HELIOS® TECHNOLOGIES

AUGMENTING STRATEGY ADVANCING TECHNOLOGIES ACCELERATING GROWTH

THIRD QUARTER 2023 EARNINGS

NOVEMBER 2, 2023

JOSEF MATOSEVIC, PRESIDENT & CEO | SEAN BAGAN, CFO | TANIA ALMOND, VP OF IR & CORP. COMM.

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 Centers of 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 the cyclical nature of our business and the 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) the Company's ability to respond to global economic trends and changes in customer demand domestically and internationally, including as a result of standardization and the cyclical nature of our business, which can adversely affect the demand for capital goods; (ii) supply chain disruption and the potential inability to procure goods; (iii) conditions in the capital markets, including the interest rate environment and the availability of capital; (iv) inflation (including hyperinflation) or recession; (v) 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; (vi) risks related to health epidemics, pandemics and similar outbreaks, 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; (vii) risks related to our international operations, including the potential impact of the ongoing conflict in Ukraine and the Middle East; and (viii) new product introductions, product sales mix and the geographic mix of sales nationally and internationally; (ix) our failure to realize the benefits expected from acquisitions, our failure to promptly and effectively integrate acquisitions and the ability of Helios to retain and hire key personnel, and maintain relationships with suppliers. 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 December 31, 2022 filed with the Securities and Exchange Commission on February 28, 2023.

Helios has presented forward-looking statements regarding non-GAAP measures. Helios believes that providing these specific Non-GAAP figures are important for investors and other readers of Helios financial statements, as they are used as analytical indicators by Helios management to better understand operating performance. 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. You should not consider the inclusion of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and the related additional information provided throughout. Because these metrics are Non-GAAP measures and are thus susceptible to varying calculations, these figures, as presented, may not be directly comparable to other similarly titled measures used by other companies.

This presentation also presents forward-looking statements regarding Non-GAAP measures, including Adjusted EBITDA, Adjusted EBITDA margin, cash net income and cash net income per diluted share. The Company is unable to present a quantitative reconciliation of these forward-looking Non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because such information is not available, and management cannot reliably predict 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 the Company's 2023 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 the Company's actual results and preliminary financial data set forth above may be material.

Q3 2023 BUSINESS SUMMARY

NAVIGATING HEADWINDS YoY Hydraulics revenue +1% and Electronics segment (9%); QoQ Hydraulics revenue (13%) and Electronics (8%) reflecting **SWIFT CHANGE IN DEMAND** driven by macroeconomic conditions influencing customer behavior across multiple end markets

PROTECTING THE BUSINESS Executing plans to control overhead expenses while continuing to advance low-cost operations and regional centers of excellence to gain further efficiencies

INVESTING FOR THE FUTURE in operating expense (SEA) to integrate flywheel acquisitions, Centers of Excellence, segment manufacturing roadmap projects, and product development

REVISING 2023 OUTLOOK reflecting swift demand shifts driven by macroeconomic and geopolitical environment

STAYING THE COURSE looking beyond near-term challenges **STRATEGY REMAINS INTACT**; well positioned with innovative products and software, expanded end markets, and regionalized capacity to drive longer-term growth

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

STRATEGIC INVESTMENTS MADE OVER THE LAST SEVERAL YEARS

1 — Product Innovation

Helios continues to be a leading innovator introducing many new products leveraging its strengths across both Hydraulics and Electronics

2 — Acquisitions

Helios is enhancing its technology, expanding end markets, deepening geographic reach, adding talent and strengthening its global facility footprint via acquisitions

3 — Capacity

Helios is bringing ~200,000 square feet of capacity online to meet demand from OEMs and further enable its manufacturing capabilities as a competitive advantage

4 — Regional Structure

Helios is maximizing quality and efficiency for our customers with an ‘In the region for the region’ approach anchored by regional Centers of Excellence

5 — Systems / Software

Helios is leveraging open-source software along with its new patented remote field service platform to create a recurring revenue stream (SaaS)

Helios has been Investing Over the Last Several Years Through a Challenging Macro Environment to be Ready When the Market Turns to Drive Leverage Across Both the Top and Bottom Lines

STRATEGIC INVESTMENTS IN CAPACITY TO MEET FUTURE DEMAND

Opened: New capacity in India @ Faster

Adds ~22,000 sq. ft. to double the size of this location

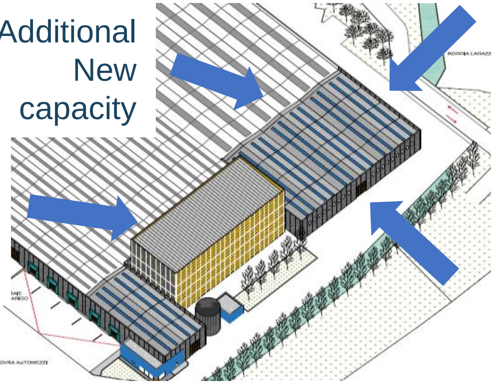
Opened: Automated Warehouse in Italy @ Faster

Adds 22,600 sq. feet of floor space in the existing building that can be used for manufacturing

In Process: New capacity in Italy @ Faster

Additional New capacity

Newly opened Automated Warehouse



Adds 30,000 sq. ft. for production and another 10,000 sq. ft. for offices related to production

STRATEGIC INVESTMENTS IN CAPACITY TO MEET FUTURE DEMAND

Complete: New Hydraulic Valve and Coupling Solutions Center of Excellence in Sarasota @ Sun

Transforming ~27,000 existing sq. ft. - moving out equipment to Indiana and in equipment from (Faster) Ohio

Nearing Completion: New Hydraulic Manifold Solutions Center of Excellence in Indiana @ Daman

Adding 50,000 sq. ft. to the existing 72,000 sq. ft. - moving in equipment from (Sun) Sarasota

In Progress: New capacity expansion in Tijuana, Mexico @ Balboa

Adding 68,000 sq. ft. to the existing 198,000 sq. ft.

