



2025 Raymond James Napa Valley Small Cap Symposium

CECO ENVIRONMENTAL

November 17, 2025





Forward-looking statements and Non-GAAP information

This presentation contains forward-looking statements with predictions, projections and other statements about future events. These statements are made on the basis of management's views and assumptions regarding future events and business performance. We use words such as "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "plan," "should" and similar expressions to identify forward-looking statements. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. Potential risks and uncertainties, among others, that could cause actual results to differ materially are discussed under "Part I – Item 1A. Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and may be included in subsequently filed Quarterly Reports on Form 10-Q, and include, but are not limited to: the sensitivity of our business to economic and financial market conditions generally and economic conditions in our service areas; dependence on fixed price contracts and the risks associated therewith, including actual costs exceeding estimates and method of accounting for revenue; the effect of growth on our infrastructure, resources, and existing sales; the ability to expand operations in both new and existing markets; the potential for contract delay or cancellation as a result of on-going or worsening supply chain challenges; liabilities arising from faulty services or products that could result in significant professional or product liability, warranty, or other claims; changes in or developments with respect to any litigation or investigation; failure to meet timely completion or performance standards that could result in higher cost and reduced profits or, in some cases, losses on projects; the potential for fluctuations in prices for manufactured components and raw materials, including as a result of tariffs and surcharges and rising energy costs; inflationary pressures relating to rising raw material costs and the cost of labor; the substantial amount of debt incurred in connection with our strategic transactions and our ability to repay or refinance it or incur additional debt in the future; the impact of federal, state or local government regulations; our ability to repurchase shares of our common stock and the amounts and timing of repurchases, if any; our ability to successfully realize the expected benefits of our restructuring program; our ability to successfully identify and integrate acquired businesses and realize the synergies from strategic transactions; and the unpredictability and severity of catastrophic events, including cyber security threats, acts of terrorism or outbreak of war or hostilities or public health crises, as well as management's response to any of the aforementioned factors. Many of these risks are beyond management's ability to control or predict. Should one or more of these risks or uncertainties materialize, or should the assumptions prove incorrect, actual results may vary in material aspects from those currently anticipated. Investors are cautioned not to place undue reliance on such forward-looking statements as they speak only to our views as of the date the statement is made. Except as required under the federal securities laws or the rules and regulations of the Securities and Exchange Commission, we undertake no obligation to update or review any forward-looking statements, whether as a result of new information, future events or otherwise.

While we report our results in accordance with generally accepted accounting principles in the U.S. (GAAP), comments made during this conference call and these materials may include the following "non-GAAP" financial measures: organic revenue, non-GAAP gross profit, non-GAAP operating income, non-GAAP net income, adjusted EBITDA, adjusted free cash flow, adjusted net free cash flow, non-GAAP gross profit margin, non-GAAP operating margin, non-GAAP earnings per basic and diluted share, adjusted EBITDA margin and selected measures expressed on a constant currency basis. These measures are included to provide additional useful information regarding our financial results and are not a substitute for their comparable GAAP measures. Management believes that these measures provide individuals with additional information to better compare the Company's results over multiple periods. Explanations of these non-GAAP measures and reconciliations of these non-GAAP measures to their directly comparable GAAP measures, to the extent the reconciliation be performed without unreasonable efforts, are included in the accompanying "Appendix." Descriptions of many of these non-GAAP measures are also included in our SEC reports.

CECO Environmental ... Mission Critical Solutions …



We Protect People

Solving customer challenges to ensure their employees work in a safe and productive work environment



We Protect The Environment

We minimize our environmental impact and help our global customers do the same



We Protect Industrial Equipment and Improve Processes

We help maximize our customer's investment in their operating systems and optimize their output

Delivering Sustainable, Shareholder Value[1)]

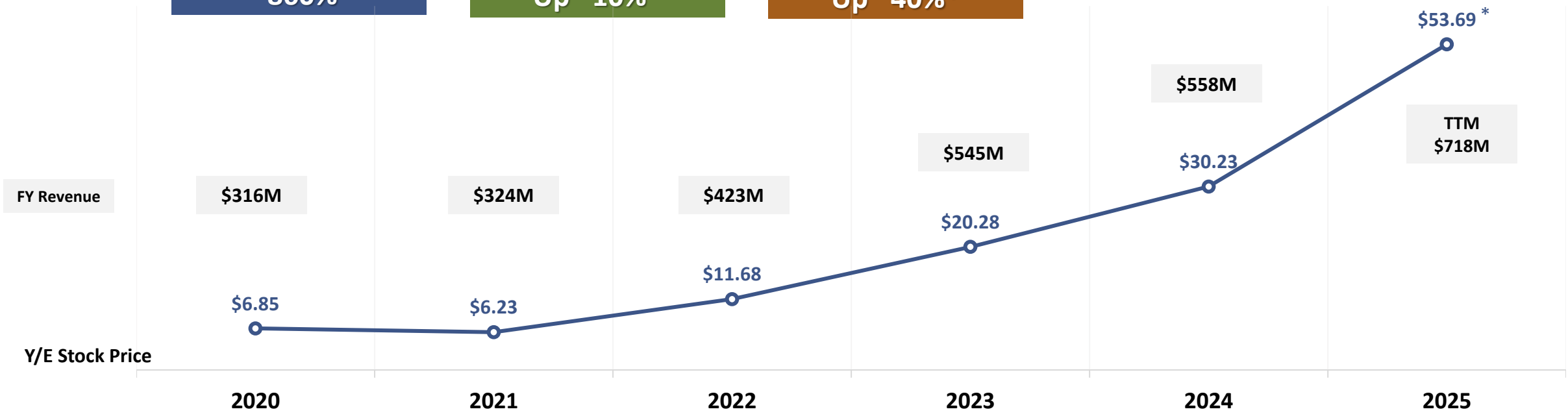
1) Since 12/31/2021
*2025 as of close on 11.4.2025

