



Q3'21 Earnings Release

November 8, 2021

CECO
ENVIRONMENTAL



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 these forward-looking 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, 2020 and include, but are not limited to: the sensitivity of our business to economic and financial market conditions generally and economic conditions in CECO's 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 CECO's infrastructure, resources, and existing sales; the ability to expand operations in both new and existing markets; the potential for contract delay or cancellation; 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; 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; economic and political conditions generally; our ability to successfully realize the expected benefits of our restructuring program; our ability to successfully integrate acquired businesses and realize the synergies from strategic transactions; unpredictability and severity of catastrophic events, including cyber security threats, acts of terrorism or outbreak of war or hostilities or public health crises, such as uncertainties regarding the extent and duration of impacts of matters associated with the novel coronavirus (COVID-19), 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. Furthermore, forward-looking statements speak only as of the date they are 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 CECO reports its 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; 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 CECO's financial results and are not a substitute for their comparable GAAP measures. Explanations of these non-GAAP measures and reconciliations of these non-GAAP measures to their directly comparable GAAP measures are included in the accompanying "Supplementary Non-GAAP Financial Measures." Descriptions of many of these non-GAAP measures are also included in CECO's SEC reports.

Opening Comments on Q3 Performance / Outlook

- **Quarterly Orders & Backlog Growth Remains Strong!**
- **"Project" Backlog Positions CECO for Higher Growth in Q4 + 2022**
- **A challenging environment hit Q3 ... with July the worst month / Aug + Sept trended better**
- **Completed Stock Buy Back (in late October) ... Adding new Board Member to support strategic transformation ... M&A funnel and Sales Pipeline remain very good**

Tailwinds drive long term demand while supply chain woes drive near term challenges

(\$MM)

Q3 2021 Financial Results

	<u>Q3'21</u>	<u>YoY %</u>	<u>Seq %</u>	<u>Comments</u>
• Orders:	~ \$93	+39%	+8%	Y/Y Orders growth expected to continue
• Sales:	~ \$80	+3%	+2%	Sales limited by COVID & Supply Chain
Book-to-Bill ~ 1.2X ... Backlog at \$219M ... Pipeline > \$2B				
• Gross Margin:	28.4%	(360)bp	(370)bp	(-) Project execution below expectations (-) Steel, Logistics, and Resin inflation (-) Q3 Price actions not enough to offset competitively priced projects booked 9-12 months ago
• Adj. EBITDA:	\$3.5	(\$3.8)	(\$2.9)	
• Adj. EPS:	\$0.01	(\$0.10)	(\$0.08)	
• FCF:	\$6.0	(2)%	FAV	FCF remains choppy = Project milestones

In Good Position for Revenue Growth, GM improvement and Operating Leverage

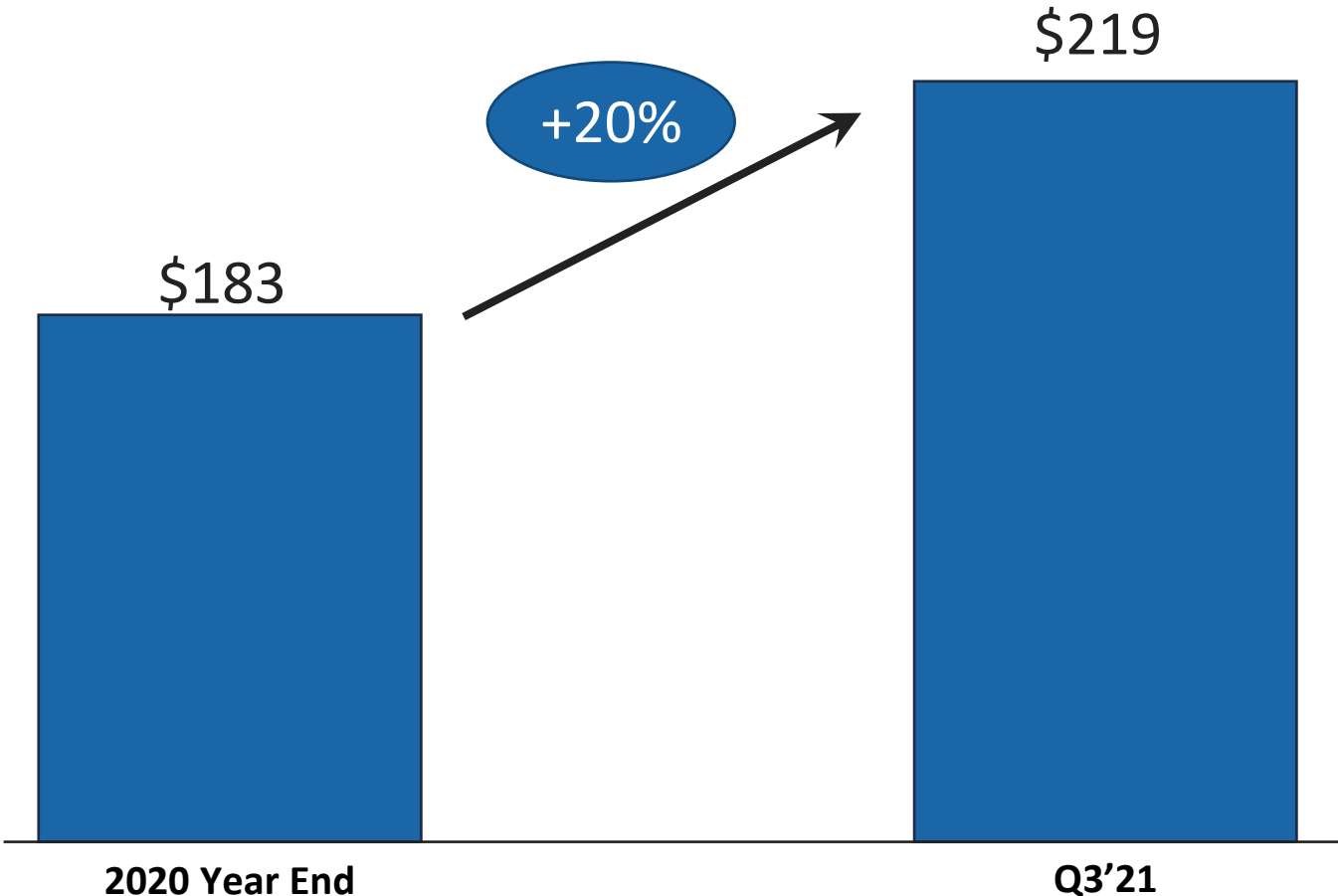
Key Take Away From YTD 2021:

