HELIOS TECHNOLOGIES

Third Quarter 2021 Earnings

November 8, 2021

Josef Matosevic – President & CEO

Tricia Fulton – Chief Financial Officer

Tania Almond – VP, IR, Corp. Comm., & Risk Mgmt.

Safe Harbor Statement

This presentation and oral statements made by management in connection herewith that are not historical facts are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such statements. They include statements regarding current expectations, estimates, forecasts, projections, our beliefs, and assumptions made by Helios Technologies, Inc. ("Helios" or the "Company"), its directors or its officers about the Company and the industry in which it operates, and assumptions made by management, and include among other items, (i) the Company's strategies regarding growth, including its intention to develop new products and make acquisitions; (ii) the effectiveness of creating the Center of Engineering Excellence; (iii) the Company's financing plans; (iv) trends affecting the Company's financial condition or results of operations; (v) the Company's ability to continue to control costs and to meet its liquidity and other financing needs; (vi) the declaration and payment of dividends; and (vii) the Company's ability to respond to changes in customer demand domestically and internationally, including as a result of standardization. In addition, we may make other written or oral statements, which constitute forward-looking statements, from time to time. Words such as "may," "expects," "projects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words, and similar expressions are intended to identify such forward-looking statements. Similarly, statements that describe our future plans, objectives or goals also are forward-looking statements. These statements are not guaranteeing future performance and are subject to a number of risks and uncertainties. Our actual results may differ materially from what is expressed or forecasted in such forward-looking statements, and undue reliance should not be placed on such statements. All forward-looking statements are made as of the date hereof, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Factors that could cause the actual results to differ materially from what is expressed or forecasted in such forward-looking statements include, but are not limited to, (i) conditions in the capital markets, including the interest rate environment and the availability of capital; (ii) our failure to realize the benefits expected from the Balboa acquisition, our failure to promptly and effectively integrate the Balboa acquisition and the ability of Helios to retain and hire key personnel, and maintain relationships with suppliers; (iii) risks related to health epidemics, pandemics and similar outbreaks and similar outbreaks, including, without limitation, the current COVID-19 pandemic, which may among other things, adversely affect our supply chain, material costs, and work force and may have material adverse effects on our business, financial position, results of operations and/or cash flows; (iv) changes in the competitive marketplace that could affect the Company's revenue and/or cost bases, such as increased competition, lack of qualified engineering, marketing, management or other personnel, and increased labor and raw materials costs; and (v) new product introductions, product sales mix and the geographic mix of sales nationally and internationally. Further information relating to factors that could cause actual results to differ from those anticipated is included but not limited to information under the heading Item 1. "Business" and Item 1A. "Risk Factors" in the Company's Form 10-K for the year ended January 2, 2021.

Helios has presented forward-looking statements regarding non-GAAP cash EPS and Adjusted EBITDA margin. These non-GAAP financial measures are derived by excluding certain amounts, expenses or income from the corresponding financial measures determined in accordance with GAAP. The determination of the amounts that are excluded from these non-GAAP measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income recognized in a given period. Helios is unable to present a quantitative reconciliation of forward-looking non-GAAP cash EPS and Adjusted EBITDA margin to their most directly comparable forward-looking GAAP financial measures because such information is not available, and management cannot reliably predict all the necessary components of such GAAP measures without unreasonable effort or expense. In addition, the Company believes that such reconciliations would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on Helios's full year 2021 financial results. These non-GAAP financial measures are preliminary estimates and are subject to risks and uncertainties, including, among others, changes in connection with quarter-end and year-end adjustments. Any variation between Helios's actual results and preliminary financial data set forth above may be material.

This presentation includes certain historical non-GAAP financial measures, which the Company believes are useful in evaluating our performance. You should not consider the presentation of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. The Company has provided reconciliations of comparable GAAP to non-GAAP measures in tables found in the Supplemental Information portion of this presentation.

Q3 2021 Business Summary

Delivered OUTSIZED GROWTH by expanding share of current customers, WINNING new customers and DIVERSIFYING MARKETS

PROTECTED PROFITABILITY and performed well AGAINST SUPPLY CHAIN and MATERIAL COST HEADWINDS with multiple PRICING STRATEGIES

Achieved 30% ORGANIC GROWTH in the quarter driven by HIGH DEMAND, OPERATIONAL FLEXIBILITY and NEW PRODUCTS

Announced the closing for two FLYWHEEL ACQUISTIONS; one in Hydraulics segment NEM S.r.l., and one in Electronics segment JOYONWAY

Demonstrated ability to QUICKLY DE-LEVER THE BALANCE SHEET; improved net-debt-to-adjusted EBITDA leverage ratio to 2.0x(1)

RAISING REVENUE AND NON-GAAP CASH EPS expectations for 2021 and HOLDING MARGINS reflecting strong results year-to-date in continued challenging environment amidst robust demand

(1) On a pro-forma basis for Balboa Water Group and NEM S.r.l.; reflects non-GAAP measure; see supplemental slide for a reconciliation to the most comparable GAAP measure.