Q3 2023 FINANCIAL RESULTS HIGHLIGHTS

($ in millions, except per share data)

$201.4

Sales

-3% YoY

-12% QoQ

Sales

- YoY sales were impacted by reduced demand for products in our mobile, marine, industrial, and health and wellness markets
- QoQ swift declines in demand across mobile, agriculture, marine, industrial, and health and wellness markets
- Acquisitions added $13.3 million
- Supply chain constraints delayed an estimated $11.2 million in sales
- Sales in the Americas were up slightly while there was a 9% decline in Europe, the Middle East and Africa (“EMEA”) and a 4% decline Asia Pacific ("APAC”)

29.6%

Gross Margin

-380 bps YoY

-370 bps QoQ

Gross Profit & Margin

- YoY gross profit and margin: gross profit was down 14% with gross margin down 380 bps which declined primarily on lower volume, the different margin profile of acquired businesses, restructuring costs, and higher wage and benefit costs partially offset by pricing and FX benefit
- QoQ gross profit and margin: gross profit decreased 21% QoQ with gross margin down 370 bps

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

Q3 2023 FINANCIAL RESULTS HIGHLIGHTS

($ in millions, except per share data)

6.9%
Operating Margin

-790 bps YoY

-610 bps QoQ

13.7%
Adj. Operating Margin(1)

-670 bps YoY

-480 bps QoQ

Operating Expenses

- SEA dollars declined slightly QoQ; YoY increased 19% compared to the prior-year period, driven by acquisitions, integration, and higher wage and benefit costs, new hires for investments primarily in engineering, sales and corporate activities, along with increased R&D investment for new product development
- Amortization of intangible assets increased 21% to $8.2 million YoY reflecting the Company's flywheel acquisitions
- Net interest expense: $8.7 million in the quarter up $4.6 million YoY due to rising interest rates and average net debt balance increases related to acquisitions

Operating Income and Margin

- YoY operating income and margin declined reflecting reduced revenues and increased SEA investments
- QoQ operating income contracted 53% while operating margin declined 610 basis points

(1) Reflects a non-GAAP financial measure; see supplemental slides for reconciliation of Adjusted Operating Margin and other important information regarding Helios' use of non-GAAP financial measures.
Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

Q3 2023 FINANCIAL RESULTS HIGHLIGHTS

($ in millions, except per share data)

$3.5

Net Income

-83% YoY

-79% QoQ

17.7%

Adj. EBITDA Margin[(1)]

-550 bps YoY

-430 bps QoQ

$0.11

Diluted GAAP EPS

-83% YoY

-78% QoQ

$0.44

Diluted Non-GAAP Cash EPS[(1)]

-51% YoY

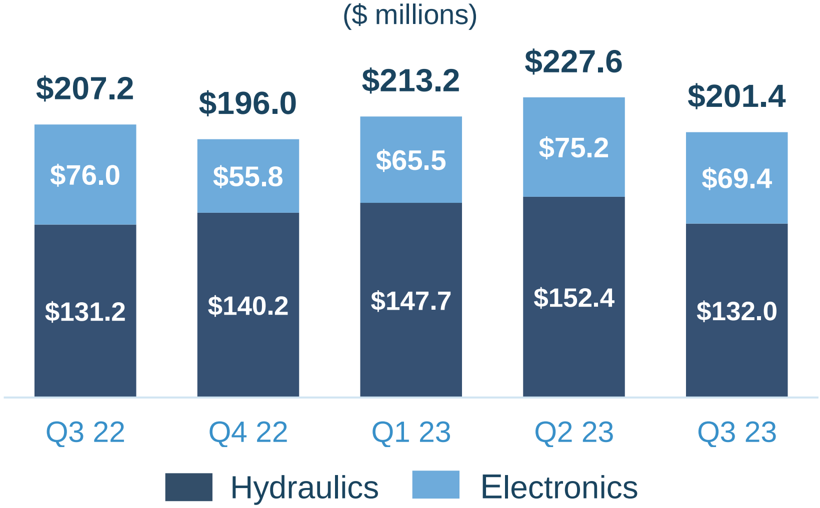
-46% QoQ

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

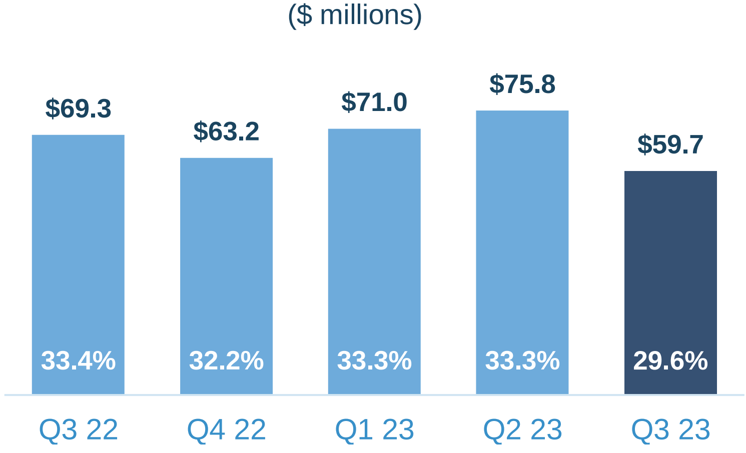
Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

Q3 2023 CONSOLIDATED RESULTS

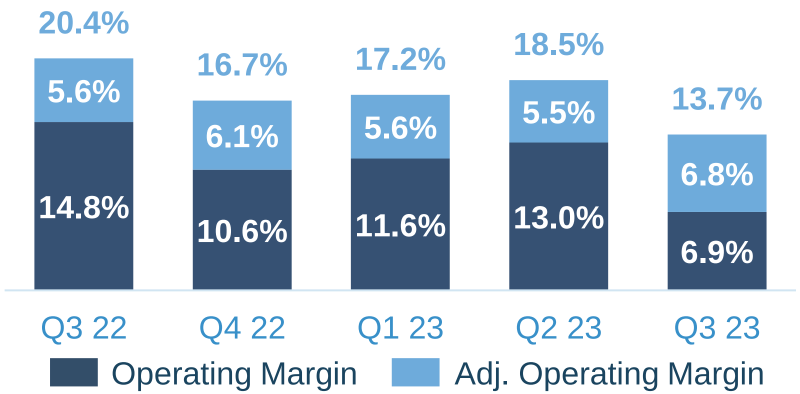
Sales



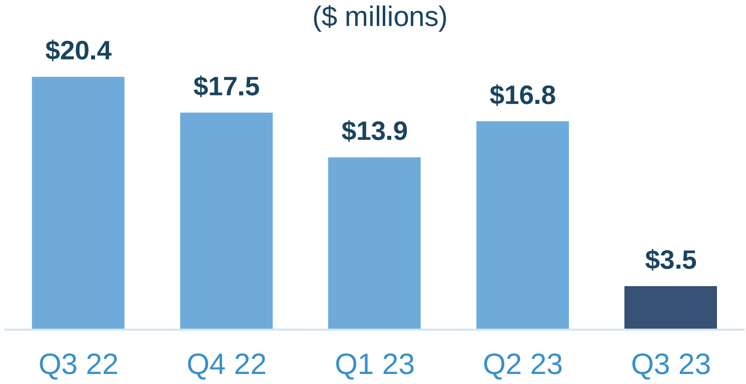
Gross Profit & Margin



Operating / Adj. Op. Margin(1)