Since 2021

CECO Up ~ 860%*

Russell 2000 Up ~10%*

S&P 500 Up ~40%*



	2020	2021	2022	2023	2024	2025
FY Revenue	$316M	$324M	$423M	$545M	$558M	TTM $718M
MARKET CAP:	$247M	$223M	$400M	$706M	$1.06B	$1.90B
EV:	$225M	$225M	$420M	$730M	$1.1B	$2.2B
EV/ADJ. EBITDA:	9.6x	11.1x	11.4x	13.7x	18.8x	24.1x

CECO ENVIRONMENTAL

CECO Environmental

Building The Leading, Global, Sustainable Industrial Environmental Solutions Company

Leading Businesses

- **Balanced, Niche Leadership Positions**
  - Industrial Air
  - Industrial Water *(new since 2020)*
  - Energy Transition
- **Global: ~ 50% of Orders Outside U.S.**
- **Strong Organic Growth**
  - Averaged 10%+ Organic Since 2021
  - Record Backlog Positions Us for Future

Sustainable Value Creation

- **Focused Capital Allocation Model**
  - Invest in Organic Growth / Expansion
  - Programmatic M&A
  - Debt/Balance Sheet Management
  - Stock Buybacks
- **Proven M&A Track Record**
  - ~ 50% of Acquisitions Doubled Sales within 24 months of Deal
- **Management Aligned w/ Shareholders**
  - Strategy deployment
  - Compensation





Programmatic M&A
~ Dozen Strategic Deals Since mid-2020

CECO Environmental ... Global Company To Serve Global Opportunities



Global HQ: Dallas, TX

Sales, Engineering & Admin

Manufacturing & Assembly

- ~1,600 Employees worldwide
- ~40% Sales Outside of US

CECO Environmental ... *100% Providing Environmental Solutions for Industry*

100% Industrial End-Market

Diversified Industrials

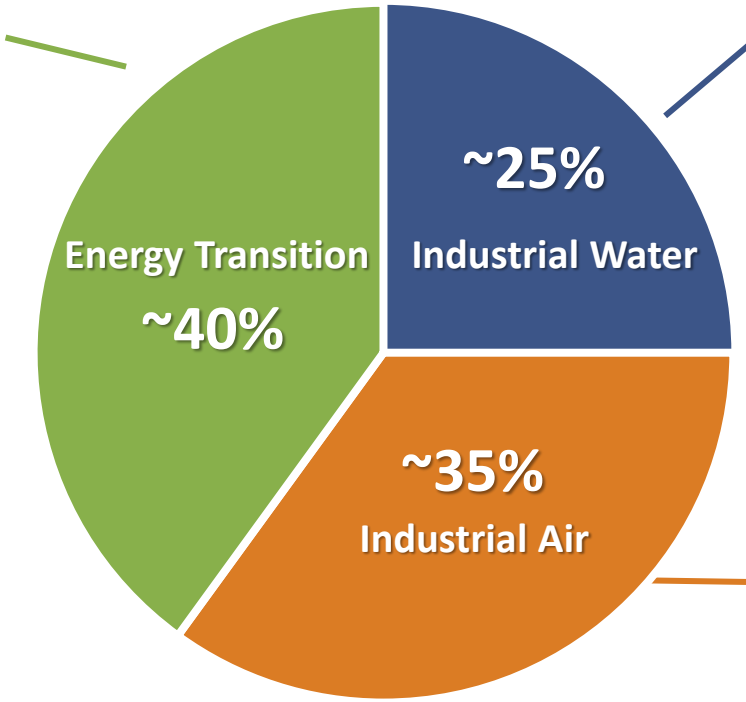
- General Industrial
- EV & Battery Production
- Beverage Can Production
- Food & Beverage Production
- Metals Processing
- Water / Wastewater
- Semiconductor
- Renewables Technology

Energy Transition / Power

- Gas-fired Power Generation
- Datacenter Power Management
- Natural Gas Infrastructure
- Hydrocarbon Processing
- Nuclear
- Geothermal
- Carbon Capture
- Water Supply

100% Environmental Solutions

- Emission Management
- Thermal & Acoustics Management
- Gas & Liquid Separation/Filtration
- Cyclonic Separation
- Combustion Mgmt
- Carbon Capture



- Supply Water Treatment
- Waste Water Treatment
- Ultra-Pure Water Supply
- Produced Water Treatment
- Oily Water Separators
- Reverse Osmosis

- Thermal Abatement
- Silencers
- Wet/Dry Scrubbers
- Oil Mist & Smoke Removal
- Odor Management
- Dust Removal
- Air Flow Management

Well-Positioned For Strong Market Dynamics With Known Risks



Strong

+ Power Markets: Remains in Super-cycle mode
+ Natural Gas / Energy Infrastructure
+ Global Industrial Water and Wastewater



Steady

= Reshoring Industrial and Global Semiconductor & Electronics
= CECO Pricing and Supply Chains
= M&A Pipeline