Q3 2021 Financial Results Highlights

($ in millions, except per share data)

$223.2
Sales

82% YoY
Unchanged QoQ

36.2%
Gross Margin

210 bps YoY
60 bps QoQ

18.2%
Operating Margin

330 bps YoY
60 bps QoQ

22.5%
Adj. Operating Margin(1)

320 bps YoY
70 bps QoQ

(1) Reflects a non-GAAP financial measure; see supplemental slide for Adjusted Operating Margin reconciliation and other important information regarding Helios's use of Adjusted Operating Margin.

Note: YoY = year-over-year | QoQ = quarter-over-quarter

Q3 2021 Financial Results Highlights

($ in millions, except per share data)

$27.8
Net Income

114% YoY
9% QoQ

$1.07
Non-GAAP Cash EPS(2)

102% YoY
11% QoQ

25.1%
Adj. EBITDA Margin(1)

170 bps YoY
60 bps QoQ

Sales

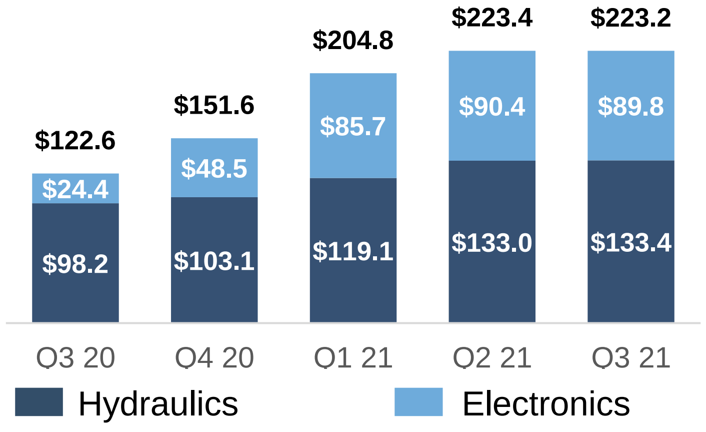
- Organic growth of 30% in the quarter driven by high demand, operational flexibility and new products
- Strong demand across all markets, in particular agriculture, construction equipment, recreation and health & wellness

(1) Reflects a non-GAAP financial measure; see supplemental slide for Adjusted EBITDA reconciliation and other important information regarding Helios's use of Adjusted EBITDA.
(2) Reflects a non-GAAP financial measure; see supplemental slide for Non-GAAP Cash Net Income reconciliation and other important information regarding Helios's use of Non-GAAP Cash Net Income and EPS.

Q3 2021 – Consolidated Results

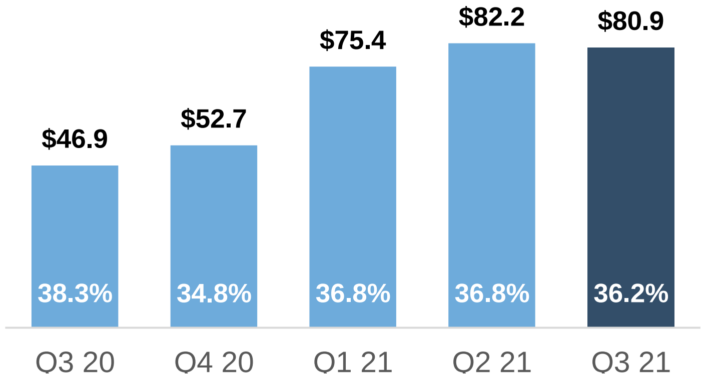
Sales

($ millions)

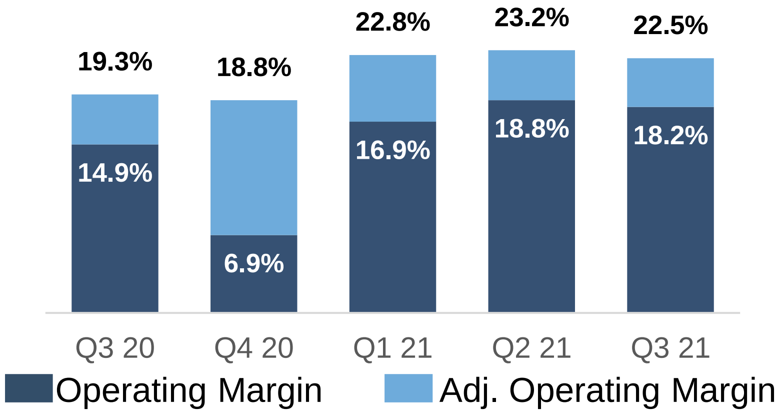


Gross Profit & Margin[1]

($ millions)

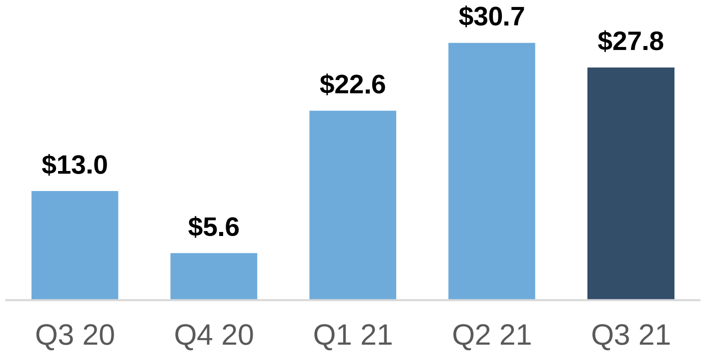


Operating / Adj. Op. Margin[3]



