—	3.1	3.1	—	—	9.1	5.5	3.6	—
Stock-based compensation modification	—	—	—	—	22.4	—	—	22.4	—	—	—	—
Separation Costs	2.6	0.5	0.3	1.8	0.9	0.4	0.1	0.4	—	—	—	—
Adjusted operating profit (loss) (Non-GAAP)	107.7	29.6	91.1	(13.0)	100.9	23.9	90.7	(13.7)	136.0	40.9	95.1	—
Depreciation	7.8	4.9	3.2	(0.3)	7.5	4.2	2.9	0.4	6.0	3.1	2.9	—
Other	—	—	0.1	(0.1)	(0.5)	—	—	(0.5)	(0.5)	(0.2)	(0.3)	—
Adjusted EBITDA (Non-GAAP)	\$ 115.5	\$ 34.5	\$ 94.4	\$ (13.4)	\$ 107.9	\$ 28.1	\$ 93.6	\$ (13.8)	\$ 141.5	\$ 43.8	\$ 97.7	\$ —
Operating (loss) profit margin (GAAP)	(246.6)%	(661.3)%	25.1 %		9.8 %	(0.8)%	27.6 %		18.6 %	4.9 %	28.6 %	
Adjusted EBITDA margin (Non-GAAP)	20.8 %	15.9 %	28.0 %		20.4 %	13.8 %	28.7 %		25.8 %	19.0 %	30.8 %	

(a) Amounts primarily related to the stock-based compensation modification and standalone public company costs.

The sum of the components of adjusted EBITDA may not equal due to rounding.

## ORGANIC REVENUE GROWTH (UNAUDITED)

	Three Months Ended December 31, 2025 vs. Comparable 2024 Period		
	Ralliant	Test and Measurement	Sensors and Safety Systems
<b>Total revenue growth (GAAP)</b>	<b>1.2 %</b>	<b>(5.6)%</b>	<b>6.1 %</b>
Impact of:			
Currency exchange rates	(1.3)%	(1.8)%	(1.0)%
<b>Organic revenue growth (Non-GAAP)</b>	<b>(0.1)%</b>	<b>(7.4)%</b>	<b>5.1 %</b>

## ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN (UNAUDITED)

(\$ in millions)	Three Months Ended		
	December 31, 2025	September 26, 2025	December 31, 2024
<b>Revenue (GAAP)</b>	<b>\$ 554.6</b>	<b>\$ 529.1</b>	<b>\$ 548.1</b>
<b>Gross Profit (GAAP)</b>	<b>280.0</b>	<b>268.6</b>	<b>281.8</b>
Discrete restructuring charges	7.3	2.7	4.3
<b>Adjusted gross profit (Non-GAAP)</b>	<b>\$ 287.3</b>	<b>\$ 271.3</b>	<b>\$ 286.1</b>
<b>Gross profit margin (GAAP)</b>	<b>50.5 %</b>	<b>50.8 %</b>	<b>51.4 %</b>
<b>Adjusted gross profit margin (Non-GAAP)</b>	<b>51.8 %</b>	<b>51.3 %</b>	<b>52.2 %</b>