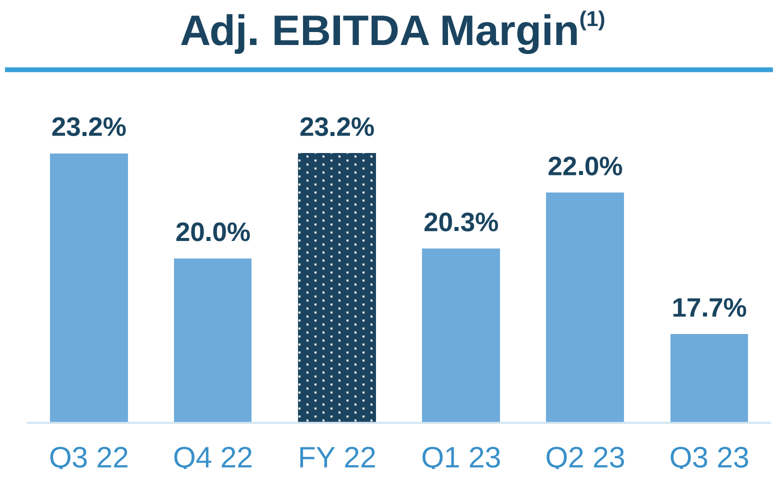


Net Income



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

Q3 2023 CONSOLIDATED RESULTS

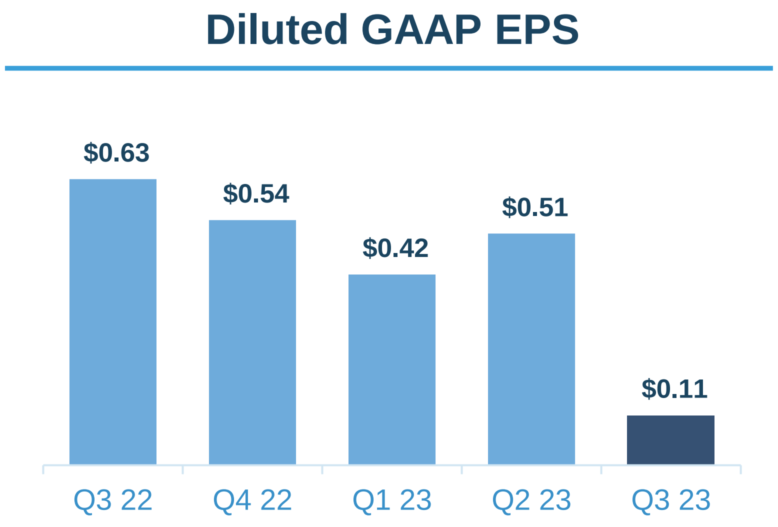


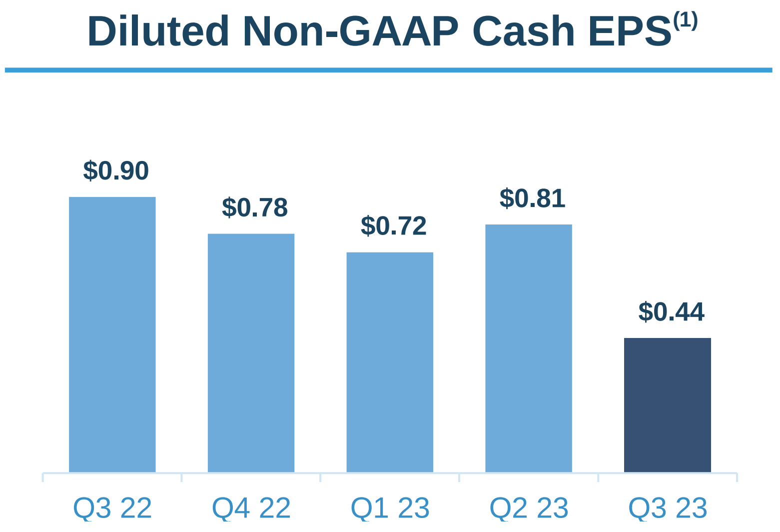
Adjusted EBITDA Margin Drivers

- Adjusted EBITDA margin down QoQ 430 basis points at 17.7% in Q3 reflecting items discussed while investing for future growth

Diluted Earnings Drivers

- Tailwinds: manufacturing and operating strategy efficiencies
- Headwinds: swiftly changing macro impacting volumes, inflation, supply chain constraints, higher interest rates, tax rates, geopolitical environment



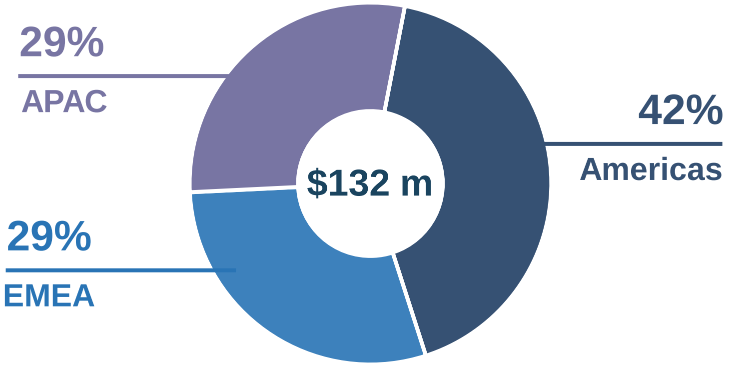


(1) See Supplemental Information for definition of Adjusted EBITDA Margin and Diluted non-GAAP Cash EPS, and reconciliation from GAAP and other disclaimers regarding non-GAAP information.

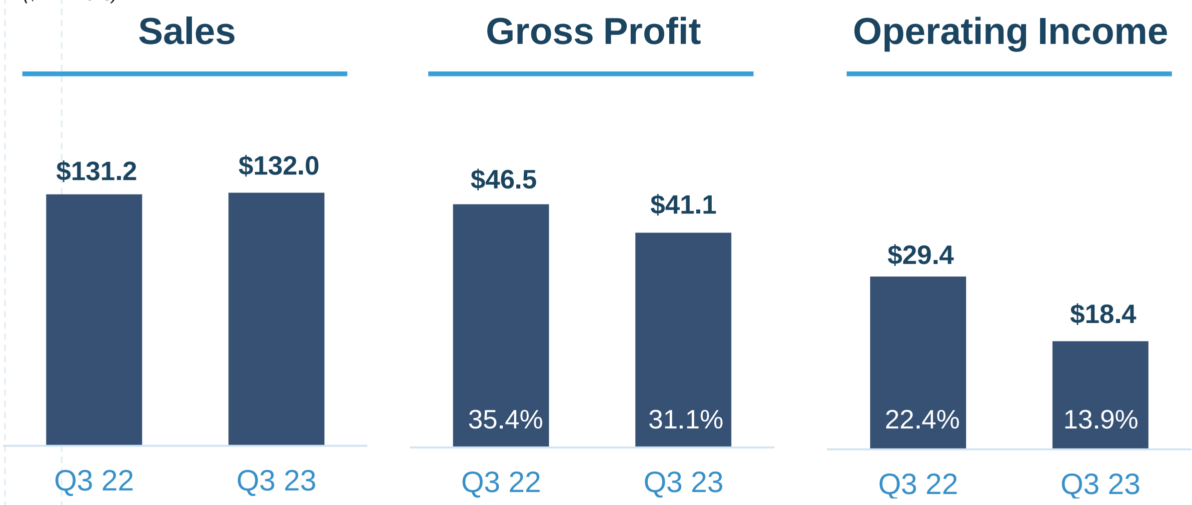
Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