Net Income[2]

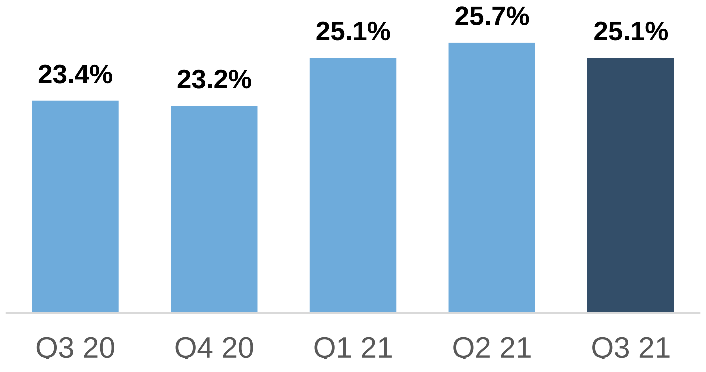
($ millions)



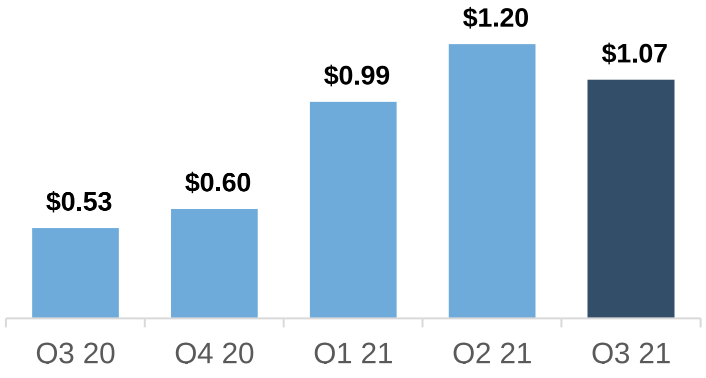
(1) Q4 2020 gross margin includes $1.9 million of inventory step-up amortization related to Balboa acquisition.
(2) Q4 2020 net income included ($7.1) million of Balboa acquisition costs.
(3) See Supplemental Information for definition of Adjusted Operating Margin, and reconciliation from GAAP and other disclaimers regarding non-GAAP information.

Q3 2021 – Consolidated Results

Adj. EBITDA Margin(1)



Non-GAAP Cash EPS(1)



Gross Profit & Margin

- Gross profit grew from higher volumes
- Gross margin impacted by difference of Balboa acquisition product profile, supply chain challenges and increased raw material and freight costs
- Offsets include manufacturing labor efficiencies and improved leverage of our fixed costs

Adjusted EBITDA Drivers

- Effective cost management initiatives
- Protected profitability with multiple pricing strategies
- Strong operating margin profile of Balboa acquisition

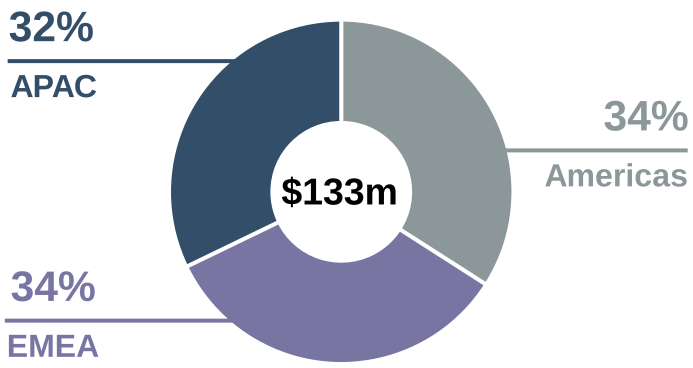
Non-GAAP Cash EPS Drivers

- On strong demand, operational efficiencies and strong performance of the Balboa acquisition

(1) See Supplemental Information for definition of Adjusted EBITDA Margin and non-GAAP Cash EPS, and reconciliation from GAAP and other disclaimers regarding non-GAAP information.

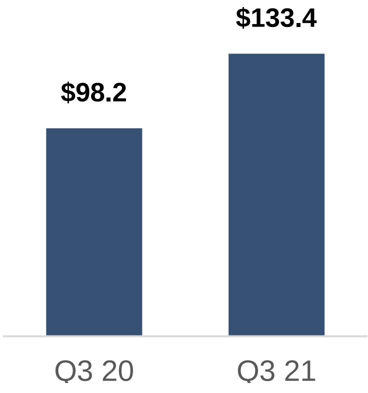
Q3 2021 – Hydraulics Segment

Q3 Sales by Region

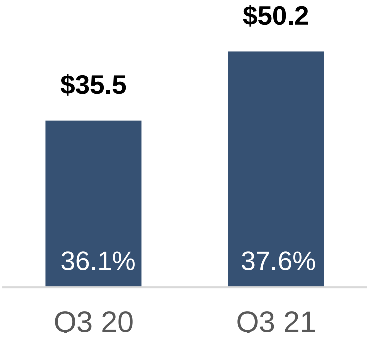


($ in millions)