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Order's Growth

- + Up 33% YTD
- + Balanced Across CECO
- Managing near-term Supply Chain challenges

Year-to-Date Backlog Growth



Market-focused, leadership platforms executing in niche growth markets

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Segments	Platforms	YTD Orders	Outlook & Commentary
Industrial & Process Solutions \$108 34%	Industrial Air	+79%	<ul style="list-style-type: none"> • Bev Can, Wood, EV markets all strong → Demand for Air pollution controls ↑↑ • Early rebound in Construction industry
	Duct Fab & Install	+28%	
Engineered Systems \$208 66%	Fluid Handling	+17%	<ul style="list-style-type: none"> • US MRO spend growing, upside in Desal/O&G • Power GW market rebound to '19 levels in '22 • Impacted by O&G CAPEX declines... improved '22 • Power GW market rebound to '19 levels in'22 • Refinery rebound off severe COVID lows → Growth in Emerging Markets
	Emissions Management	+118%	
	Separation / Filtration + Water	(43)%	
	Thermal Acoustics	+25%	
	Fluid Bed Cyclones	+61%	

Revenue Mix (2020)



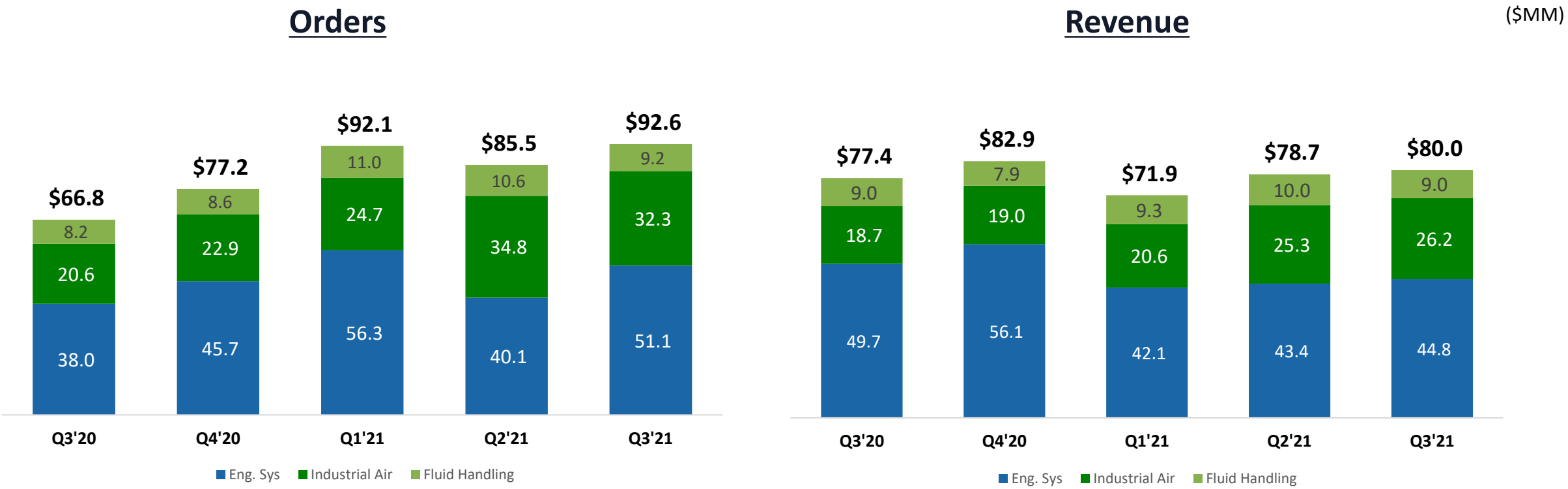
-a) EFM JV excluded for presentation purposes



