



# Q1 2023 Earnings Presentation

May 9, 2023



# 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, 2022 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 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 measure provides 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.

# Q1 2023 Earnings Highlights

- Record Q1 Revenue ... And We Still Generated a 1.3X Book-to-Bill
- Record Backlog Levels ... And We Still Have the Largest Sales Pipeline In History
- Strong Gross Margins ... And Our Operating Excellence Programs Are Just Starting
- Completed Two Strategic Acquisitions YTD in 2023 ... Six Deals Completed over 15 Months
- Raising Full Year 2023 Outlook ... Second Time We Raised Since Introduced in Q4'22
- Long-Term Transformation Underway ... Confident in Our Strategic Playbook

**A Great Start to 2023 ... Increasing Guidance for Full Year**

# Q1'23 and TTM Financial Summary

	<u>Q1'23</u>	<u>YoY</u>
Orders	\$146M	(9)%
Sales	\$113M	+22%
Adj. EBITDA	\$9.7M 8.6%	+2% (170)bps
Adj. EPS (diluted)	\$0.10	\$(0.04)
FCF	\$(14.5)M	\$(13.6)M

**5th Consecutive Quarter with Orders > \$100M**  
**Q1 Book-to-bill >1.3x**

**Strong Revenue to Start Year**

**Investments in Growth and Working Capital To Support Sustained Performance**

**Q1 (-) FCF is Timing ...**

	<u>TTM</u>	<u>YoY</u>
Orders	\$512M	+19%
Sales	\$443M	+29%
Adj. EBITDA	\$42.5M 9.6%	+48% +130bps
Adj. EPS (diluted)	\$0.70	+\$0.37 +112%
FCF	\$13.6M	+\$12.6M

- Broad-based Orders **continue to build record backlog**
- **Record** Q1 Revenue ... **Balanced** across platforms ... Q1 expected to be lowest revenue quarter in 2023
- Q1'22 Adj. EBITDA benefitted from 1x settlement (~ \$2.5M) ... **when removed, Q1'23 EBITDA Margins up +50-75bp**

# YTD 2023 Transactions

## Transcend Solutions



- Closed April 3, 2023
- Adds critical solutions and technology for process separation & filtration *in Energy Transition*
- Transcend leadership joins CECO ... significantly expands breadth of technical and market knowledge
- Accretive multiple
- ~60% of revenue on new/replacement filter elements
- Transcend and CECO worked together for >7 years



## Wakefield Acoustics



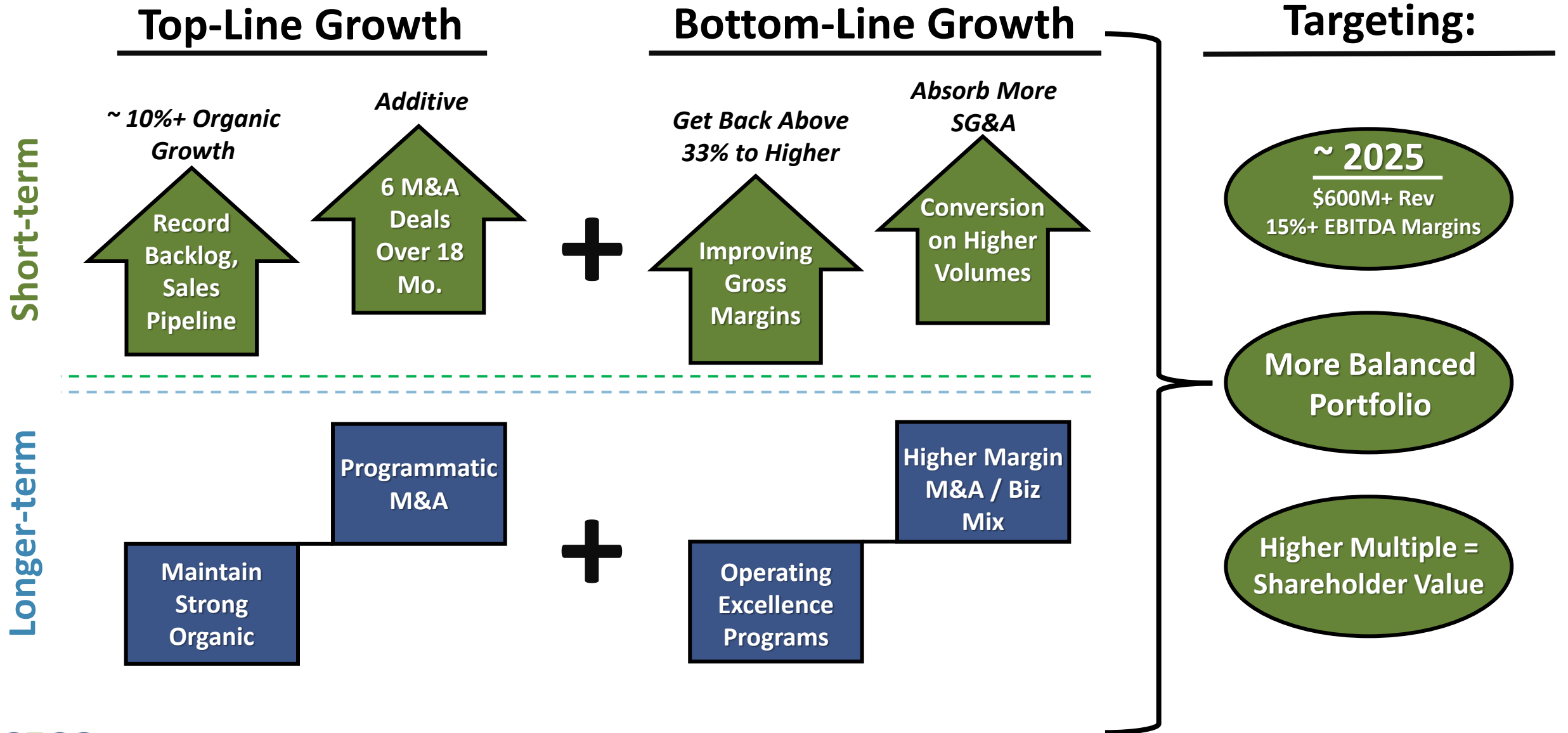
- Closed January 10, 2023
- Adds critical solutions and technology for noise abatement *in Industrial Air*
- Wakefield leadership joins CECO ... significantly expands breadth of technical and market knowledge
- Accretive multiple
- Improves Thermal Acoustics platform business mix adding smaller/quick turn revenue projects
- Superior insights after 18+ month courtship