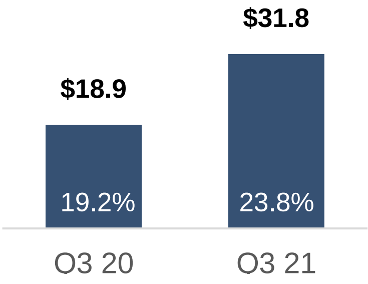
Sales



Gross Profit



Operating Income



Third Quarter Highlights

Sales Drivers

- Higher sales in all regions driven by demand from U.S. and European agriculture and construction equipment markets as well as mobile and industrial equipment markets; contributions from acquisitions of $4.7 million
- Organic revenue growth of 31% YoY

Gross Margin Drivers

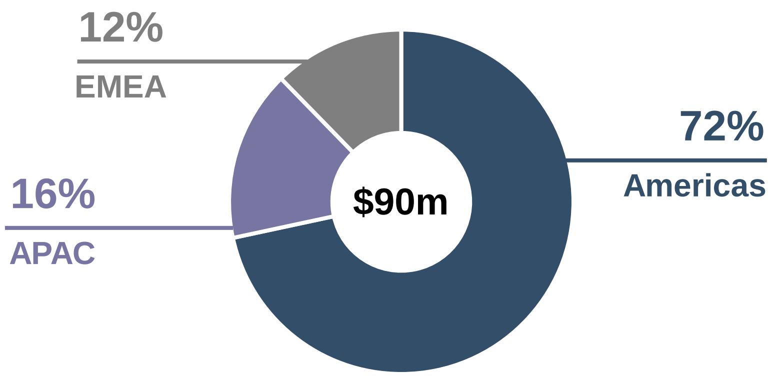
- 150 basis point improvement reflecting higher volume, production labor efficiencies and favorable sales mix
- Increased costs in freight to meet customer requirements

Operating Margin

- 460 basis point improvement driven by disciplined cost management efforts

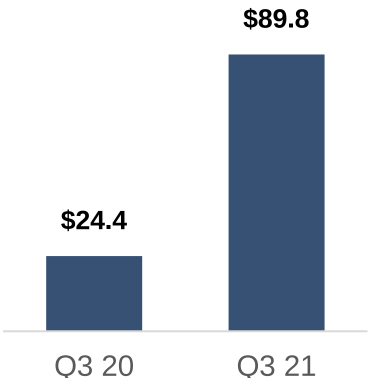
Q3 2021 – Electronics Segment

Q3 Sales by Region

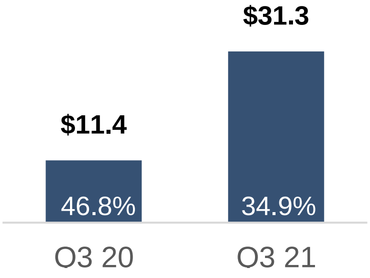


($ in millions)

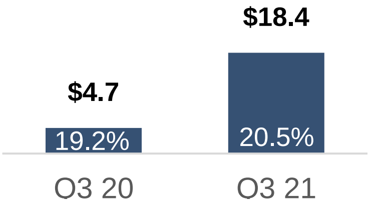
Sales



Gross Profit



Operating Income



Third Quarter Highlights

Sales Drivers

- Contributions from acquisitions of $59.0 million as well as strong demand in health & wellness and recreational markets drove 268% revenue growth despite supply chain constraints
- Organic revenue growth of 26% YoY

Gross Margin Drivers

- Reflects different business model profile of Balboa and increased costs resulting from supply chain challenges to meet strong customer demand

Operating Margin

- 130 basis point margin expansion reflects operating leverage gained with Balboa's favorable operating margin profile and higher volume in the organic business