Q3'21 Financials



Orders grew YoY while Revenue delays persist on COVID/Supply Chain challenges



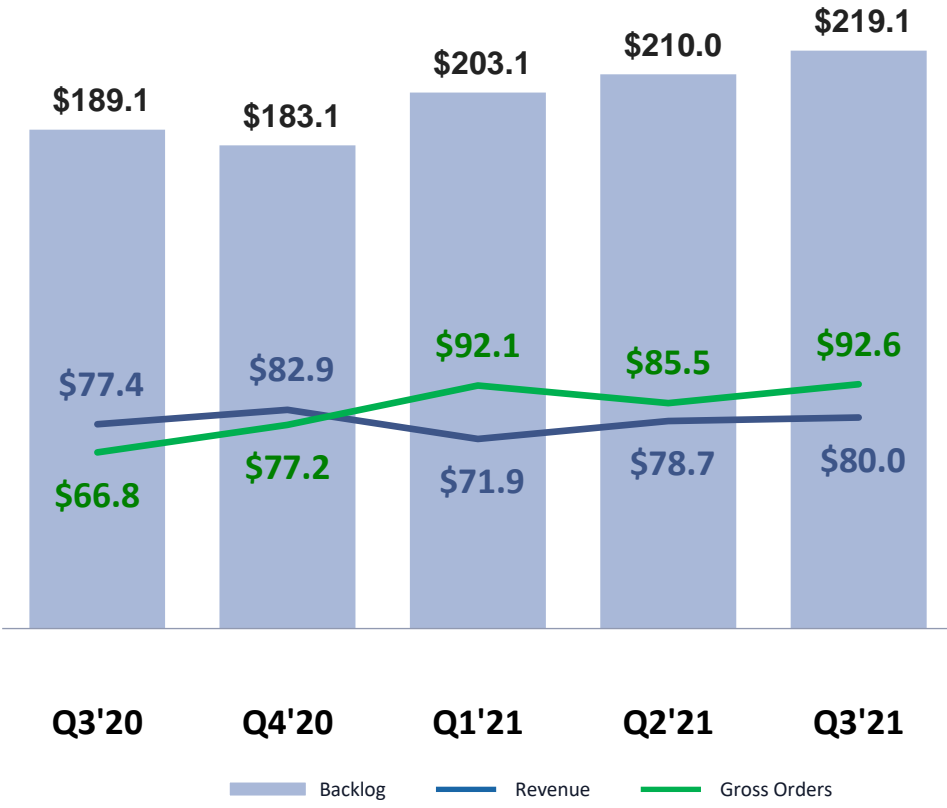
- Eng. Systems orders +27% seq. and +35% YoY on Refinery & Power markets ... Revenue flattish as COVID delays long cycle projects
- Industrial orders (7)% seq. and +57% YoY on infrastructure spend... Revenue growth based on shorter cycle projects converting to Revenue
- Fluid Handling (13)% seq. and +12% YoY as general industrial, oil & gas spend, and automotive markets start to improve
- Short cycle revenue totaled \$19.5 million, up \$1.6 or 11% sequentially and +1.8 YoY or 10% on Filter & Dust Collector sales



(a) Gross Bookings, excludes Cancellations

Orders and Pipeline remain strong across CECO's end markets

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- 1.2x Book/Bill ratio... 3rd consecutive quarter of backlog growth
- TTM Book to Bill Ratio at 1.1x and YTD '21 at 1.2x
- Backlog up +4% sequentially and +16% Year over Year
- CECO's 12-month Orders Pipeline remains ~\$2B+ and growing

Book/Bill	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
	0.86	0.93	1.28	1.09	1.16

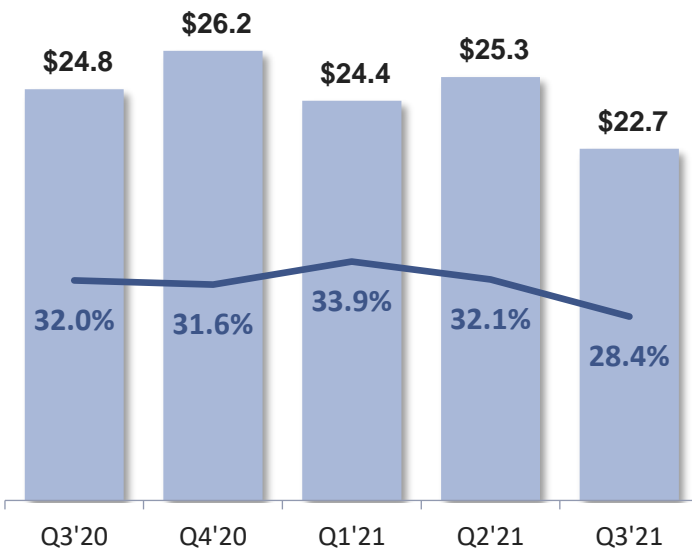


** Starting Backlog – Revenue + Gross Orders – Cancellations +/- FX = Ending Backlog. FX typically +/- ~\$1-3 per quarter.

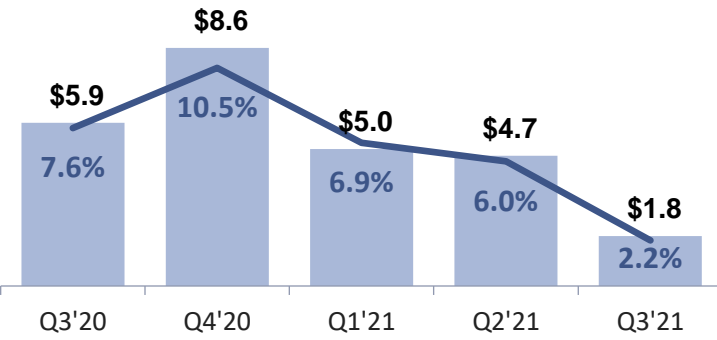
GM to improve in Q4 and OI & EBITDA to achieve operating leverage on volume growth

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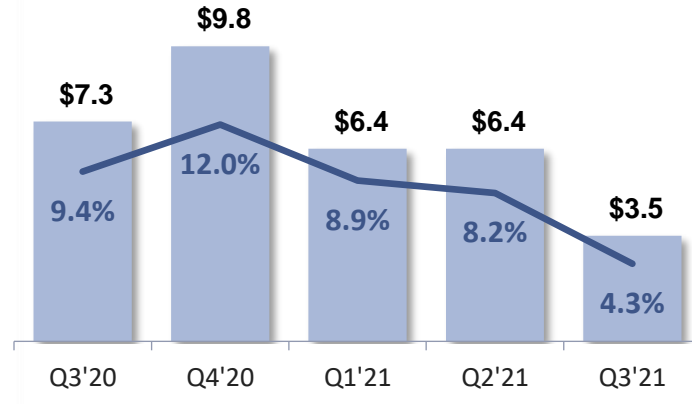
Non-GAAP Gross Profit



Non-GAAP Operating Income



Adjusted EBITDA



- Q3'21 GM at 28.4%... down (3.6)pts Y/Y and down (3.7) pts sequentially on PY pricing, inflation, and project mix
- Non-GAAP OI and EBITDA down Y/Y primarily on PY priced projects, near term inflation, and margin erosion

Strength in Orders to drive '22 growth... Q3 EBITDA & EPS impacted by market forces