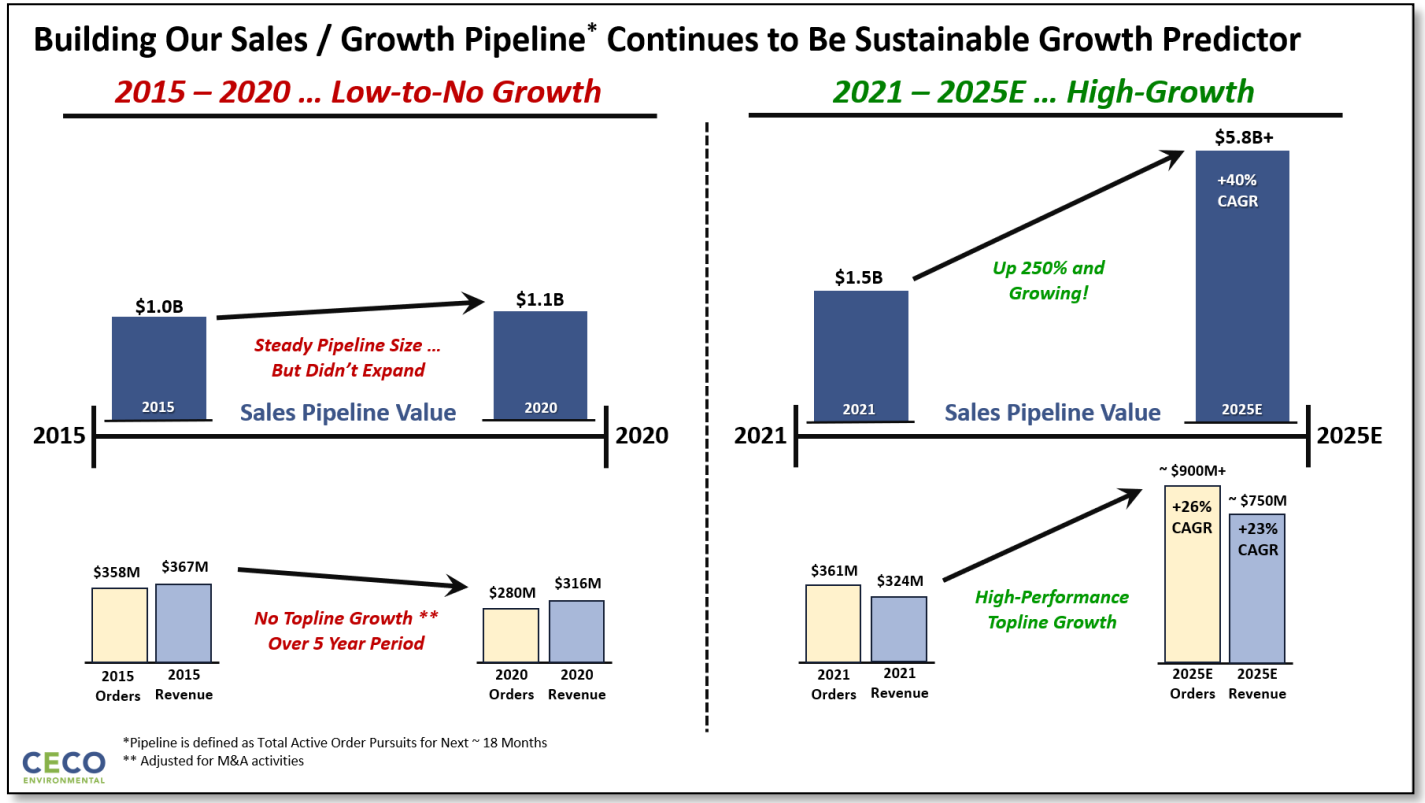


Uncertain

? Tariffs & Inflation Heading into 2026
? U.S. Government Shutdown Impact

Building Our Sales / Growth Pipeline* Continues to Be Sustainable Growth Predictor

*Pipeline is defined as Total Active Order Pursuits for Next ~ 18 Months



Power – Energy

Market Drivers: Power Demand, Electrification, Computing / AI, LNG, Nuclear, Geothermal
Key Technology: SCR/SNCR/VOC Emissions Treatment, Thermal & Acoustic Mgt., Gas & Liquid Separation & Filtration, Combustion and Burner Mgmt,

Industrial Water

Market Drivers: Industrial Water & Wastewater Infrastructure, Water Reuse and Recycle, Desalination
Key Technology: Dissolved Air Flotation, Oily Water Separations, Ion Exchange, Membrane Water Treatment, Process Water Supply

Industrial Air

Market Drivers: Industrial Reshoring, Energy Storage, Semiconductors, Electronics, Metals Processing, Construction Materials Production
Key Technology: Silencers, Scrubbers, VOC Removal, Thermal Abatement, CatOx, Air Flow Mgmt, Odor Control

CECO is Well Positioned on Key Secular Trends in Power, Water and Air

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Introducing Full Year 2026 Outlook

($MM)

	2025 Outlook	2026 Outlook	Key Items
Orders/B-2-B (book to bill)	> 1.2X	> 1.1x > $1B	• Record opportunity pipeline of ~ $5.8B • Expecting Strong Q4'25 & Q1'26 High Value bookings currently in active bidding process
Revenue	725 – 775	850 – 950 Up 15% to 25% YoY	• Record backlog levels entering 2026 • Strong execution track record
Adj EBITDA	90 – 100	110 – 130 Up 20% to 40% YoY +100 – 150 bps YoY	• G&A leverage and continued sourcing and operational savings • Maintain multi-year margin expansion • Operating Excellence + Introducing 80/20
Adj. Free Cash Flow* % of Adj. EBITDA	> 60%	50% - 60%	• Continue to drive working capital programs • Expect typical EBITDA to cash conversion cycle

**See definition in Appendix.*

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Maintaining Strong Double-Digit Organic Growth

Many Positives For Q4'25 and Heading Into 2026

Energy Transition	Industrial Water	Industrial Air
• **Nat Gas Power-Gen Capacity Growth** – Electrification + Baseload Needs – Significant Q4'25 and 2026 Opportunities in Pipeline • **More Nuclear and Geothermal** • **Robust LNG Plant and Midstream Gas Transport Opportunities** • **Permit Efficiency Improved**	• Targeting Mega-Jobs ($30M+) in **Industrial Wastewater and International Produced Water** • CECO's Ind'l Water M&A Advanced Key **EPC Relationships** and Reference Jobs • **Water Reuse and Water Scarcity** Major Themes In Growing Markets	• **Global Semiconductor Strength** plus Onshoring Fabs Gaining Real Investment • **More Industrial Reshoring** with Significant Automation Investments • **CECO's Industrial Air Leadership** Enables More Global Industrial Market Penetration

Operations | Supply Chain | Macro

(-) Fluctuating Tariff and Commercial Policy	+ Strong Execution and Margin Expansion
(-) Inflation Pressure Increases	(-) / + Skilled / Key Resource Availability
(-) / + Regulatory Policy	+ M&A = Remain Programmatic

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Sustainable Transformation … Maintaining High Performance

($MM)