## ADJUSTED OPERATING EXPENSES (UNAUDITED)

(\$ in millions)	Three Months Ended											
	December 31, 2025				September 26, 2025				December 31, 2024			
	Ralliant	Total Segments	Unallocated Corporate Costs and Other <sup>(a)</sup>	Ralliant	Total Segments	Unallocated Corporate Costs and Other <sup>(a)</sup>	Ralliant	Total Segments	Unallocated Corporate Costs and Other <sup>(a)</sup>	Ralliant	Total Segments	Unallocated Corporate Costs and Other
<b>Operating costs:</b>												
Selling, general and administrative	\$ (163.2)	\$ (148.4)	\$ (14.8)	\$ (177.8)	\$ (141.4)	\$ (36.4)	\$ (137.6)	\$ (137.6)	\$ —	\$ —	\$ —	\$ —
Research and development	(42.9)	(42.9)	—	(38.8)	(38.8)	—	(42.0)	(42.0)	—	—	—	—
Goodwill impairment	(1,441.7)	(1,441.7)	—	—	—	—	—	—	—	—	—	—
<b>Total operating costs (GAAP)</b>	<b>(1,647.8)</b>	<b>(1,633.0)</b>	<b>(14.8)</b>	<b>(216.6)</b>	<b>(180.2)</b>	<b>(36.4)</b>	<b>(179.6)</b>	<b>(179.6)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Goodwill impairment	1,441.7	1,441.7	—	—	—	—	—	—	—	—	—	—
Amortization of acquisition-related intangible assets	22.2	22.2	—	22.5	22.5	—	20.8	20.8	—	—	—	—
Acquisition related adjustments and costs	—	—	—	—	—	—	3.9	3.9	—	—	—	—
Discrete restructuring charges	1.7	1.7	—	0.4	0.4	—	4.8	4.8	—	—	—	—
Separation costs	2.6	0.8	1.8	0.9	0.5	0.4	—	—	—	—	—	—
Stock-based compensation modification	—	—	—	22.4	—	22.4	—	—	—	—	—	—
<b>Adjusted operating expenses (Non-GAAP)</b>	<b>\$ (179.6)</b>	<b>\$ (166.6)</b>	<b>\$ (13.0)</b>	<b>\$ (170.4)</b>	<b>\$ (156.8)</b>	<b>\$ (13.6)</b>	<b>\$ (150.1)</b>	<b>\$ (150.1)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

(a) Amounts primarily related to the stock-based compensation modification and standalone public company costs

## FREE CASH FLOW AND FREE CASH FLOW CONVERSION (UNAUDITED)

(\$ in millions)	Three Months Ended		
	December 31, 2025	September 26, 2025	December 31, 2024
<b>Operating cash flows (GAAP)</b>	\$ 101.6	\$ 138.6	\$ 160.9
Less: Purchases of property, plant & equipment (capital expenditures) (GAAP)	(10.0)	(12.0)	(14.4)
<b>Free cash flow (Non-GAAP)</b>	\$ 91.6	\$ 126.6	\$ 146.5
 <b>Adjusted net earnings (Non-GAAP)</b>	\$ 78.5	\$ 68.5	\$ 107.5
 <b>Free cash flow conversion (Non-GAAP)</b>	116.7 %	184.8 %	136.3 %
  <b>Trailing Twelve Months</b>			
<b>December 31, 2025</b>			
<b>Operating cash flows (GAAP)</b>	\$ 397.6		
Less: Purchases of property, plant & equipment (capital expenditures) (GAAP)	(39.2)		
<b>Free cash flow (Non-GAAP)</b>	\$ 358.4		
 <b>Adjusted net earnings (Non-GAAP)</b>	\$ 305.3		
 <b>Free cash flow conversion (Non-GAAP)</b>	117.4 %		

## NET LEVERAGE (UNAUDITED)

		As of	TTM
		December 31, 2025	December 31, 2025
<i>(\$ in millions)</i>			
Debt, gross		\$ 1,150.0	
Cash and equivalents per credit agreement		292.8	
<b>Net debt per credit agreement</b>		<b>\$ 857.2</b>	
 <b>Net earnings (GAAP)</b>			\$ (1,222.5)
Interest expense, net		32.3	
Income tax (benefit) expense		6.1	
Depreciation		28.6	
Amortization		86.9	
<b>EBITDA (Non-GAAP)</b>			(1,068.6)
Acquisition and divestiture related adjustments and costs		2.4	
Discrete restructuring charges		13.0	
Goodwill impairment		1,441.7	
Fortive corporate allocations		10.1	
Stock compensation expense		56.2	
Other		1.1	
<b>Adjusted EBITDA per credit agreement (Non-GAAP)</b>			\$ 455.9
 <b>Net leverage (Non-GAAP)</b>			1.9