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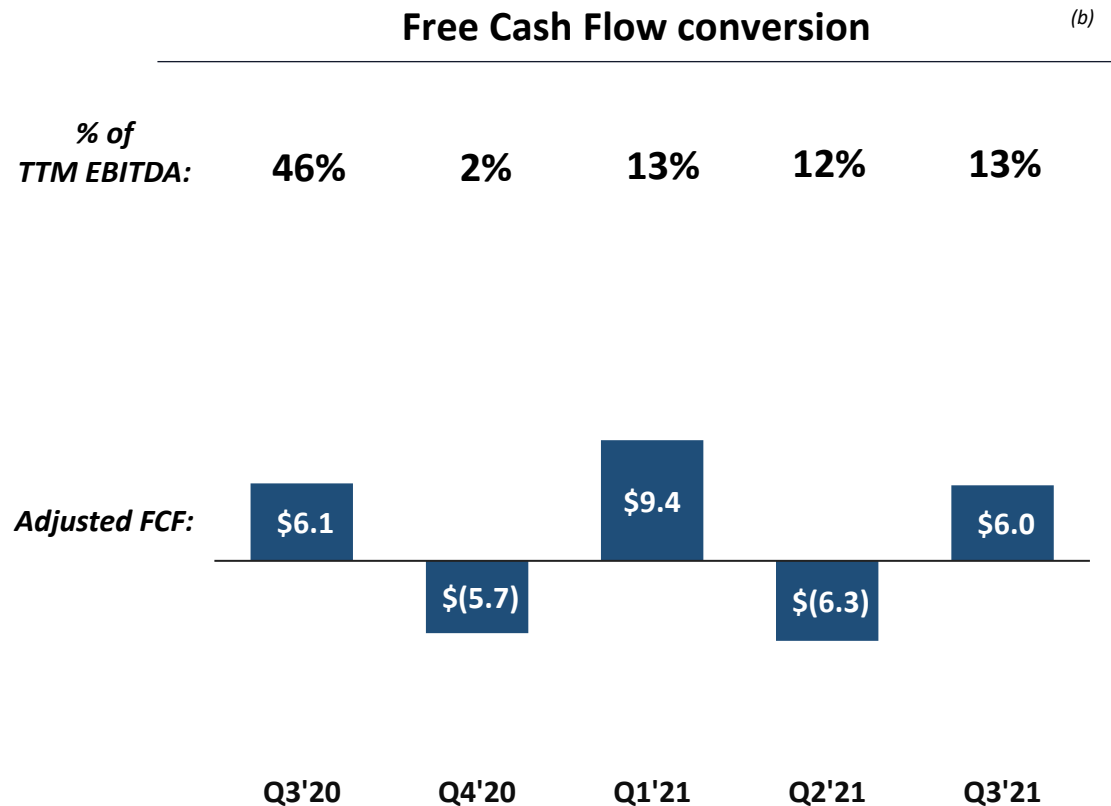
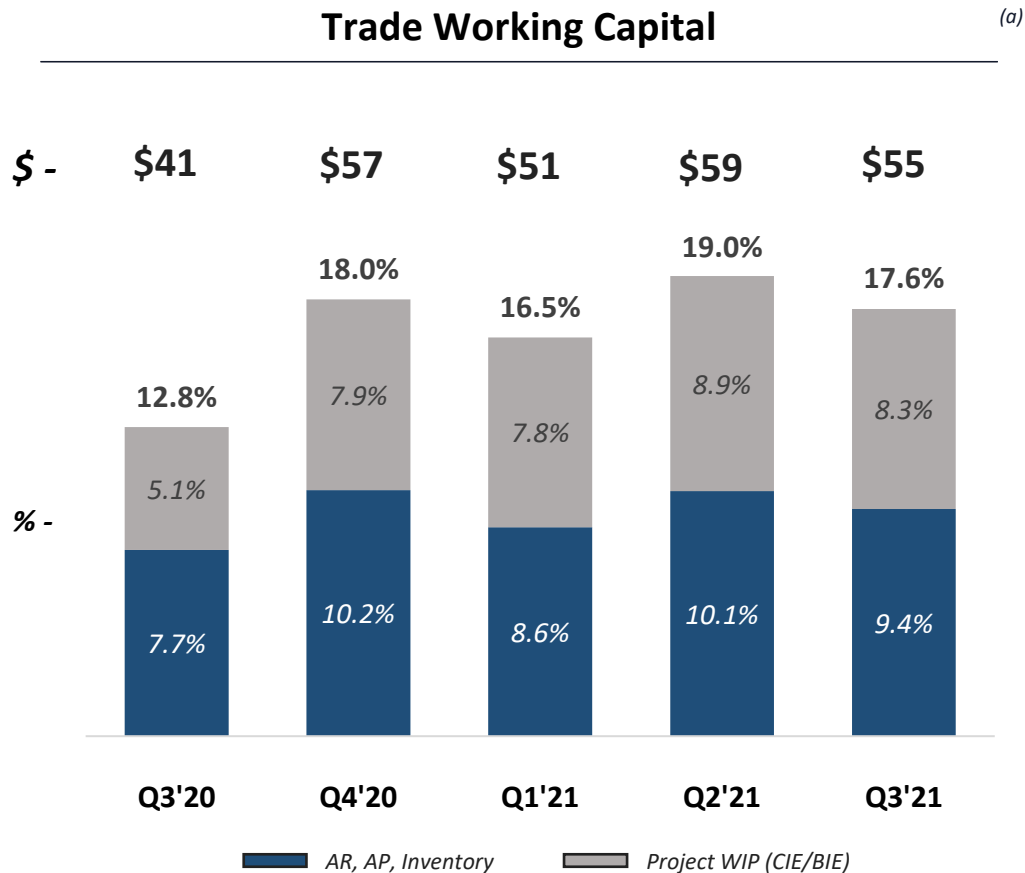
	Three Months Ended			Q/Q
	Q3'21	Y/Y	Y/Y \$	
GAAP:				
Orders	\$ 92.6	39%	\$ 25.8	8%
Revenue	\$ 80.0	3%	\$ 2.6	2%
Gross Profit	\$ 22.7	(8%)	\$ (2.1)	(10%)
-%	28.4%	(3.6)pts		(3.7)pts
Op Income	\$ (0.6)	UF	\$ (1.6)	FAV
-%	-0.7%	(2)pts		(3.5)pts
Diluted EPS	\$ (0.04)	75%	\$ (0.03)	(0.05)
Non-GAAP:				
Gross Profit	\$ 22.7	(8%)	\$ (3.1)	(10%)
-%	28.4%	(3.6)pts		(3.7)pts
Op Income	\$ 1.8	(70%)	\$ (4.1)	(62%)
-%	2.2%	(5.4)pts		(3.8)pts
Adj. EBITDA\$	\$ 3.5	(52%)	\$ (3.8)	(46%)
-%	4.3%	(5.1)pts		(3.8)pts
Diluted EPS	\$ 0.01	(91%)	\$ (0.10)	(0.08)
Adj. FCF	\$ 6.0	(2%)	\$ (0.1)	12.3