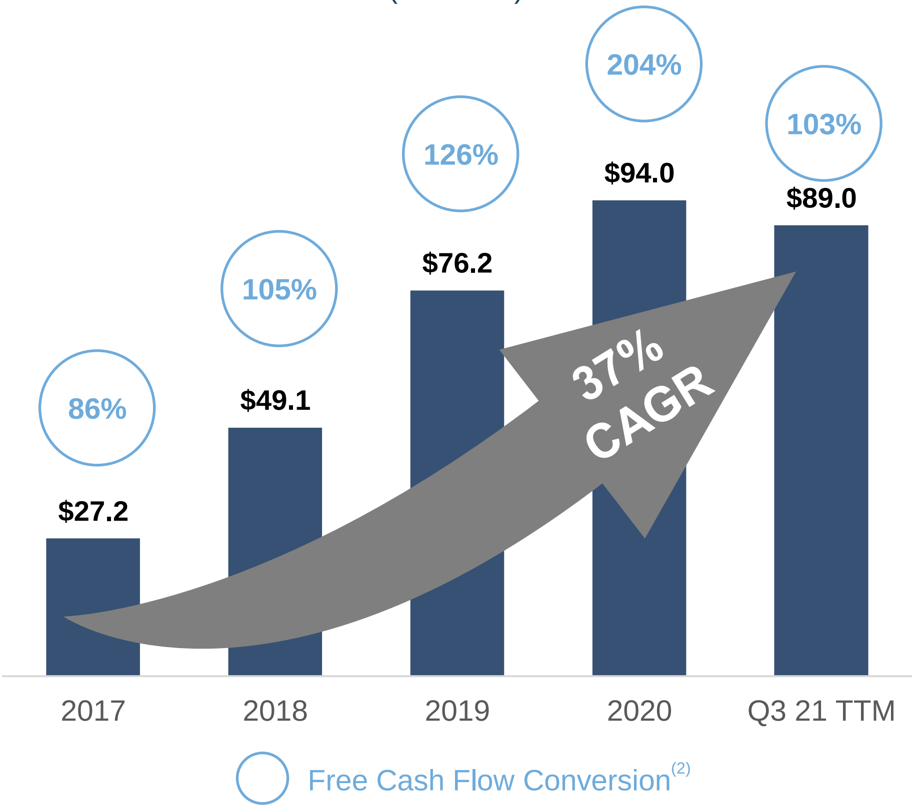
Strong Cash Flow

	Three Months Ended		YTD	
	10/2/21	9/26/20	10/2/21	9/26/20
Net cash provided by operating activities	32.5	36.7	82.0	77.0
CapEx	(6.7)	(1.9)	(17.1)	(7.2)
Free cash flow (FCF)[1]	**$25.7**	**$34.8**	**$64.9**	**$69.9**

Note: Components may not add to totals due to rounding

Free Cash Flow[1]

($ millions)



Strong cash generation and free cash flow in Q3 2021

- Higher demand drove profitability, offset by higher working capital
- Q3 2021 CapEx of $6.7 million
- Expect 2021 CapEx of $25 to $27 million

(1) Free cash flow is a non-GAAP financial measure and defined as cash provided by operating activities minus capital expenditures. 2019 Free cash flow adjusted for $10.7m contingent liability that impacted operating cash flow instead of financing; see supplemental slide for a reconciliation to the most comparable GAAP measure.
(2) Free cash flow conversion is a non-GAAP financial measure and defined as free cash flow divided by net income; in 2020 adjusted for a goodwill impairment of $31.9m in Q1 2020; see supplemental slide for a reconciliation to the most comparable GAAP measure.

Capital Structure

Capitalization		
	10/2/21	1/2/21
Cash and cash equivalents	$47.7	$25.2
Total debt	**471.2**	**462.4**
Total net debt[(1)]	**423.6**	**437.2**
Shareholders' equity	688.4	607.8
Total capitalization	**$1,159.7**	**$1,070.2**
Debt/total capitalization	40.6%	43.2%

Note: Components may not add to totals due to rounding

Financial flexibility

- Generated $32 million of operating cash flow in Q3
- Improved net debt/pro forma Adjusted EBITDA: to long-term target level of 2.0x[(2)] from 3.0x[(2)] at the end of 2020
- Generated cash to pay down debt and keep the flywheel spinning
- Ended the quarter with total liquidity of $169 million
- Paid dividends consistently for over twenty-four years

(1) Net debt is a non-GAAP financial measure and is defined as total debt less cash and cash equivalents; see supplemental slides for a reconciliation to the most comparable GAAP measure.
(2) Pro Forma for the Balboa acquisition. See supplemental slide for net debt-to-Pro Forma Adjusted EBITDA reconciliation and other important information regarding Helios's use of net debt-to-Pro Forma Adjusted EBITDA.

2021 Outlook

	Previous 2021 Guidance provided on 8/9/21	Updated 2021 Guidance	% Change at Mid-Point from Previous Guidance
Consolidated revenue	$800 - $830 million	$840 - $860 million	4%
Adjusted EBITDA	$188 - $203 million	$197 - $211 million	4%
Adjusted EBITDA margin	23.5% - 24.5%	23.5% - 24.5%	unchanged
Interest expense	$16 - $18 million	$16 - $17 million	-3%
Effective tax rate	22% - 24%	22% - 24%	unchanged
Depreciation	$22 - $23 million	$21 - $22 million	-4%
Amortization	$32 - $33 million	$32 - $33 million	unchanged
Capital expenditures % total revenue	~4% of sales	~3% of sales	-100 bps
Non-GAAP Cash EPS	$3.60 -$3.80	$3.75 -$4.10	6%

Non-GAAP Financial Measures and Non-GAAP Forward-looking Financial Measures:
The Company does not provide a reconciliation of forward-looking non-GAAP financial measures, such as adjusted EBITDA, adjusted EBITDA margin and cash net income and cash net income per diluted share disclosed above in our 2021 Outlook, to their comparable GAAP financial measures because it could not do so without unreasonable effort due to the unavailability of the information needed to calculate reconciling items and due to the variability, complexity and limited visibility of the adjusting items that would be excluded from the non-GAAP financial measures in future periods. When planning, forecasting and analyzing future periods, the Company does so primarily on a non-GAAP basis without preparing a GAAP analysis.