Orders

YE ’25 Est. Backlog > $700M

Backlog 4-year CAGR > 34%

B-2-B Consistently > 1.1x Since 2021

Revenue

More Short-Cycle Business Mix

Global Diversity Adds Balance

Revenue at Higher Gross Margins

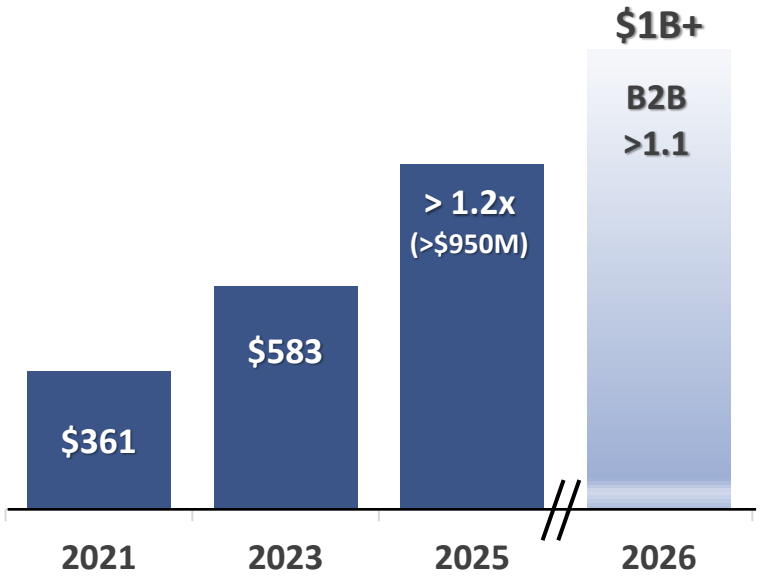
Adj. EBITDA

Margin Expansion 500+ bps

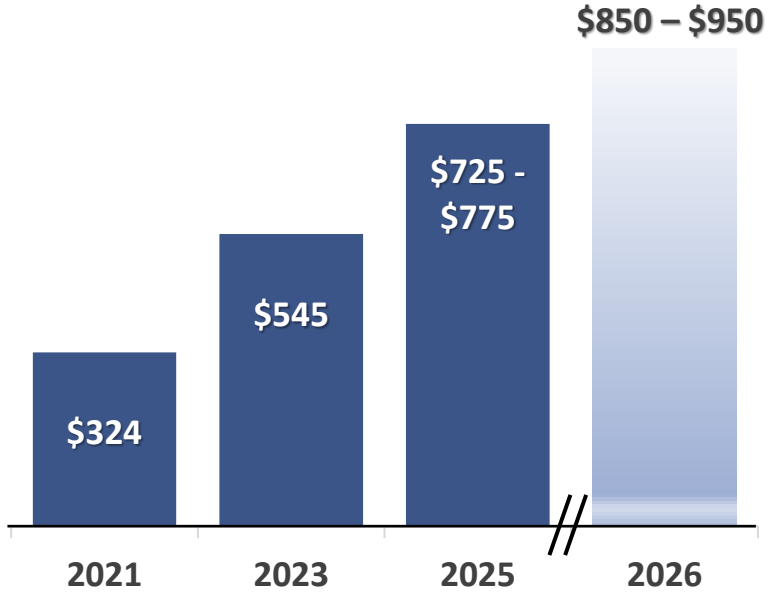
Operating Excellence / Productivity

Investments in Talent + Process + Footprint

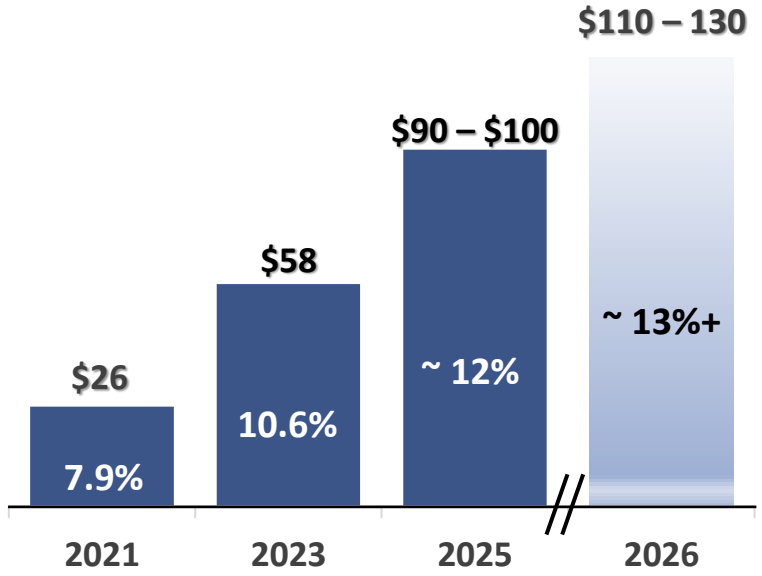
5-Year Orders CAGR 23%+



5-Year Revenue CAGR 23%+



5-Year Adj EBITDA CAGR 36%+



%s = Adjusted EBITDA Margin

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Note: CAGRs calculated @ 2026 midpoint

Q3 2025 Summary

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Protecting People, the Environment and Industrial Equipment

Well-Positioned in Very Strong Markets

- Sales Pipeline of $5.8B grew $300M in past quarter
- Strong customer engagement
- Balanced across end markets and regions
- Limited impact from trade and geopolitical tensions

Strong Q3 and YTD Performance

- +64% Backlog, +44% Orders, +46% Revenue
- +62% Adj EBITDA, up 120bps in margin
- Acquisitions contributing nicely

Reaffirmed Full Year 2025 Outlook

- Orders B2B of > 1.2x even with record revenues
- Revenue tracking toward high-end … +38% YoY
- Adj. EBITDA expected up ~ 50% YoY … even with investments