- \$93 of Orders +39% Y/Y and +8% Sequentially on strong market demand
- Revenue +3% Y/Y and 2% sequentially... Industrial growth offset by Energy backlog delays
- GM%'s down ~(4) pts Y/Y and sequentially on PY Pricing, Mix, and Inflation
- GAAP OI ↓(1.6) on Lower GM, ↑ SG&A, Depr, & Stock Comp, offset lower Restructuring

-
- Non-GAAP EPS of 1 cent down on Volume, lower GM% and higher SG&A
 - 4.3% EBITDA down (5)pts on PY Pricing, Mix, Inflation, and increase SG&A expense
 - \$6 free cash flow driven by improved project milestone billing mix & accounts payable
 - Continue to anticipate full-year non-GAAP ETR% of 25%

Working Capital remains elevated on mix of Customers and End markets

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- WIP to improve as PowerGen / Midstream projects turn out of backlog and Refinery projects grow

- \$9.1 of FCF generated YTD... to improve as project delays unwind



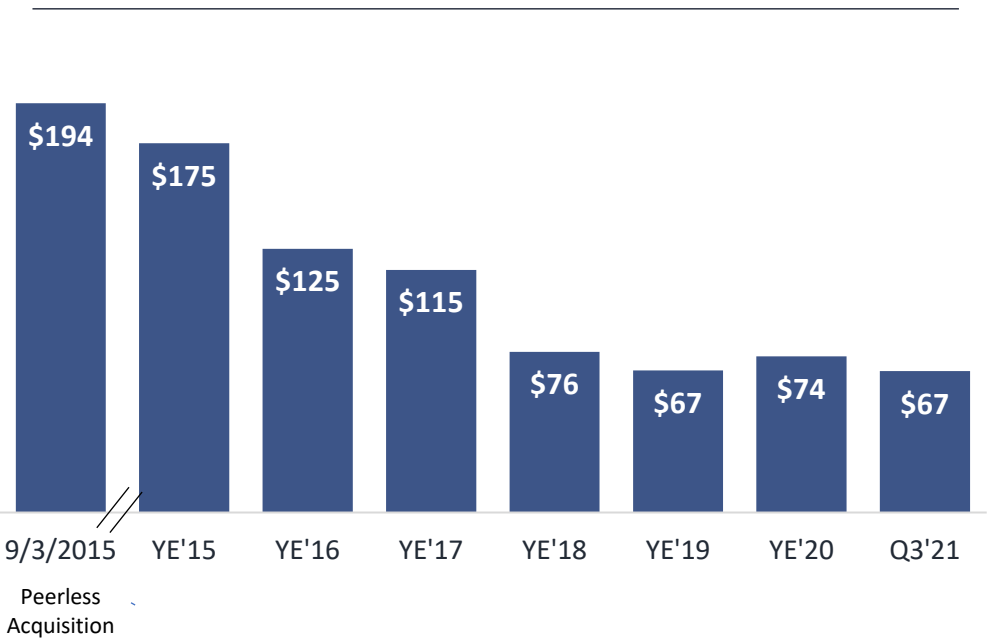
(a) W/C includes: Trade AR, Trade AP, Inventory and Cost/Billings of on TTM Revenue; Reported Basis.

(b) Adjusted Free Cash Flow = Cash Flow From Operations less Earnout classified as Operating Cash Flow less CAPEX spend.

Continue to pay down debt... Balance sheet in healthy position

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Debt Paydown



Balance sheet

	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Term Debt	\$ 46.9	\$ 46.9	\$ 45.6	\$ 45.0	\$ 44.1
Revolver	31.0	27.7	25.0	23.6	22.9
Total Debt	\$ 77.9	\$ 74.6	\$ 70.6	\$ 68.6	\$ 67.0
Cash	\$ 46.3	\$ 37.8	\$ 43.3	\$ 34.5	\$ 32.3
Bank Defined Leverage Ratio	1.8x	1.9x	1.9x	2.1x	2.2x
Total Net Debt/TTM EBITDA	0.8x	1.0x	0.8x	1.1x	1.2x

- Debt paydown of \$(3) in Q3... ~\$45 of capacity under credit facility
- Executed on \$5mm Share Repurchase Program (by early Nov) ... Bought ~700k shares at ~\$7.15
- Cash on hand is split 23% North America and 77% International