Q3 2023 – HYDRAULICS SEGMENT

Q3 Sales by Region



($ in millions)



Third Quarter Highlights

Sales Drivers

- Sales up 1% YoY driven by sales to the Americas and some pricing; sales declined to the mobile, industrial and agricultural end markets
- Sales down 13% QoQ driven by swift changes in the mobile, agriculture, and industrial end markets
- Acquisitions added $11.0 million
- FX favorable impact of $2.2 million; supply chain constraints delayed an estimated $7.8 million in sales

Gross Profit and Margin Drivers

- Gross profit and margin decreased YoY resulting from lower volume, the different margin profile of acquired businesses, restructuring costs, and higher wage and benefit costs partially offset by improved price and efficiencies
- Restructuring costs in the third quarter of 2023 higher by $1.7 million compared to third quarter 2022 related to manufacturing relocation

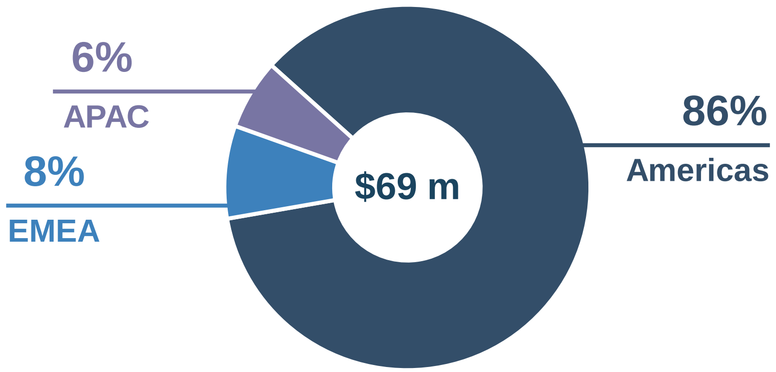
Operating Income and Margin Drivers

- SEA expenses increased $5.6 million YoY to $22.7 million, driven by acquisitions, higher labor and operating costs, and higher R&D investments
- 850 basis point impact on operating margin reflects the above gross profit and SEA drivers

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

Q3 2023 – ELECTRONICS SEGMENT

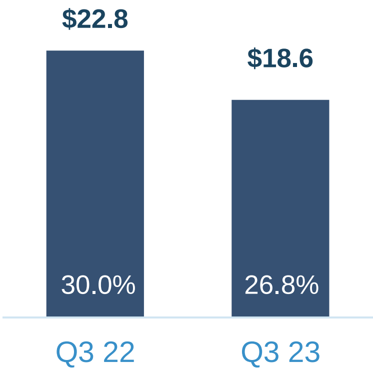
Q3 Sales by Region



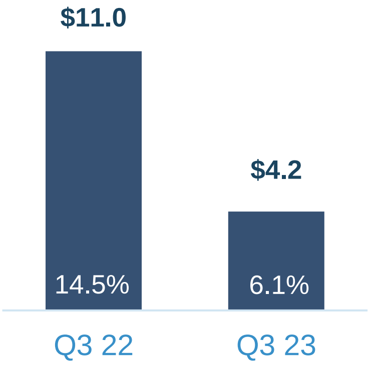
($ in millions)

Sales

Gross Profit



Operating Income



Third Quarter Highlights

Sales Drivers

- Sales down 9% YoY driven by sales declines in the Americas and EMEA partially offset by growth in APAC. YoY end market declines driven by health and wellness, marine, and industrial machinery markets partially offset by growth in off-road vehicles market
- Sales down 8% QoQ driven by sharp decline in marine market along with declines in health and wellness, industrial and mobile
- Acquisitions added $2.3 million
- Supply chain constraints delayed estimated $3.4 million in sales

Gross Profit and Margin Drivers

- Gross profit and margin decreased YoY resulting from decreased volume, higher material costs, and restructuring costs partially offset by improved price, and efficiencies

Operating Income and Margin Drivers

- SEA expenses increased $2.6 million YoY primarily from acquisitions, wages and benefits, investments in engineering, and R&D costs for new product development activities

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

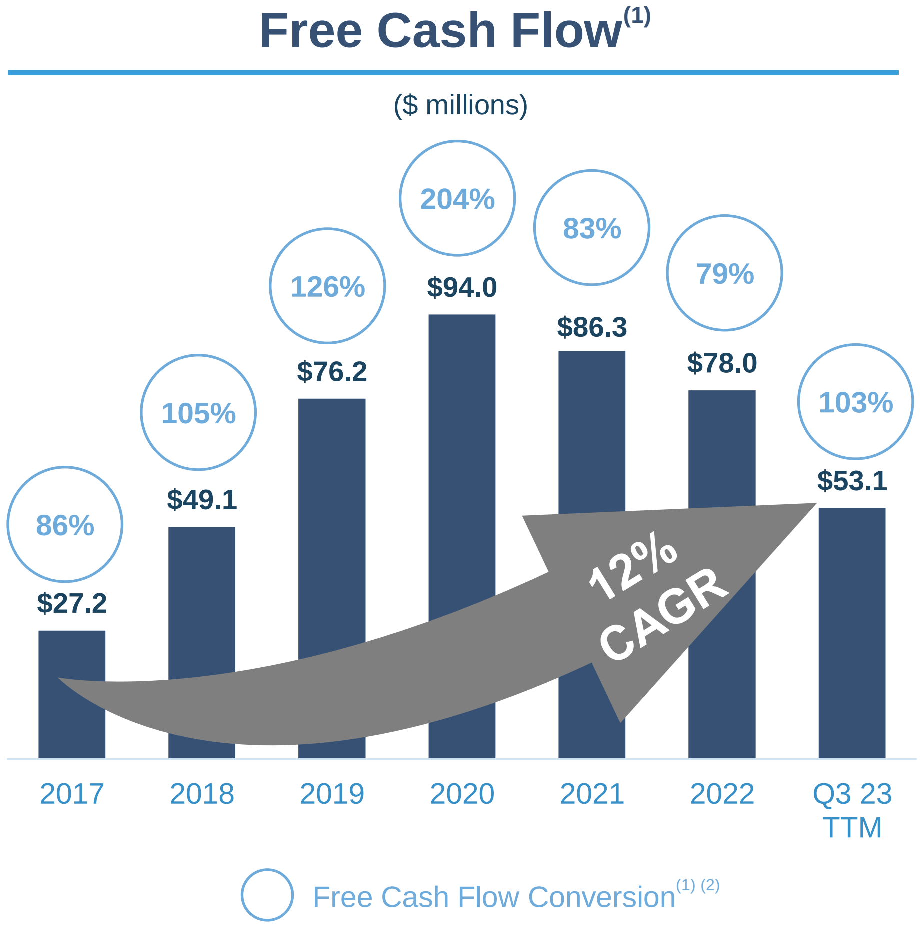
CASH FLOW

($ in millions)

	Three Months Ended	
	9/30/23	10/1/22
Adjusted net cash provided by operating activities	$11.8	$30.0
CapEx	(5.9)	(8.5)
Free cash flow (FCF)[1]	**$5.9**	**$21.5**

Cash generation and free cash flow

- Capex of $5.9M supporting strategic investments
- Cash and cash equivalents ending 3Q23 of $35.2M
- Q3 2023 TTM (trailing twelve months) free cash flow conversion[2] was 103% compared with 79% in FY 2022



(1) Free cash flow and free cash flow conversion are non-GAAP financial measures; 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.