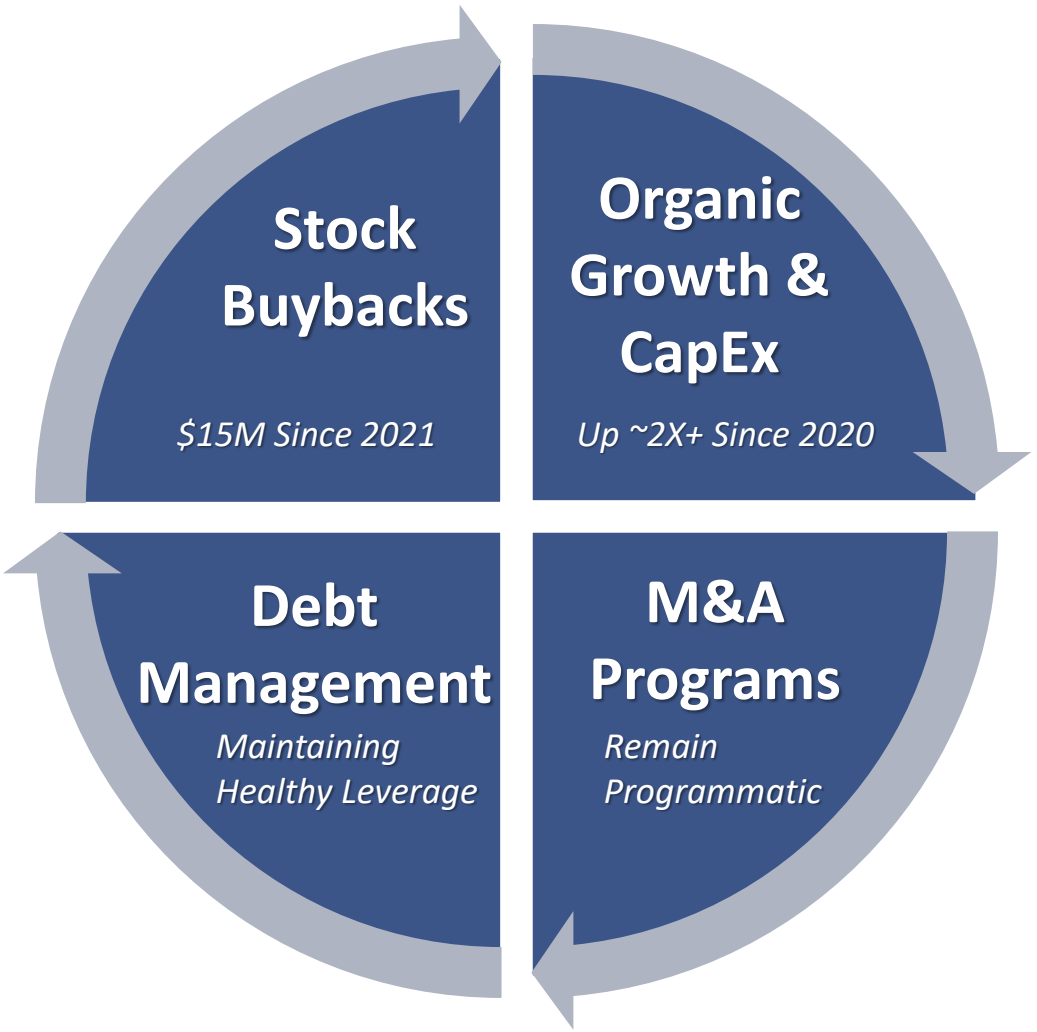
Introducing 2026 Outlook: *Strong Topline and Bottomline Growth*

- Expect to enter 2026 with record backlog + sales pipeline

Appendix Slides

CECO Environmental ... *Focused Capital Deployment For Growth ...*

Capital Allocation Strategy



Investment Drivers

Organic Growth Programs / Investments

- Sales Team, Engineers and Project Managers
- CapEx: Biz. Growth, ERP Migration, Cybersecurity

M&A Transactions

- Active Pipeline ... Air / Water / Energy Transition
- Targeting ROIC > 25%

Debt Management

- Maintain a Healthy Balance Sheet ... Leverage ~2.0X
- New Credit Facility Expands Capacity

Stock Buybacks

- $15M repurchased since 2021 (avg. price ~ $8.20)
- $10M remaining on authorization

Q3 2025 and TTM Financial Performance

TTM = Trailing 12 Month
B2B = Book to Bill

	Q3'25	YoY	Q3 TTM	YoY
Backlog	**$720M**	**64%**	**$720M**	**64%**
Orders ***Book to Bill***	**$233M** ***1.18x***	**44%**	**$954M** ***1.33x***	**65%**
Revenue	**$198M**	**46%**	**$718M**	**30%**
Adj. EBITDA ***Margin %***	**$23.2M** ***11.8%***	**62%** ***+118bps***	**$79.6M** ***11.1%***	**26%** ***(31bps)***
Adj. EPS	**0.26**	**86%**	**0.86**	**18%**

Highlights

- **Record Backlog …** Broad-based end market demand
- **Continued Orders Momentum …** up ~ $70M YoY; Strength in Power, Semicon, Water, and Natural Gas Infrastructure
- PowerGen orders of significant size, continue to be booked
- **4th** consecutive quarter **> $200M;** average **~$238M**
- **YoY: Up ~ $62M** … double-digit growth in both organic and inorganic
- **Seq: Up ~ $12M / +7%** on early revenues from Power orders booked in prior quarters
- **Gross Margins ~33%,** flat YoY with continued productivity and project execution offset by mix and seasonal absorption dynamics
- **Adj EBITDA up 62% YoY** and margins up ~ 120bps
- **Adj EBITDA** margin down sequentially on lower gross profit offset by lower G&A/Corporate spend rate
- **Adj EPS up 86%,** driven by volume and operational excellence, partially offset by higher interest expenses.