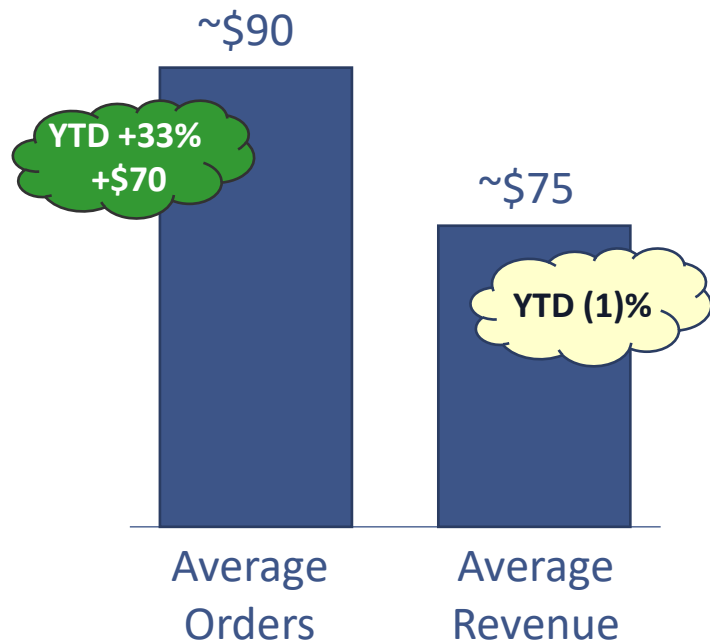
Looking Forward



Looking Forward... expect revenue and earnings' growth

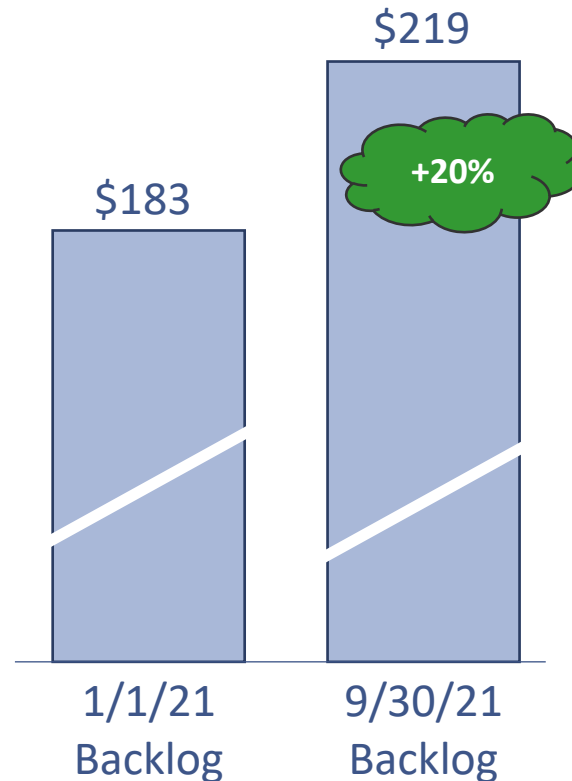
2021 Orders haven't hit the P&L yet ...

Q1'21 – Q3'21 performance



Backlog = Future Results ...

Backlog Growth



Translation = Growth

A Simple Model / Outlook

Orders turn to Sales ... ~\$90 x annualized
= \$350M to \$370M Revenue (Annual)

Profitability Expectations

Return to 30% to 33% Historic Range

Maintain Avg. SG&A at \$18.5 to \$19.5M
EBITDA Margins > 10%

Upside Potential:

- + Higher Volume / Maintain Orders
- + Increase Pricing to drive GM > 33%
- + Cost structure superior to '19 levels
- ++ M&A delivers more Sales / EBITDA
- Inflation and project Mix

In Summary ...

- Q3 orders up 39% and Year-to-date up 33% ... Will deliver solid growth in Q4 + 2022
- Sales pipeline continues to be ~ \$2B ... Expect to maintain high bookings' levels
- A challenging environment impacted Q3 results ... Will execute better starting Q4
- Stock buyback program repurchased \$3.7M in Q3 ... Reduced share count ~ 1.4%
- Will begin to steadily transform portfolio with M&A activity ... Focus on shorter-cycle mix

Questions?

Supplemental Materials

Other Information

And

Non-GAAP Reconciliation

Revenue excluding Acquisitions & Divestitures

<i>(dollars in millions)</i>	Annual 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Annual 2020	Q1 2021	Q2 2021	Q3 2021	TTM
Revenue as report in accordance with GAAP	\$ 341.9	\$ 80.5	\$ 75.2	\$ 77.4	\$ 82.9	\$ 316.0	\$ 71.9	\$ 78.7	\$ 80.0	\$ 313.5
Less revenue attributable to divestitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less revenue attributable to acquisitions and joint venture:	\$ -	\$ -	\$ (0.5)	\$ (5.9)	\$ (2.3)	\$ (8.7)	\$ (2.7)	\$ (5.5)	\$ (5.7)	\$ (16.2)
Organic Revenue	\$ 341.9	\$ 80.5	\$ 74.7	\$ 71.5	\$ 80.6	\$ 307.3	\$ 69.2	\$ 73.2	\$ 74.3	\$ 297.3

Non-GAAP Gross Profit and Margin

<i>(dollars in millions)</i>	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	TTM
	2019	2020	2020	2020	2020	2020	2021	2021	2021	
Gross Profit as report in accordance with GAAP	\$ 114.1	\$ 28.3	\$ 25.8	\$ 24.8	\$ 26.2	\$ 105.1	\$ 24.4	\$ 25.3	\$ 22.7	\$ 98.6
<i>Gross Profit margin in accordance with GAAP</i>	33.4%	35.2%	34.3%	32.0%	31.6%	33.3%	33.9%	32.1%	28.4%	31.5%
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PP&E valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-GAAP Gross profit	\$ 114.1	\$ 28.3	\$ 25.8	\$ 24.8	\$ 26.2	\$ 105.1	\$ 24.4	\$ 25.3	\$ 22.7	\$ 98.6
<i>Non-GAAP Gross profit margin</i>	33.4%	35.2%	34.3%	32.0%	31.6%	33.3%	33.9%	32.1%	28.4%	31.5%