CAPITAL STRUCTURE

Capital Deployment Priorities

1. Organic Investment
2. Dividend
3. Acquisitions

($ in millions)

Capitalization

	9/30/23	10/1/22
Cash and cash equivalents	$35.2	$36.8
Total debt	544.5	457.5
Total net debt[(1)]	509.3	420.7
Shareholders' equity	842.0	751.4
Total capitalization	$1,386.5	$1,208.9
Debt/total capitalization	39.3%	37.8%

Financial Flexibility

- Cash and cash equivalents relatively flat from prior year
- Generated $14.5 million of Adjusted operating cash flow in Q3
- Net debt/pro forma Adjusted EBITDA of 2.98x[(2)]
- Company expects to spend between 4% to 5% of sales in capital investments in 2023 – 3Q23 Capex was 3% of sales
- Ended the quarter with total liquidity of $218.5 million
- Paid dividends consistently for 107 sequential quarters or over 26 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 Schultes, and i3 Product Development acquisitions. See supplemental slide for net debt-to-Pro Forma Adjusted EBITDA reconciliation and other important information regarding Helios' use of net debt-to-Pro Forma Adjusted EBITDA.

UPDATING FULL YEAR 2023 OUTLOOK

Total Company Sales

$ in Millions

Lowered to

$820M to **$835M**

Down mid single digits relative to 2022 of $885M

Segment Sales

$ in Millions

Hydraulics
$555M to $565M
Up low single digits relative to 2022 of $551M

Electronics
$265M to $270M
Down low twenties relative to 2022 of $334M

Diluted Non-GAAP Cash EPS (1, 2)

Lowered to

$2.17 to **$2.39**

Down low to mid forties relative to 2022 of $4.03

Adjusted EBITDA Margin(2)

% of Sales

Lowered to

18.5% to **20.0%**

Down 320 – 470 bps relative to 2022 of 23.2%

Q4 Outlook Assumptions

- Distributor & OEM channel inventory levels remain elevated
- Order push-outs received from OEM customers across many end markets
- All North America & Asia capacity expansion projects essentially completed
- Changes in assumption versus previous outlook:
  - Lower absorption on elevated manufacturing costs
  - Higher tax rate on geographic mix of income
  - Interest expense trending higher on escalating interest rates
  - Foreign exchange headwinds
  - Geopolitical conflicts

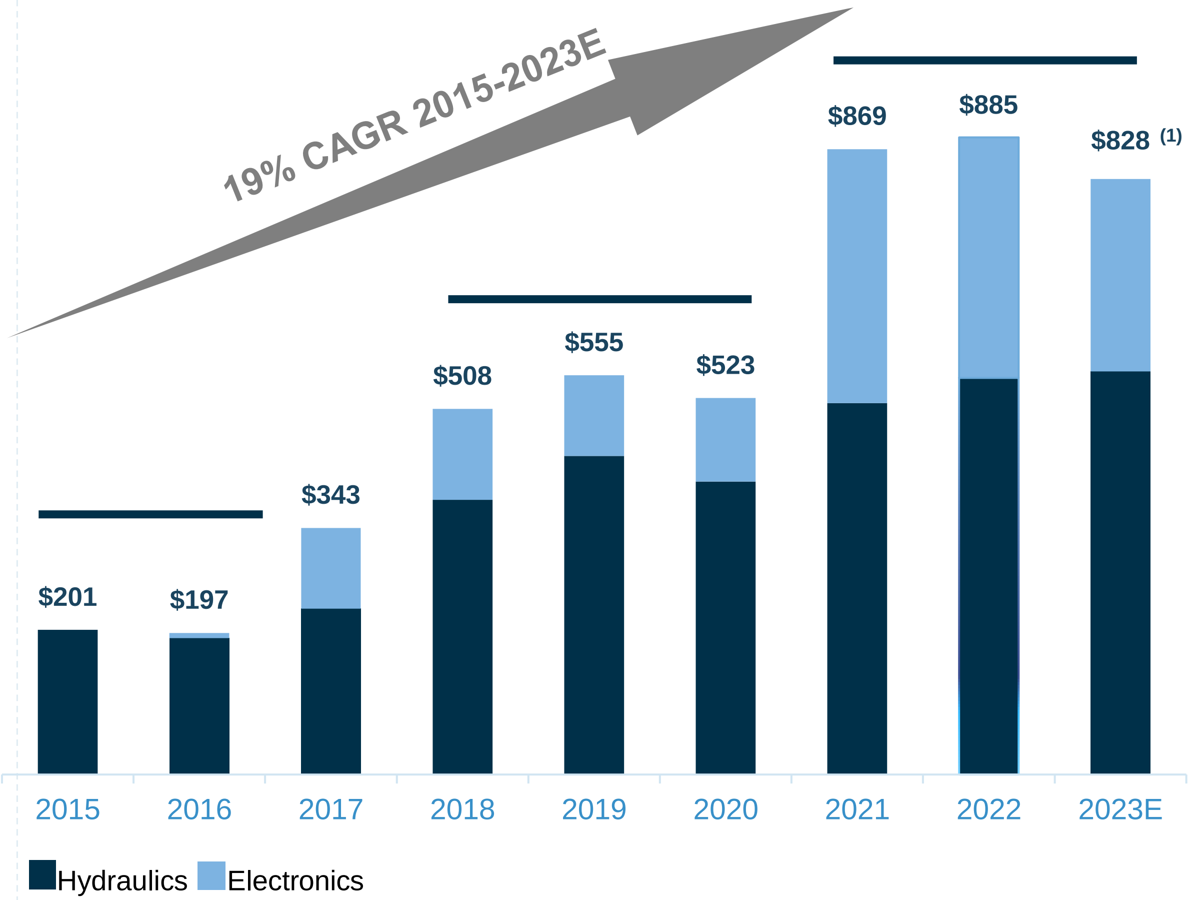
Other Key Metrics

Key Metric	Previous FY2023 Outlook	Updated FY2023 Outlook
Net Income	$65 - $66 million	$35 - $39 million
Adjusted EBITDA	$187 - $196 million	$152 - $167 million
Interest Expense	$30 - $32 million	$31 - $32 million
Effective Tax Rate	21% - 23%	23% - 24%
Depreciation	$31 - $33 million	$31 - $32 million
Amortization	$33 - $35 million	$34 - $35 million
Capital Expenditures % Sales	3% - 5%	4% - 5%
Diluted EPS	$1.96 - $2.00	$1.07 - $1.17

(1) Reflects a non-GAAP financial measure; see supplemental slide for reconciliation and other important information regarding Helios' use of non-GAAP financial measures.
(2) See Supplemental Information for definition of Adjusted EBITDA Margin and Diluted non-GAAP Cash EPS, and reconciliation from GAAP and other disclaimers regarding non-GAAP information.
Adjusted EBITDA, Adjusted EBITDA margin and Diluted Non-GAAP Cash EPS represent non-GAAP financial measures. The Company has presented the comparable GAAP figures in the table above. For 2023 Outlook, Adjusted EBITDA excludes an estimated $15 million to $18 million of costs for restructuring activities and acquisition related costs including integration. For 2023 Outlook, Diluted non-GAAP Cash EPS excludes an estimated $1.10 to $1.21 per diluted share of costs primarily for amortization, restructuring activities, acquisition related costs including integration and the related tax impact on these items.