Strong Across the Board … TTM Orders up 65% (B2B = 1.33)

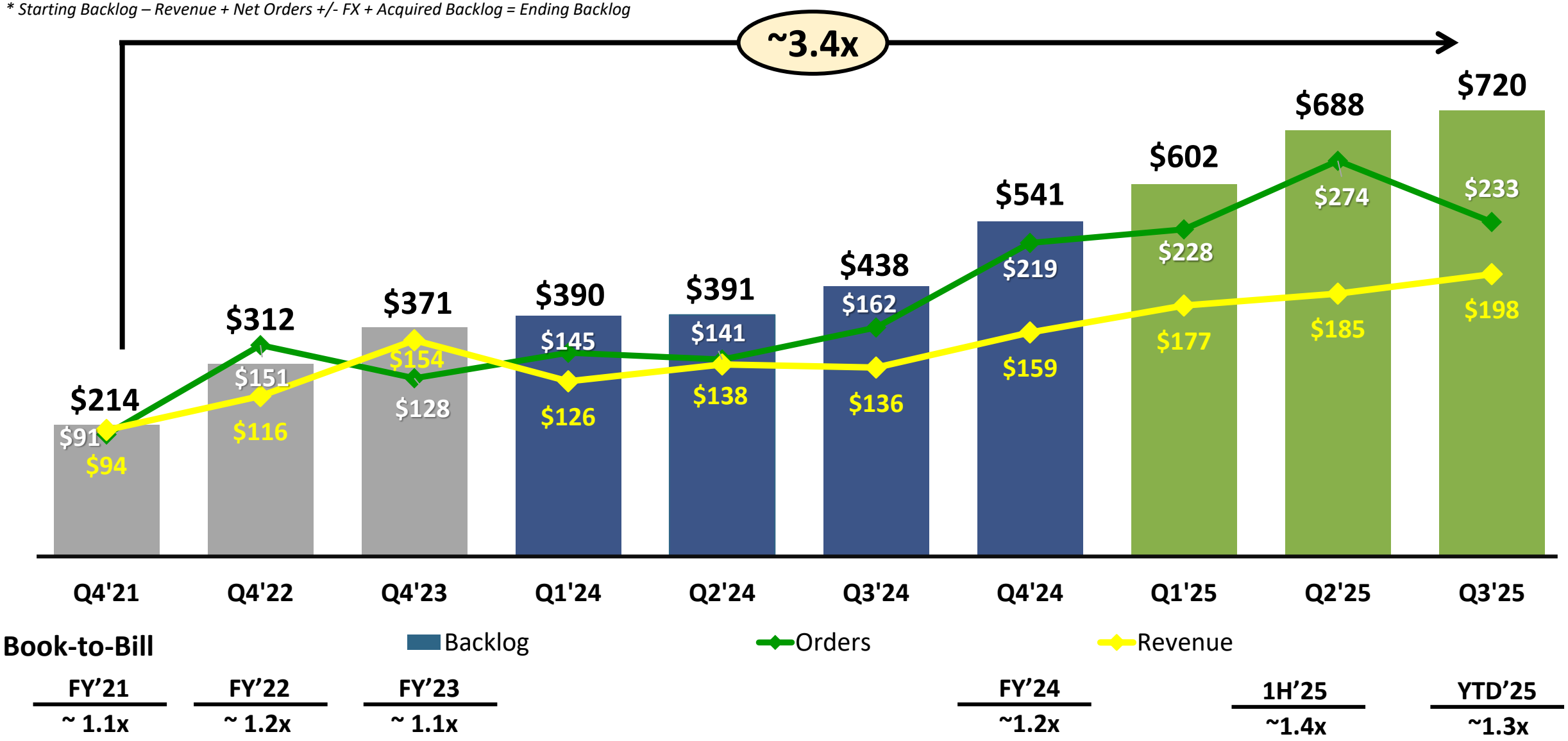
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* Note: Natural Gas Infrastructure includes processing, transport, storage and LNG

Record Backlog Trend Continues

($MM)
B2B = Book to Bill

** Starting Backlog – Revenue + Net Orders +/- FX + Acquired Backlog = Ending Backlog*



Book-to-Bill

FY'21	FY'22	FY'23	FY'24	1H'25	YTD'25
~ 1.1x	~ 1.2x	~ 1.1x	~1.2x	~1.4x	~1.3x

Backlog + Pipeline Supports Sustainable Double-Digit Growth Outlook

YTD 2025 Cash Flow and Indebtedness Update

($MM)

Free Cash Flow

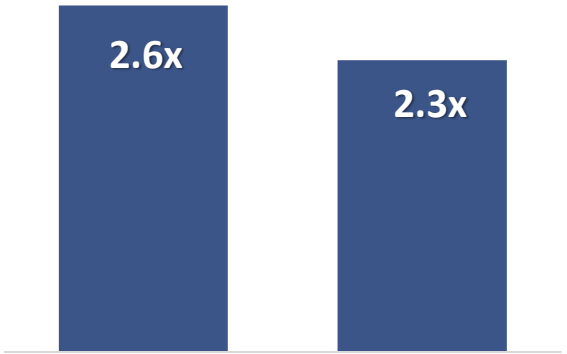
	YTD 2024	YTD 2025	YoY
GAAP Net Income *(incl. NCI)*	**$8.1**	**$47.0**	**$38.9**
D&A	$10.5	$18.7	
Gain on Sale	--	$(63.7)	
Working Capital	$(5.3)	$(14.4)	
Other Net Operating Assets	$9.7	$22.1	
Operating Cash Flow	$23.0	$9.7	$(13.3)
CapEx	$(11.2)	$(8.7)	$2.5
Free Cash Flow	**$11.8**	**$0.9**	**$(10.9)**

Notes:
- "Borrowing Capacity" is the lower of 1) EBITDA x Sr. Lev. Ratio Cap less Revolver Debt or 2) Total Revolver Capacity less Revolver Debt + Letters of Credit.
- Cash Proceeds from GPS Divestiture are classified as Investing Cash Flows.
- See definition of Adjusted Cash Flow in Appendix.