Note: This assumes constant currency rates, using quarter end rates, and that markets served are not further impacted by the global pandemic.

Supplemental Information

Segment Data

(Unaudited) ($ in thousands)	Three Months Ended October 2, 2021	 September 26, 2020	Nine Months Ended October 2, 2021	 September 26, 2020
Sales:				
Hydraulics	$ 133,404	$ 98,206	$ 385,549	$ 304,113
Electronics	89,837	24,439	265,950	67,309
Consolidated	$ 223,241	$ 122,645	$ 651,499	$ 371,422
Gross profit and margin:				
Hydraulics	$ 50,223	$ 35,547	$ 146,548	$ 112,695
	37.6%	*36.1%*	*38.0%*	*37.1%*
Electronics	31,277	11,396	92,473	30,817
	34.9%	*46.8%*	*34.8%*	*45.7%*
Corporate and other	(558)	-	(558)	-
Consolidated	$ 80,942	$ 46,943	$ 238,463	$ 143,512
	36.2%	*38.3%*	*36.6%*	*38.6%*
Operating income (loss) and margin:				
Hydraulics	$ 31,799	$ 18,942	$ 92,200	$ 62,413
	23.8%	*19.2%*	*23.9%*	*20.5%*
Electronics	18,445	4,683	56,324	10,400
	20.5%	*19.2%*	*21.2%*	*15.5%*
Corporate and other	(9,495)	(5,282)	(31,103)	(47,801)
Consolidated	$ 40,749	$ 18,343	$ 117,421	$ 25,012
	18.2%	*14.9%*	*18.0%*	*6.7%*

Organic and Acquired Sales

(Unaudited)	Three Months Ended March 28, 2020	Three Months Ended June 27, 2020	Three Months Ended September 26, 2020	Three Months Ended January 2, 2021	Full Year Ended January 2, 2021	Three Months Ended April 3, 2021	Three Months Ended July 3, 2021	Three Months Ended October 2, 2021	Nine Months Ended October 2, 2021
Hydraulics									
Organic	$ 103,818	$ 102,089	$ 98,206	$ 103,079	$ 407,192	$ 119,106	$ 133,039	$ 128,672	$ 380,817
Acquisition	-	-	-	-	-	-	-	4,732	4,732
Total	$ 103,818	$ 102,089	$ 98,206	$ 103,079	$ 407,192	$ 119,106	$ 133,039	$ 133,404	$ 385,549
Electronics									
Organic	$ 25,665	$ 17,205	$ 24,439	$ 22,481	$ 89,790	$ 29,459	$ 30,191	$ 30,808	$ 90,459
Acquisition	-	-	-	26,058	26,058	56,279	60,183	59,029	175,491
Total	$ 25,665	$ 17,205	$ 24,439	$ 48,539	$ 115,848	$ 85,738	$ 90,374	$ 89,837	$ 265,950
Consolidated									
Organic	$ 129,483	$ 119,294	$ 122,645	$ 125,560	$ 496,982	$ 148,565	$ 163,230	$ 159,480	$ 471,276
Acquisition	-	-	-	26,058	26,058	56,279	60,183	63,761	180,223
Total	$ 129,483	$ 119,294	$ 122,645	$ 151,618	$ 523,040	$ 204,844	$ 223,413	$ 223,241	$ 651,499

Sales by Geographic Region & Segment

(Unaudited)

2020 Sales by Geographic Region and Segment

($ in millions)

	Q1	% Change y/y	Q2	% Change y/y	Q3	% Change y/y	Q4	% Change y/y	YTD 2020	% Change y/y
Americas:										
Hydraulics	$ 37.3	*(10%)*	$ 34.2	*(17%)*	$ 27.7	*(36%)*	$ 31.3	*(14%)*	$ 130.5	*(20%)*
Electronics	21.6	*(17%)*	13.4	*(50%)*	21.4	*(11%)*	37.5	*92%*	93.9	*(2%)*
Consol. Americas	**58.9**	***(13%)***	**47.6**	***(30%)***	**49.1**	***(27%)***	**68.8**	***24%***	**224.4**	***(13%)***
% of total	*45%*		*40%*		*40%*		*45%*		*43%*	
EMEA:										
Hydraulics	$ 33.5	*(20%)*	$ 31.2	*(15%)*	$ 32.1	*1%*	$ 34.4	*11%*	$ 131.2	*(7%)*
Electronics	2.5	*0%*	1.9	*6%*	1.5	*(29%)*	4.9	*145%*	10.8	*29%*
Consol. EMEA	**36.0**	***(19%)***	**33.1**	***(14%)***	**33.6**	***(1%)***	**39.3**	***19%***	**142.0**	***(5%)***
% of total	*28%*		*28%*		*27%*		*26%*		*27%*	
APAC:										
Hydraulics	$ 33.0	*(0%)*	$ 36.7	*3%*	$ 38.4	*10%*	$ 37.4	*6%*	$ 145.5	*5%*
Electronics	1.6	*(11%)*	1.9	*12%*	1.5	*(17%)*	6.1	*221%*	11.1	*54%*
Consol. APAC	**34.6**	***(1%)***	**38.6**	***3%***	**39.9**	**9%**	**43.5**	**17%**	**156.6**	***7%***
% of total	*27%*		*32%*		*33%*		*29%*		*30%*	
Total	**$ 129.5**	***(12%)***	**$ 119.3**	***(17%)***	**$ 122.6**	***(11%)***	**$ 151.6**	***20%***	**$ 523.0**	***(6%)***