BUILDING ON A STRONG FOUNDATION OF STEP LEVEL GROWTH

Our Performance & Current View



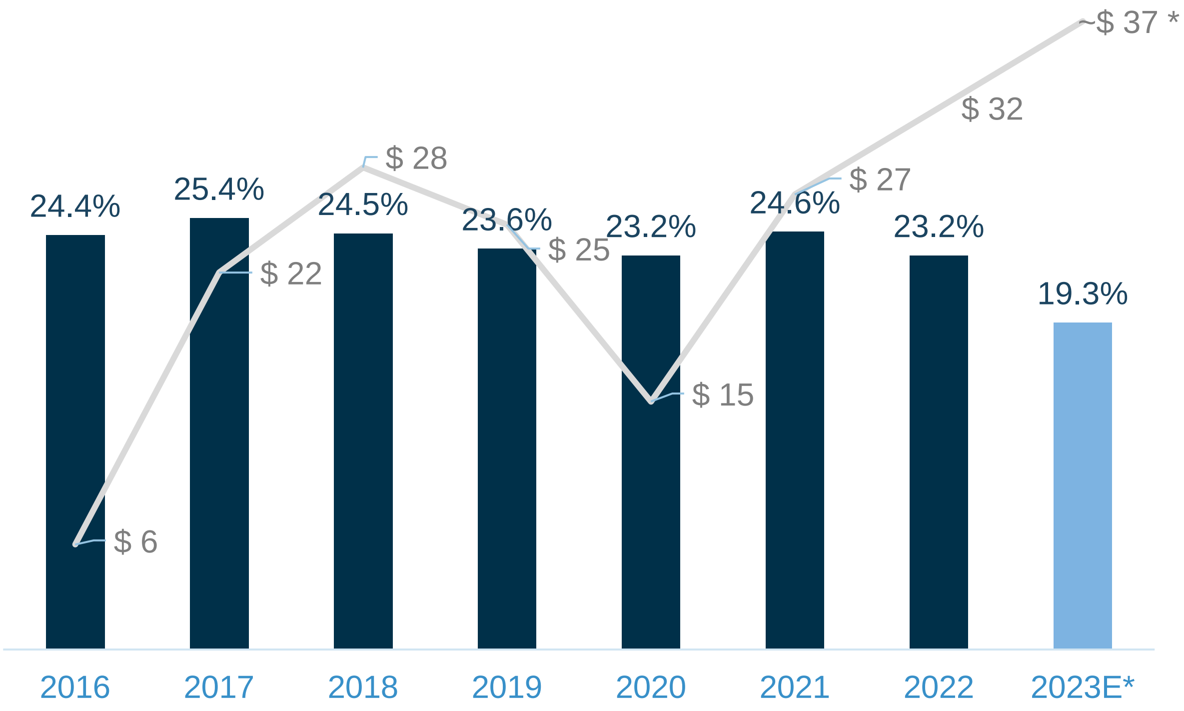
(1) 2023E Mid-Point of FY2023 Outlook provided November 2, 2023

Highlights

- Transitioning from a holding company to an integrated operating company
- Growing the top line while diversifying the business and markets
- Leveraging regional manufacturing Centers of Excellence in the region for the region, optimized for our customers
- Investing in manufacturing capacity to support future customer demand for new solutions
- Acquiring to strategically fill in technology gaps, geographic white spaces, and expand end markets
- Progressing several OEM opportunities through the sales funnel that could be top 20 customers over the coming years

MAINTAINING HEALTHY MARGINS WHILE INVESTING FOR GROWTH

Historic / Projected Capex & Adj. EBITDA Margin(1)



Bars = Adj. EBITDA margin Line = Capex

Highlights

- Integrating manufacturing operations and opening regional Centers of Excellence to position for long term growth
- Leveraging shared global supply chains and low-cost locations
- Utilizing capacity to achieve manufacturing footprint leverage
- Driving continuous Kaizen manufacturing process improvements
- Targeting capital investments to maximize efficiency with the latest technology and prepare for future customer demand

(1) Reflects a non-GAAP financial measure; see supplemental slide for Adjusted EBITDA margin reconciliation.
* 2023E Capex and Adjusted EBITDA margin is the mid-point of our guidance ranges issued on November 2, 2023.

SUPPLEMENTAL INFORMATION

SEGMENT DATA

(Unaudited)

($ in millions)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Sales:				
Hydraulics	$ 132.0	$ 131.2	$ 432.1	$ 411.1
Electronics	69.4	76.0	210.1	278.3
Consolidated	$ 201.4	$ 207.2	$ 642.2	$ 689.4
Gross profit and margin:				
Hydraulics	$ 41.1	$ 46.5	$ 140.7	$ 146.8
	31.1%	*35.4%*	*32.6%*	*35.7%*
Electronics	18.6	22.8	65.8	88.4
	26.8%	*30.0%*	*31.3%*	*31.8%*
Consolidated	$ 59.7	$ 69.3	$ 206.5	$ 235.2
	29.6%	*33.4%*	*32.2%*	*34.1%*
Operating income (loss) and margin:				
Hydraulics	$ 18.4	$ 29.4	$ 73.3	$ 92.1
	13.9%	*22.4%*	*17.0%*	*22.4%*
Electronics	4.2	11.0	23.8	51.8
	6.1%	*14.5%*	*11.3%*	*18.6%*
Corporate and other	(8.8)	(9.6)	(29.1)	(27.3)
Consolidated	$ 13.8	$ 30.7	$ 68.0	$ 116.6
	6.9%	*14.8%*	*10.6%*	*16.9%*

ORGANIC AND ACQUIRED SALES

(Unaudited)
($ in millions)