Non-GAAP Operating Income and Margin

<i>(dollars in millions)</i>	Annual 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Annual 2020	Q1 2021	Q2 2021	Q3 2021	TTM
Operating Income as report in accordance with GAAP	\$ 18.0	\$ 4.2	\$ 4.4	\$ 1.0	\$ 3.7	\$ 13.3	\$ 3.1	\$ 2.1	\$ (0.6)	\$ 8.3
<i>Operating margin in accordance with GAAP</i>	5.3%	5.2%	5.9%	1.3%	4.5%	4.2%	4.3%	2.7%	-0.8%	2.6%
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PP&E valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain on insurance settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition and integration expenses	\$ 0.5	\$ -	\$ 0.7	\$ 0.4	\$ 0.3	\$ 1.4	\$ 0.1	\$ -	\$ 0.2	\$ 0.6
Amortization	\$ 8.6	\$ 1.7	\$ 1.8	\$ 2.0	\$ 2.0	\$ 7.5	\$ 1.7	\$ 1.7	\$ 1.7	\$ 7.1
Earn-out and retention expenses	\$ -	\$ -	\$ -	\$ 0.1	\$ 1.3	\$ 1.4	\$ 0.1	\$ 0.6	\$ 0.1	\$ 2.1
Intangible asset impairment	\$ -	\$ -	\$ -	\$ -	\$ 0.9	\$ 0.9	\$ -	\$ -	\$ -	\$ 0.9
(Gain) Loss on divestitures, net of selling costs	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restructuring expense (income)	\$ 1.0	\$ 0.4	\$ 0.5	\$ 0.9	\$ 0.6	\$ 2.4	\$ -	\$ 0.3	\$ 0.4	\$ 1.3
Executive transition expenses	\$ -	\$ -	\$ -	\$ 1.5	\$ -	\$ 1.5	\$ -	\$ -	\$ -	\$ -
Facility exit expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-GAAP operating Income	\$ 28.2	\$ 6.3	\$ 7.4	\$ 5.9	\$ 8.8	\$ 28.4	\$ 5.0	\$ 4.7	\$ 1.8	\$ 20.3
<i>Non-GAAP Operating margin</i>	8.2%	7.8%	9.8%	7.6%	10.6%	9.0%	7.0%	6.0%	2.3%	6.5%