2021 Sales by Geographic Region and Segment

($ in millions)

	Q1	% Change y/y	Q2	% Change y/y	Q3	% Change y/y	YTD 2021	% Change y/y
Americas:								
Hydraulics	$ 34.3	*(8%)*	$ 41.7	*22%*	$ 45.2	*63%*	$ 121.2	*22%*
Electronics	65.0	*201%*	64.1	*378%*	64.2	*200%*	193.3	*243%*
Consol. Americas	**99.3**	***69%***	**105.8**	***122%***	**109.4**	***123%***	**314.5**	***102%***
% of total	*48%*		*47%*		*49%*		*48%*	
EMEA:								
Hydraulics	$ 43.3	*29%*	$ 46.6	*49%*	$ 44.8	*40%*	$ 134.7	*39%*
Electronics	9.3	*272%*	11.0	*479%*	11.1	*640%*	31.5	*434%*
Consol. EMEA	**52.6**	***46%***	**57.6**	***74%***	**55.9**	***66%***	**166.2**	***62%***
% of total	*26%*		*26%*		*25%*		*26%*	
APAC:								
Hydraulics	$ 41.5	*26%*	$ 44.7	*22%*	$ 43.4	*13%*	$ 129.6	*20%*
Electronics	11.4	*613%*	15.3	*705%*	14.5	*867%*	41.2	*724%*
Consol. APAC	**52.9**	***53%***	**60.0**	***55%***	**57.9**	***45%***	**170.8**	***51%***
% of total	*26%*		*27%*		*26%*		*26%*	
Total	**$ 204.8**	***58%***	**$ 223.4**	***87%***	**$ 223.2**	***82%***	**$ 651.5**	***75%***

Adjusted Operating Income Reconciliation

(Unaudited) *($ in thousands)*	Three Months Ended October 2, 2021	Three Months Ended September 26, 2020	Nine Months Ended October 2, 2021	Nine Months Ended September 26, 2020
GAAP operating income	$ 40,749	$ 18,343	$ 117,421	$ 25,012
Acquisition-related amortization of intangible assets	7,407	4,558	25,285	13,323
Acquisition and financing-related expenses	654	101	2,901	176
Restructuring charges	55	64	472	361
CEO and officer transition costs	-	622	569	2,431
Goodwill impairment	-	-	-	31,871
Inventory step-up amortization	558	-	558	-
Acquisition integration costs	845	-	1,729	-
Other	(99)	-	(99)	-
Non-GAAP adjusted operating income	$ 50,169	$ 23,688	$ 148,836	$ 73,174
GAAP operating margin	*18.2%*	*14.9%*	*18.0%*	*6.7%*
Non-GAAP adjusted operating margin	*22.5%*	*19.3%*	*22.8%*	*19.7%*

Non-GAAP Financial Measure:
Adjusted operating margin is adjusted operating income divided by sales. Adjusted operating income and adjusted operating margin are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as adjusted operating income and adjusted operating margin are important for investors and other readers of Helios's financial statements, as they are used as analytical indicators by Helios's management to better understand operating performance. Because adjusted operating income and adjusted operating margin are non-GAAP measures and are thus susceptible to varying calculations, adjusted operating income and adjusted operating income margin, as presented, may not be directly comparable to other similarly titled measures used by other companies.

Non-GAAP Cash Net Income Reconciliation

(Unaudited) *($ in thousands)*	Three Months Ended		Nine Months Ended	
	October 2, 2021	September 26, 2020	October 2, 2021	September 26, 2020
Net income	$ 27,760	$ 12,982	$ 81,042	$ 8,667
Amortization of intangible assets	7,487	4,558	25,431	13,323
Acquisition and financing-related expenses	654	101	2,901	176
Restructuring charges	55	64	472	361
CEO and officer transition costs	-	622	569	2,431
Goodwill impairment	-	-	-	31,871
Inventory Amortization Step-up	558	-	558	-
Acquisition integration costs	845	-	1,729	-
Other	(216)	(13)	481	(47)
Tax effect of above	(2,347)	(1,333)	(8,035)	(4,061)
Non-GAAP cash net income	$ 34,796	$ 16,981	$ 105,148	$ 52,721
Non-GAAP cash net income per diluted share	$ 1.07	$ 0.53	$ 3.26	$ 1.64

Non-GAAP Financial Measure:

Adjusted net income per diluted share is adjusted net income divided by diluted weighted average common shares outstanding. Cash net income per share is cash net income divided by diluted weighted average common shares outstanding. Adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share is important for investors and other readers of Helios's financial statements, as they are used as analytical indicators by Helios's management to better understand operating performance. Because adjusted net income, adjusted net income per diluted share, cash net income and cash net income per diluted share are non-GAAP measures and are thus susceptible to varying calculations, adjusted net income, adjusted net income per diluted share, cash net income, and cash net income per diluted share, as presented, may not be directly comparable to other similarly titled measures used by other companies