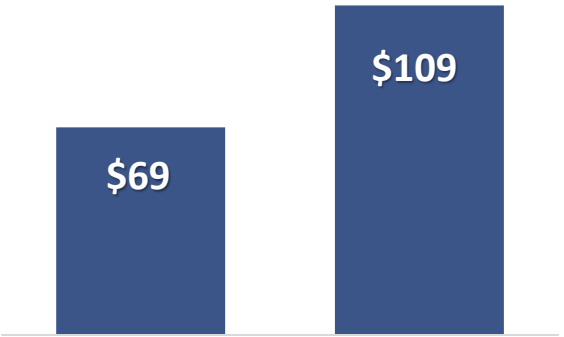
Gross Debt Position

Dec 31, 2024	**$216.9**
Cash Used / (Generated) from Ops	$(9.7)
M&A + CapEx Investments [Net]	$(1.5)
Net Bank Debt Activity	$0.9
Other Cash Used / (Generated)	$10.3
Sept 30, 2025	**$216.9**

Leverage Ratio [1]



Capacity [2]



1/ Leverage Ratio = Net Debt / TTM Bank EBITDA; Net Debt = $216.9 – 30.6 = $186.3

2/ Capacity = Current RCF Capacity + Net US and Canada Cash

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Revenue Excluding Acquisitions

(dollars in millions)	Annual 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Annual 2024	Q1 2025	Q2 2025	Q3 2025	Annual 2025	TTM
Revenue as reported in accordance with GAAP	$ 544.9	$ 126.3	$ 137.5	$ 135.5	$ 158.6	$ 558.0	$ 176.7	$ 185.4	$ 197.6	$ 559.7	$ 718.3
Revenue attributable to divestitures	-	-	-	-	-	-	-	8.1	8.5	16.6	16.6
Revenue attributable to acquisitions	(51.1)	(10.0)	(4.7)	(7.9)	(10.6)	(33.2)	(34.3)	(40.3)	(33.3)	(107.8)	(118.4)
Organic Revenue	$ 493.8	$ 116.3	$ 132.8	$ 127.6	$ 148.0	$ 524.8	$ 142.4	$ 153.2	$ 172.9	$ 468.5	$ 616.5

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

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Non-GAAP Operating Income and Margin

(dollars in millions)	Annual 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Annual 2024	Q1 2025	Q2 2025	Q3 2025	Annual 2025	TTM
Operating Income as reported in accordance with GAAP	$ 34.7	$ 7.7	$ 9.3	$ 7.2	$ 11.3	$ 35.4	$ 61.9	$ 18.1	$ 9.4	$ 89.3	$ 100.6
Operating Margin in accordance with GAAP	*6.4%*	*6.1%*	*6.8%*	*5.3%*	*7.1%*	*6.3%*	*35.0%*	*9.8%*	*4.8%*	*16.0%*	*14.0%*
Acquisition and integration expense	2.5	0.2	0.5	1.2	2.3	4.2	8.1	-	0.3	8.4	10.7
Amortization expense	7.5	2.2	2.2	2.2	2.2	8.8	3.1	2.9	6.1	12.2	14.3
Earn-out and retention expense (income)	0.7	-	-	0.5	(0.2)	0.3	-	(6.6)	-	(6.5)	(6.8)
Gain on divestiture	-	-	-	-	-	-	(64.5)	-	0.8	(63.7)	(63.7)
Restructuring expense	1.3	0.1	0.4	(0.1)	-	0.5	-	0.5	0.2	0.7	0.7
Divestiture expense	-	-	-	-	-	-	-	0.6	-	0.6	0.6
Executive transition expense	1.4	-	-	-	-	-	-	0.2	0.7	0.9	0.9
Asbestos and other legal matter expense	-	-	0.2	-	-	0.2	-	2.6	-	2.6	2.6
Non-GAAP Operating Income	$ 48.1	$ 10.2	$ 12.6	$ 11.0	$ 15.6	$ 49.4	$ 8.6	$ 18.3	$ 17.5	$ 44.5	$ 59.9
Non-GAAP Operating Margin	*8.8%*	*8.1%*	*9.2%*	*8.1%*	*9.8%*	*8.9%*	*4.9%*	*9.9%*	*8.9%*	*8.0%*	*8.3%*

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

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Non-GAAP Net Income, Adjusted EBITDA, and Margin