Non-GAAP Net Income, Adjusted EBITDA and Margin

<i>(dollars in millions)</i>	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Annual 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Annual 2020	Q1 2021	Q2 2021	Q3 2021	TTM
Net Income (loss) as report in accordance with GAAP	\$ 1.9	\$ 5.5	\$ 1.9	\$ 8.4	\$ 17.7	\$ 3.4	\$ 3.3	\$ (0.2)	\$ 1.8	\$ 8.3	\$ 1.2	\$ 0.3	\$ (1.2)	\$ 2.1
Legacy design repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PP&E valuation adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain on insurance settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition and integration expenses	\$ -	\$ -	\$ -	\$ 0.5	\$ 0.5	\$ -	\$ 0.7	\$ 0.4	\$ 0.3	\$ 1.4	\$ 0.1	\$ -	\$ 0.2	\$ 0.6
Amortization	\$ 2.2	\$ 2.2	\$ 2.2	\$ 2.0	\$ 8.6	\$ 1.7	\$ 1.8	\$ 2.0	\$ 2.0	\$ 7.5	\$ 1.7	\$ 1.7	\$ 1.7	\$ 7.1
Earn-out and retention expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1	\$ 1.3	\$ 1.4	\$ 0.1	\$ 0.6	\$ 0.1	\$ 2.1
Intangible asset impairment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.9	\$ 0.9	\$ -	\$ -	\$ -	\$ 0.9
(Gain) Loss on divestitures, net of selling costs	\$ 0.1	\$ -	\$ -	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restructuring expense (income)	\$ -	\$ 0.2	\$ 0.7	\$ 0.1	\$ 1.0	\$ 0.4	\$ 0.5	\$ 0.9	\$ 0.6	\$ 2.4	\$ -	\$ 0.3	\$ 0.4	\$ 1.3
Executive transition expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.5	\$ -	\$ 1.5	\$ -	\$ -	\$ -	\$ -
Facility exit expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred financing fee adjustment	\$ -	\$ 0.4	\$ -	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Foreign currency remeasurement	\$ 0.6	\$ (0.3)	\$ 0.2	\$ (1.0)	\$ (0.5)	\$ 0.5	\$ (0.6)	\$ 0.4	\$ -	\$ 0.3	\$ 0.6	\$ 1.1	\$ (0.1)	\$ 1.6
Tax benefit of expenses	\$ (0.7)	\$ (0.6)	\$ (0.8)	\$ (0.4)	\$ (2.5)	\$ (0.7)	\$ (0.6)	\$ (1.3)	\$ (1.3)	\$ (3.9)	\$ (0.6)	\$ (0.9)	\$ (0.6)	\$ (3.4)
Zhongli Tax benefit	\$ -	\$ (4.4)	\$ -	\$ -	\$ (4.4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-GAAP net income	\$ 4.1	\$ 3.0	\$ 4.2	\$ 9.6	\$ 20.9	\$ 5.3	\$ 5.1	\$ 3.8	\$ 5.6	\$ 19.8	\$ 3.1	\$ 3.1	\$ 0.5	\$ 12.3
Depreciation	\$ 0.6	\$ 0.6	\$ 0.5	\$ 0.5	\$ 2.2	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6	\$ 2.3	\$ 0.8	\$ 0.8	\$ 0.8	\$ 3.0
Non-cash stock compensation	\$ 0.8	\$ 1.0	\$ 1.0	\$ -	\$ 2.8	\$ 0.6	\$ 0.2	\$ 0.7	\$ 0.5	\$ 2.0	\$ 0.7	\$ 0.9	\$ 0.9	\$ 3.0
Other (income)/expense	\$ -	\$ (0.5)	\$ (0.1)	\$ 0.3	\$ (0.3)	\$ (1.5)	\$ 0.2	\$ (0.1)	\$ (1.0)	\$ (2.4)	\$ (0.1)	\$ (0.2)	\$ (0.1)	\$ (1.4)
Interest expense	\$ 1.5	\$ 1.1	\$ 1.3	\$ 1.1	\$ 5.0	\$ 1.0	\$ 0.9	\$ 0.8	\$ 0.8	\$ 3.5	\$ 0.7	\$ 0.7	\$ 0.7	\$ 2.9
Income tax expense	\$ 1.5	\$ 0.8	\$ 1.5	\$ (1.4)	\$ 2.4	\$ 1.5	\$ 1.2	\$ 1.5	\$ 3.4	\$ 7.6	\$ 1.2	\$ 1.1	\$ 0.7	\$ 6.4
Adjusted EBITDA	\$ 8.5	\$ 6.0	\$ 8.4	\$ 10.1	\$ 33.0	\$ 7.4	\$ 8.2	\$ 7.3	\$ 9.9	\$ 32.8	\$ 6.4	\$ 6.4	\$ 3.5	\$ 26.2
<i>Non-GAAP Operating margin</i>	<i>9.9%</i>	<i>7.4%</i>	<i>9.8%</i>	<i>11.3%</i>	<i>9.7%</i>	<i>9.2%</i>	<i>10.9%</i>	<i>9.4%</i>	<i>11.9%</i>	<i>10.4%</i>	<i>8.9%</i>	<i>8.1%</i>	<i>4.4%</i>	<i>8.4%</i>
Basic Shares Outstanding	34,835,550	34,923,587	35,070,449	35,117,916	34,987,878	35,155,377	35,275,729	35,358,913	35,366,837	35,289,616	35,396,705	35,491,725	35,472,298	35,431,891
Diluted Shares Outstanding	35,360,042	35,582,727	35,624,590	35,352,957	35,484,273	35,394,865	35,410,182	35,358,913	35,655,014	35,520,670	35,774,208	35,819,269	35,472,298	35,680,197
Earnings (loss) per share:														
Basic	\$ 0.05	\$ 0.16	\$ 0.06	\$ 0.24	\$ 0.51	\$ 0.10	\$ 0.09	\$ (0.01)	\$ 0.05	\$ 0.24	\$ 0.03	\$ 0.01	\$ (0.03)	\$ 0.08
Diluted	\$ 0.05	\$ 0.15	\$ 0.05	\$ 0.24	\$ 0.50	\$ 0.10	\$ 0.09	\$ (0.01)	\$ 0.05	\$ 0.23	\$ 0.03	\$ 0.01	\$ (0.03)	\$ 0.08
Non-GAAP earnings per share:														
Basic	\$ 0.12	\$ 0.09	\$ 0.12	\$ 0.27	\$ 0.60	\$ 0.15	\$ 0.14	\$ 0.11	\$ 0.16	\$ 0.56	\$ 0.09	\$ 0.09	\$ 0.01	\$ 0.45
Diluted	\$ 0.12	\$ 0.08	\$ 0.12	\$ 0.27	\$ 0.59	\$ 0.15	\$ 0.14	\$ 0.11	\$ 0.16	\$ 0.56	\$ 0.09	\$ 0.09	\$ 0.01	\$ 0.45

Adjusted Free Cash Flow

<i>(dollars in millions)</i>	Annual 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Annual 2020	Q1 2021	Q2 2021	Q3 2021	TTM
Net Cash provided by operating activities	\$ 10.2	\$ 7.0	\$ (4.9)	\$ 7.0	\$ (4.7)	\$ 4.4	\$ 9.9	\$ (5.8)	\$ 6.1	\$ 5.5
Add: earn-outs classified as operating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.6	\$ 0.6
Capital Expenditures	\$ (5.6)	\$ (1.0)	\$ (1.0)	\$ (0.9)	\$ (1.0)	\$ (3.9)	\$ (0.5)	\$ (0.5)	\$ (0.7)	\$ (2.7)
Adjusted Free Cash Flow	\$ 4.6	\$ 6.0	\$ (5.9)	\$ 6.1	\$ (5.7)	\$ 0.5	\$ 9.4	\$ (6.3)	\$ 6.0	\$ 3.4
TTM Adjusted FCF	\$ 4.6	\$ 24.8	\$ 17.2	\$ 15.1	\$ 0.5	\$ 0.5	\$ 3.9	\$ 3.5	\$ 3.4	\$ 11.3
TTM EBITDA	\$ 33.0	\$ 31.9	\$ 34.1	\$ 33.0	\$ 32.8	\$ 32.8	\$ 31.8	\$ 30.0	\$ 26.2	\$ 26.2
TTM FCF / EBITDA conversion	13.9%	77.7%	50.4%	45.8%	1.5%	1.5%	12.3%	11.7%	13.0%	43.1%

Orders by End Market

		<u>Orders</u>	<u>YoY</u>	<u>Seq.</u>
Industrial Air	Q3:	\$32	+57%	(7)%
	YTD:	\$92	+61%	
	TTM:	\$115	+47%	
Fluid Handling	Q3:	\$9	+13%	(13)%
	YTD:	\$31	+17%	
	TTM:	\$39	+13%	
Power Gen	Q3:	\$24	+59%	+15%
	YTD:	\$71	+52%	
	TTM:	\$92	+38%	
Midstream O&G	Q3:	\$15	(23)%	+24%
	YTD:	\$42	(17)%	
	TTM:	\$58	(11)%	
Refinery	Q3:	\$12	275%	+73%
	YTD:	\$35	+61%	
	TTM:	\$43	+74%	