Adjusted EBITDA Reconciliation

(Unaudited) *($ in thousands)*	Three Months Ended October 2, 2021	Three Months Ended September 26, 2020	Nine Months Ended October 2, 2021	Nine Months Ended September 26, 2020	Twelve Months Ended October 2, 2021
Net income	$ 27,760	$ 12,982	$ 81,042	$ 8,667	$ 86,592
Interest expense, net	3,813	2,730	12,965	8,572	17,678
Income tax provision	9,488	3,380	22,870	8,224	24,475
Depreciation and amortization	12,989	8,784	41,131	25,805	55,021
EBITDA	54,050	27,876	158,008	51,268	183,766
Acquisition and financing-related expenses	654	101	2,901	176	9,989
Restructuring charges	55	64	472	361	473
CEO and officer transition costs	-	622	569	2,431	730
Goodwill impairment	-	-	-	31,871	-
Inventory step-up amortization	558	-	558	-	2,432
Acquisition integration costs	845	-	1,729	-	1,985
Other	(216)	(13)	481	(47)	482
Adjusted EBITDA	$ 55,946	$ 28,650	$ 164,718	$ 86,060	$ 199,857
Adjusted EBITDA margin	*25.1%*	*23.4%*	*25.3%*	*23.2%*	*24.9%*
Balboa Water Group & NEM pre-acquisition adjusted EBITDA					7,502
TTM Pro forma adjusted EBITDA					$ 207,359

Non-GAAP Financial Measure:

Adjusted EBITDA margin is Adjusted EBITDA divided by sales. Adjusted EBITDA and Adjusted EBITDA margin are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as Adjusted EBITDA and Adjusted EBITDA margin are important for investors and other readers of Helios's financial statements, as they are used as analytical indicators by Helios's management to better understand operating performance. Because Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP measures and are thus susceptible to varying calculations, Adjusted EBITDA and Adjusted EBITDA margin, as presented, may not be directly comparable to other similarly titled measures used by other companies.

Free Cash Flow Reconciliation

(Unaudited) *($ in thousands)*	2017	2018	2019	2020	Q3 2021 TTM
Net cash provided by operating activities	$ 49,382	$ 77,450	$ 90,480	$ 108,556	$ 113,514
Contingent consideration payment in excess of acquisition date fair value	-	-	10,731	-	-
Adjusted net cash provided by operating activities	49,382	77,450	101,211	108,556	113,514
Capital expenditures	22,205	28,380	25,025	14,580	24,479
Adjusted Free cash flow	$ 27,177	$ 49,070	$ 76,186	$ 93,976	$ 89,035
Net income	31,558	46,730	60,268	14,218	86,593
Goodwill impairment	-	-	-	31,871	-
Net income, less goodwill impariment	$ 31,558	$ 46,730	$ 60,268	$ 46,089	$ 86,593
Free cash flow conversion	86%	105%	126%	204%	103%

Non-GAAP Financial Measure:

Adjusted net cash provided by operating activities is net cash provided by operating activities less contingent consideration payment in excess of acquisition date fair value. Free cash flow is net cash provided by operating activities less capital expenditures. Adjusted free cash flow is adjusted net cash provided by operating activities less capital expenditures. Each of these measures has not been determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing this non-GAAP information is important for investors and other readers of Helios's financial statements, as they are used as analytical indicators by Helios's management to better understand our liquidity. Because these are non-GAAP measures, they are susceptible to varying calculations, and as presented, may not be directly comparable to other similarly titled measures used by other companies.

Net Debt to Adjusted EBITDA Reconciliation

(Unaudited) *($ in thousands)*		As of October 2, 2021
Current portion of long-term non-revolving debt, net	$	15,368
Revolving lines of credit		277,347
Long-term non-revolving debt, net		178,534
Total debt		471,249
Less: Cash and cash equivalents		47,687
Net debt	$	423,562
TTM Pro forma adjusted EBITDA*	$	207,359
Ratio of net debt to TTM pro forma adjusted EBITDA		2.04

*On a pro-forma basis for Balboa Water Group and NEM

Non-GAAP Financial Measure:

Net debt is total debt minus cash and cash equivalents. Net debt-to-Adjusted EBITDA is net debt divided by Adjusted EBITDA. Net debt and net debt-to-Adjusted EBITDA are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as net debt and net debt-to-Adjusted EBITDA are important for investors and other readers of Helios's financial statements, as they are used as analytical indicators by Helios's management to better understand operating performance. Because net debt and net debt-to-Adjusted EBITDA are non-GAAP measures and are thus susceptible to varying calculations, net debt and net debt-to-Adjusted EBITDA, as presented, may not be directly comparable to other similarly titled measures used by other companies.

AUGMENTING STRATEGY
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Third Quarter 2021 Earnings

November 8, 2021

Josef Matosevic – President & CEO

Tricia Fulton – Chief Financial Officer

Tania Almond – VP, IR, Corp. Comm., & Risk Mgmt.