	Three Months Ended				Full Year Ended	Three Months Ended			Nine Months Ended
	April 2, 2022	July 2, 2022	October 1, 2022	December 31, 2022	December 31, 2022	April 1, 2023	July 1, 2023	September 30, 2023	September 30, 2023
Hydraulics									
Organic	$ 130.7	$ 137.1	$ 129.1	$ 132.0	$ 528.9	$ 134.0	$ 137.2	$ 121.0	$ 392.2
Acquisition	6.4	5.7	2.1	8.2	22.4	13.7	15.2	11.0	39.9
Total	$ 137.1	$ 142.8	$ 131.2	$ 140.2	$ 551.3	$ 147.7	$ 152.4	$ 132.0	$ 432.1
Electronics									
Organic	$ 102.7	$ 97.9	$ 75.2	$ 55.8	$ 331.6	$ 65.5	$ 74.0	$ 67.1	$ 206.6
Acquisition	0.8	1.0	0.7	-	2.5	-	1.2	2.3	3.5
Total	$ 103.4	$ 98.9	$ 75.9	$ 55.8	$ 334.1	$ 65.5	$ 75.2	$ 69.4	$ 210.1
Consolidated									
Organic	$ 233.4	$ 235.0	$ 204.3	$ 187.8	$ 860.5	$ 199.5	$ 211.2	$ 188.1	$ 598.8
Acquisition	7.2	6.6	2.9	8.2	24.9	13.7	16.4	13.3	43.4
Total	$ 240.5	$ 241.7	$ 207.2	$ 196.0	$ 885.4	$ 213.2	$ 227.6	$ 201.4	$ 642.2

Note: Revenue is considered to be acquisition related until the acquisition has been included in the Company's financial results for one full year.

SALES BY GEOGRAPHIC REGION & SEGMENT

(Unaudited)

2022 Sales by Geographic Region and Segment

($ in millions)

	Q1	% Change y/y	Q2	% Change y/y	Q3	% Change y/y	Q4	% Change y/y	2022	% Change y/y
Americas:										
Hydraulics	$ 43.1	*26%*	$ 49.9	*20%*	$ 49.7	*10%*	$ 56.8	*22%*	$ 199.5	*19%*
Electronics	77.7	*20%*	80.2	*25%*	65.0	*1%*	48.0	*(26%)*	270.9	*5%*
Consol. Americas	**120.8**	***22%***	**130.1**	***23%***	**114.7**	***5%***	**104.8**	***(6%)***	**470.4**	***11%***
% of total	*50%*		*54%*		*55%*		*53%*		*53%*	
EMEA:										
Hydraulics	$ 52.9	*22%*	$ 49.0	*5%*	$ 41.3	*(8%)*	$ 43.3	*(4%)*	$ 186.5	*4%*
Electronics	11.8	*27%*	12.3	*12%*	7.7	*(31%)*	5.3	*(50%)*	37.1	*(12%)*
Consol. EMEA	**64.7**	***23%***	**61.3**	***6%***	**49.0**	***(12%)***	**48.6**	***(13%)***	**223.6**	***1%***
% of total	*27%*		*25%*		*24%*		*25%*		*25%*	
APAC:										
Hydraulics	$ 41.1	*(1%)*	$ 43.9	*(2%)*	$ 40.2	*(7%)*	$ 40.1	*3%*	$ 165.3	*(2%)*
Electronics	13.9	*23%*	6.4	*(58%)*	3.3	*(77%)*	2.5	*(79%)*	26.1	*(51%)*
Consol. APAC	**55.0**	***4%***	**50.3**	***(16%)***	**43.5**	***(25%)***	**42.6**	***(16%)***	**191.4**	***(14%)***
% of total	*23%*		*21%*		*21%*		*22%*		*22%*	
Total	**$ 240.5**	***17%***	**$ 241.7**	***8%***	**$ 207.2**	***(7%)***	**$ 196.0**	***(10%)***	**$ 885.4**	***2%***

2023 Sales by Geographic Region and Segment

($ in millions)

	Q1	% Change y/y	Q2	% Change y/y	Q3	% Change y/y	YTD 2023	% Change y/y
Americas:								
Hydraulics	$ 57.9	*34%*	$ 60.6	*21%*	$ 55.7	*12%*	$ 174.2	*22%*
Electronics	55.1	*(29%)*	63.2	*(21%)*	59.4	*(9%)*	177.7	*(20%)*
Consol. Americas	**113.0**	***(6%)***	**123.8**	***(5%)***	**115.1**	*0%*	**351.9**	***(4%)***
% of total	*53%*		*54%*		*57%*		*55%*	
EMEA:								
Hydraulics	$ 49.4	*(7%)*	$ 51.3	*5%*	$ 38.8	*(6%)*	$ 139.5	*(3%)*
Electronics	6.7	*(43%)*	7.0	*(43%)*	5.7	*(26%)*	19.4	*(39%)*
Consol. EMEA	**56.1**	***(13%)***	**58.3**	***(5%)***	**44.5**	*(9%)*	**158.9**	***(9%)***
% of total	*26%*		*26%*		*22%*		*25%*	
APAC:								
Hydraulics	$ 40.4	*(2%)*	$ 40.5	*(8%)*	$ 37.5	*(7%)*	$ 118.4	*(5%)*
Electronics	3.7	*(73%)*	5.0	*(22%)*	4.3	*30%*	13.0	*(45%)*
Consol. APAC	**44.1**	***(20%)***	**45.5**	***(10%)***	**41.8**	*(4%)*	**131.4**	***(12%)***
% of total	*21%*		*20%*		*21%*		*20%*	
Total	**$ 213.2**	***(11%)***	**$ 227.6**	***(6%)***	**$ 201.4**	***(3%)***	**$ 642.2**	***(7%)***

ADJUSTED OPERATING INCOME RECONCILIATION

(Unaudited)
($ in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
GAAP operating income	$ 13.8	$ 30.7	$ 68.0	$ 116.6
Acquisition-related amortization of intangible assets	8.2	6.8	24.7	20.6
Acquisition and financing-related expenses[(A)]	0.5	2.2	3.3	4.0
Restructuring charges[(B)]	4.8	1.8	9.0	3.8
Officer transition costs	0.1	-	1.0	0.3
Acquisition integration costs [(C)]	-	0.6	0.2	2.4
Other	0.1	-	-	0.2
Non-GAAP adjusted operating income	$ 27.5	$ 42.2	$ 106.2	$ 147.8
GAAP operating margin	*6.9%*	*14.8%*	*10.6%*	*16.9%*
Non-GAAP adjusted operating margin	*13.7%*	*20.4%*	*16.5%*	*21.4%*

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' financial statements, as they are used as analytical indicators by Helios' 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. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.