(dollars in millions)	Annual 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Annual 2024	Q1 2025	Q2 2025	Q3 2025	Annual 2025	TTM
Net Income as reported in accordance with GAAP	$ 12.9	$ 1.5	$ 4.5	$ 2.1	$ 4.9	$ 13.0	$ 36.0	$ 9.5	$ 1.5	$ 47.0	$ 51.9
Acquisition and integration expense	2.5	0.2	0.5	1.2	2.3	4.2	8.1	-	0.3	8.4	10.7
Amortization expense	7.5	2.2	2.2	2.2	2.2	8.8	3.1	2.9	6.1	12.2	14.3
Earn-out and retention expense (income)	0.7	-	-	0.5	(0.2)	0.3	-	(6.6)	-	(6.5)	(6.8)
Gain on divestiture	-	-	-	-	-	-	(64.5)	-	0.8	(63.7)	(63.7)
Restructuring expense	1.3	0.1	0.4	(0.1)	-	0.5	-	0.5	0.2	0.7	0.7
Divestiture expense	-	-	-	-	-	-	-	0.6	-	0.6	0.6
Executive transition expense	1.4	-	-	-	-	-	-	0.2	0.7	0.9	0.9
Asbestos and other legal matter expense	-	-	0.2	-	-	0.2	-	2.6	-	2.6	2.6
Foreign currency remeasurement	(1.0)	0.9	0.6	0.3	2.4	4.2	0.6	(1.4)	2.0	1.2	3.6
Tax benefit (cost) of expenses	1.3	(0.9)	(1.0)	(1.0)	(1.7)	(4.6)	20.2	0.4	(2.3)	18.3	16.6
Non-GAAP Net Income	$ 26.6	$ 4.0	$ 7.4	$ 5.2	$ 9.9	$ 26.7	$ 3.5	$ 8.7	$ 9.3	$ 21.7	$ 31.4
Depreciation expense	5.1	1.3	1.3	1.4	1.8	5.8	2.0	2.1	2.3	6.4	8.3
Non-cash stock compensation	4.5	1.7	2.2	1.9	1.7	7.5	3.4	2.9	3.3	9.6	11.2
Other (income) / expense	0.8	0.6	0.1	0.1	(0.3)	0.5	0.0	-	0.1	0.1	(0.3)
Interest expense	13.4	3.4	3.3	2.6	3.7	13.0	6.2	4.9	5.1	16.2	19.9
Income tax expense	5.7	1.6	1.4	2.6	2.3	7.9	(1.6)	4.1	2.8	5.3	7.6
Non-Controlling Interest	1.6	0.6	0.4	0.5	-	1.5	0.5	0.6	0.3	1.4	1.4
Adjusted EBITDA	$ 57.7	$ 13.2	$ 16.1	$ 14.3	$ 19.1	$ 62.8	$ 14.0	$ 23.3	$ 23.2	$ 60.7	$ 79.5
Non-GAAP Operating Margin	*10.6%*	*10.5%*	*11.7%*	*10.6%*	*12.0%*	*11.3%*	*7.9%*	*12.6%*	*11.7%*	*10.8%*	*11.1%*
Basic Shares Outstanding	34,665,473	34,844,838	34,918,412	34,966,625	34,978,382	34,927,313	35,028,301	35,286,065	35,359,969	35,225,740	35,163,179
Diluted Shares Outstanding	35,334,090	36,175,998	36,302,664	36,488,788	36,559,198	36,381,910	36,689,320	36,558,493	36,396,693	36,549,130	36,550,926
Earnings per share:											
Basic	$ 0.37	$ 0.04	$ 0.13	$ 0.06	$ 0.14	$ 0.37	$ 1.03	$ 0.27	$ 0.04	$ 1.33	$ 1.48
Diluted	$ 0.37	$ 0.04	$ 0.12	$ 0.06	$ 0.13	$ 0.36	$ 0.98	$ 0.26	$ 0.04	$ 1.29	$ 1.42
Non-GAAP earnings per share:											
Basic	$ 0.77	$ 0.11	$ 0.21	$ 0.15	$ 0.28	$ 0.76	$ 0.10	$ 0.25	$ 0.26	$ 0.62	$ 0.89
Diluted	$ 0.75	$ 0.11	$ 0.20	$ 0.14	$ 0.27	$ 0.73	$ 0.09	$ 0.24	$ 0.26	$ 0.59	$ 0.86

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

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Adjusted Free Cash Flow

(dollars in millions)	Annual 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Annual 2024	Q1 2025	Q2 2025	Q3 2025	Annual 2025	TTM
Cash provided by (used in) operating activities	$ 44.6	$ 1.2	$ 6.7	$ 15.1	$ 1.8	$ 24.8	$ (11.7)	$ (7.7)	$ 15.3	$ (4.1)	$ (2.3)
Capital Expenditures	(8.4)	(3.1)	(4.1)	(4.0)	(6.2)	(17.4)	(3.4)	(1.1)	(4.2)	(8.7)	(14.9)
Other adjustments*	-	-	-	-	-	-	-	5.8	7.9	13.7	13.7
Adjusted Free Cash Flow	$ 36.2	$ (1.9)	$ 2.6	$ 11.1	$ (4.4)	$ 7.4	$ (15.1)	$ (3.0)	$ 19.0	$ 0.9	$ (3.5)

NOTE: Amounts are computed independently each quarter. Accordingly, the sum of each quarter's amounts may not equal the total amounts for the respective year.

** Other Adjustment: excluding tax payments related to tax gain on the divestiture of GPS business in Q1 2025. Payments are expected to occur through Q1 2026.*

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Tariff Environment – Current State and Mitigation Actions

Exposure	Current State	Future State (actions underway)
U.S. Capacity	– Existing U.S. supply capacity addresses meaningful portion of U.S. demand	– Continuing to develop new sources of U.S. capacity and strengthen supply chain capabilities – Selective insourcing to existing CECO facility
Mexico / Canada	– Majority of supply is USMCA qualified or exempt – Capacity to support additional demand	– Targeting 100% USMCA qualification or exemption
China / Asia	– Limited-to-No China exposure (importing to U.S.) – Vietnam and Korea exposure limited to power and energy projects with exemptions	– Asia-for-Asia supply and project execution – Internal capacity for fabrication in China and Korea
EU / ME / India	– Customer-specified German tech for select projects – Manufacture in-region, for region	– EU for EU supply and project execution – Internal capacity for fabrication in UK and Germany – Securing customer deviation for US supply

General

- Working with our customers to ensure contractual language and protections are sufficient, secure favorable INCO terms
- Anticipating and working to mitigate inflationary impact on raw materials
- Resiliency and diversification of our operations and supply chain supportive of mitigation of tariff impacts

Better Positioned Than "Covid Supply Chain Shock Quarter(s)" to Handle External Disruptions … Rapid Mitigation Actions Underway to Largely Offset Anticipated Cost Risks*

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** Assumes tariff rates and imposition on April 28, 2025 are maintained for the remainder of 2025*

Tariff Outlook for the Remainder of 2025

($MM)

* Estimated impacts as of April 28, 2025

Category	Gross Impact *
Materials	**$1 – 2**
Components (1)	**$1 – 3**
Fabrications	**$1 – 5**
Total	**$3 – 10**

(1) Finished items including pumps, valves, filters, sensors, control panels

Ongoing Mitigations

Headcount & Process Optimization	~ $3
Supply Chain Efficiencies	$0 – 2
Other Actions	$0 – 1
Pricing Pass Thru Cost	TBD
Total Actions Identified	**$3 – 6**

- We buy in-region, for-region. Cost and revenue bases are largely aligned
- We are a portfolio of agile, niche businesses with adaptable supply chains
- Surcharges/inflation triggers in contract T&C language
- Use free trade zones, when possible, to defer duty payment
- Canadian & Mexican imports are exempted by USMCA

Key Assumptions

- Canadian & Mexican imports retain USMCA compliance/exemptions
- 25% tariff rates on “raw” steel and aluminum remain in place
- 10% reciprocal tariffs remain in place
- Tariff rates as of April 28 remain effective through the rest of the year

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