NON-GAAP CASH NET INCOME RECONCILIATION

(Unaudited)

($ in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022
Net income	$ 3.5	$ 20.4	$ 34.1	$ 80.9
Amortization of intangible assets[D]	8.4	6.9	25.2	21.0
Acquisition and financing-related expenses[A]	0.5	2.2	3.3	4.0
Restructuring charges[B]	4.8	1.8	9.0	3.8
Officer transition costs	0.1	-	1.0	0.3
Acquisition integration costs [C]	-	0.6	0.2	2.4
Change in fair value of contingent consideration	-	0.2	0.8	1.6
Other	0.1	-	(0.4)	0.2
Tax effect of above	(3.0)	(2.9)	(8.6)	(8.3)
Non-GAAP cash net income	$ 14.4	$ 29.2	$ 64.6	$ 105.8
Non-GAAP cash net income per diluted share	$ 0.44	$ 0.90	$ 1.96	$ 3.25

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' financial statements, as they are used as analytical indicators by Helios' 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 millions)

	Three Months Ended		Nine Months Ended		Twelve Months Ended
	September 30, 2023	October 1, 2022	September 30, 2023	October 1, 2022	September 30, 2023
Net income	$ 3.5	$ 20.4	$ 34.1	$ 80.9	$ 51.7
Interest expense, net	8.7	4.1	22.6	11.7	27.7
Income tax provision	1.5	6.3	10.7	23.8	10.2
Depreciation and amortization	16.4	12.4	47.7	37.4	61.9
EBITDA	30.1	43.1	115.1	153.7	151.5
Acquisition and financing-related expenses (A)	0.5	2.2	3.3	4.0	5.2
Restructuring charges (B)	4.8	1.8	9.0	3.8	8.8
Officer transition costs	0.1	-	1.0	0.3	0.9
Acquisition integration costs (C)	-	0.6	0.2	2.4	1.4
Change in fair value of contingent consideration	-	0.2	0.8	1.6	0.9
Other	0.1	-	(0.4)	0.2	(0.5)
Adjusted EBITDA	$ 35.6	$ 48.0	$ 129.0	$ 166.1	$ 168.2
Adjusted EBITDA margin	*17.7%*	*23.2%*	*20.1%*	*24.1%*	*20.1%*
Pre-acquisition adjusted EBITDA, 2023 Schultes and i3					2.9
TTM Pro forma adjusted EBITDA					$ 171.1

(A) Acquisition and financing-related expenses include costs associated with our M&A activities. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months and nine months ended September 30, 2023, the charges include recurring labor costs of $0.2 million and $0.6 million, professional fees of $0.1 million and $1.8 million and other M&A related costs of $0.2 million and $0.9 million, respectively.

(B) Restructuring activities include costs associated with the creation of our two new Regional Operational Centers of Excellence. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months and nine months ended September 30, 2023, the charges include non-recurring labor costs of $3.0 million and $5.7 million, travel costs of $0.2 million and $0.7 million and manufacturing relocation and other costs of $1.6 million and $2.6 million, respectively.

(C) Acquisition integration activities include costs associated with integrating our recently acquired businesses, which can occur up to 18 months after acquisition date. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months and nine months ended September 30, 2023, the costs totaled $0.0 million and $0.2 million, respectively.

(D) Amortization of intangible assets presented here includes $0.2 million and $0.5 million of amortization for capitalized software development costs included within cost of sales in the income statement for the three months and nine months ended September 30, 2023, respectively.

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' financial statements, as they are used as analytical indicators by Helios' 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. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.

FREE CASH FLOW RECONCILIATION

(Unaudited)

($ in millions)

	Full Year						TTM	Three Months Ended	
	2017	2018	2019	2020	2021	2022	Q3 2023	September 30, 2023	October 1, 2022
Net cash provided by operating activities	$ 49.4	$ 77.5	$ 90.5	$ 108.6	$ 113.1	109.9	85.9	11.8	30.0
Contingent consideration payment in excess of acquisition date fair value	-	-	10.7	-	-	-	2.7	-	-
Adjusted net cash provided by operating activities	49.4	77.5	101.2	108.6	113.1	109.9	88.6	11.8	30.0
Capital expenditures	22.2	28.4	25.0	14.6	26.8	31.9	35.5	5.9	8.5
Adjusted Free cash flow	$ 27.2	$ 49.1	$ 76.2	$ 94.0	$ 86.3	78.0	53.1	5.9	21.5
Net income	31.6	46.7	60.3	14.2	104.6	98.4	51.6	3.5	20.4
Goodwill impairment	-	-	-	31.9	-	-	-	-	-
Net income, less goodwill impairment	$ 31.6	$ 46.7	$ 60.3	$ 46.1	$ 104.6	98.4	51.6	3.5	20.4
Free cash flow conversion	86%	105%	126%	204%	83%	79%	103%	169%	105%

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. Free cash flow conversion is a non-GAAP financial measure and defined as free cash flow divided by net income. 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' financial statements, as they are used as analytical indicators by Helios' 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. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.

NON-GAAP SALES GROWTH RECONCILIATION

(Unaudited)
($ in millions)

	Three Months Ended			Nine Months Ended		
	Hydraulics	Electronics	Consolidated	Hydraulics	Electronics	Consolidated
Q3 2023 Net Sales	$ 132.0	$ 69.4	$ 201.4	$ 432.1	$ 210.1	$ 642.2
Impact of foreign currency translation[E]	(2.2)	-	(2.2)	1.3	0.3	1.6
Net Sales in constant currency	129.8	69.4	199.2	433.4	210.4	643.8
Less: Acquisition related sales	(11.0)	(2.3)	(13.3)	(39.9)	(3.5)	(43.4)
Organic sales in constant currency	$ 118.8	$ 67.1	$ 185.9	$ 393.5	$ 206.9	$ 600.4
Q3 2022 Net Sales	$ 131.2	$ 76.0	$ 207.2	$ 411.1	$ 278.3	$ 689.4
Net sales growth	1%	-9%	-3%	5%	-25%	-7%
Net sales growth in constant currency	-1%	-9%	-4%	5%	-24%	-7%
Organic net sales growth in constant currency	-9%	-12%	-10%	-4%	-26%	-13%

[E] *The impact from foreign currency translation is calculated by translating current period activity at average prior period exchange rates.*

Non-GAAP Financial Measure:
Net Sales in Constant Currency is Net Sales adjusted for the impact of foreign currency translation. The impact from foreign currency translation is calculated by translating current period activity at average prior period exchange rates. Net Sales in Constant Currency is not a measure 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 Sales in Constant Currency is important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because Net Sales in Constant Currency is non-GAAP measures and are thus susceptible to varying calculations, Net Sales in Constant Currency, as presented, may not be directly comparable to other similarly titled measures used by other companies. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.

NET DEBT TO ADJUSTED EBITDA RECONCILIATION

(Unaudited)

($ in millions)

	As of September 30, 2023
Current portion of long-term non-revolving debt, net	21.8
Revolving lines of credit	218.5
Long-term non-revolving debt, net	304.2
Total debt	544.5
Less: Cash and cash equivalents	35.2
Net debt	509.3
TTM Pro forma adjusted EBITDA [(F)]	171.1
Ratio of net debt to TTM pro forma adjusted EBITDA	2.98

[(F)] *On a pro-forma basis for Schultes and i3.*

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' financial statements, as they are used as analytical indicators by Helios' 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. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.

HELIOS®
TECHNOLOGIES

AUGMENTING STRATEGY
ADVANCING TECHNOLOGIES
ACCELERATING GROWTH