# Balanced Approach to Winning In Diverse Growth Markets

	Select Legacy Brands	Newly* Acquired Brands	Typical Applications & End Markets
<p><b>Industrial Air</b></p> <p>~ 45% of Portfolio</p>			<ul style="list-style-type: none"> <li>• Thermal Oxidation                             <ul style="list-style-type: none"> <li>• EV Battery (EV)</li> <li>• Automotive</li> <li>• Beverage Can</li> </ul> </li> <li>• Wet/Dry Scrubbers                             <ul style="list-style-type: none"> <li>• Semiconductor</li> </ul> </li> <li>• Mist Removal                             <ul style="list-style-type: none"> <li>• Alum./Steel rolling</li> <li>• Chemical processing</li> </ul> </li> <li>• Dust &amp; Particle Collection                             <ul style="list-style-type: none"> <li>• Wood working</li> <li>• Machining/Grinding</li> <li>• Cement &amp; Building Materials</li> <li>• Food Processing/Milling</li> </ul> </li> <li>• Silencers                             <ul style="list-style-type: none"> <li>• Blower/Fan intake</li> <li>• Rotating equipment exhaust</li> </ul> </li> </ul>
<p><b>Industrial Water</b></p> <p>~ 25% of Portfolio</p>			<ul style="list-style-type: none"> <li>• Produced Water Treatment                             <ul style="list-style-type: none"> <li>• Oil &amp; Gas Production</li> </ul> </li> <li>• Oily Water Separation                             <ul style="list-style-type: none"> <li>• Hydrocarbon Processing</li> <li>• Bilge Water Discharge</li> </ul> </li> <li>• Wastewater Treatment                             <ul style="list-style-type: none"> <li>• Industrial Processes</li> <li>• Food &amp; Beverage Prod.</li> </ul> </li> <li>• Ultra-pure (DI/DM) Water Treat                             <ul style="list-style-type: none"> <li>• Semicon/Electronics</li> <li>• Electrolysis</li> </ul> </li> <li>• Condensate Polishing                             <ul style="list-style-type: none"> <li>• Cooling Water</li> <li>• Steam Processing</li> </ul> </li> <li>• Desalination                             <ul style="list-style-type: none"> <li>• Recirculation</li> <li>• Potable Water Supply</li> </ul> </li> </ul>
<p><b>Energy Transition</b></p> <p>~ 30% of Portfolio</p>			<ul style="list-style-type: none"> <li>• Emission Management                             <ul style="list-style-type: none"> <li>• Gas-fired Power Gen – Baseload, Backup</li> <li>• Flue Gas Scrubbers</li> </ul> </li> <li>• Gas-Liquid Separation                             <ul style="list-style-type: none"> <li>• Natural Gas/CO2 Transport</li> <li>• Natural Gas Liquefaction</li> <li>• Hydrocarbon Processing</li> <li>• Fuel Gas Upgrading</li> </ul> </li> <li>• Cyclone Separation                             <ul style="list-style-type: none"> <li>• Hydrocarbon Processing</li> <li>• Polysilicon Production</li> </ul> </li> <li>• Carbon Capture                             <ul style="list-style-type: none"> <li>• Ethanol Processing</li> <li>• Acid Gas Treatment</li> </ul> </li> <li>• Thermal/Acoustic Mgmt                             <ul style="list-style-type: none"> <li>• Gas-fired Power-Gen</li> <li>• Compressor Station Silencing</li> </ul> </li> </ul>

# We Expect 2023 to Continue to Execute Value Creation Model ...



# Financial Performance



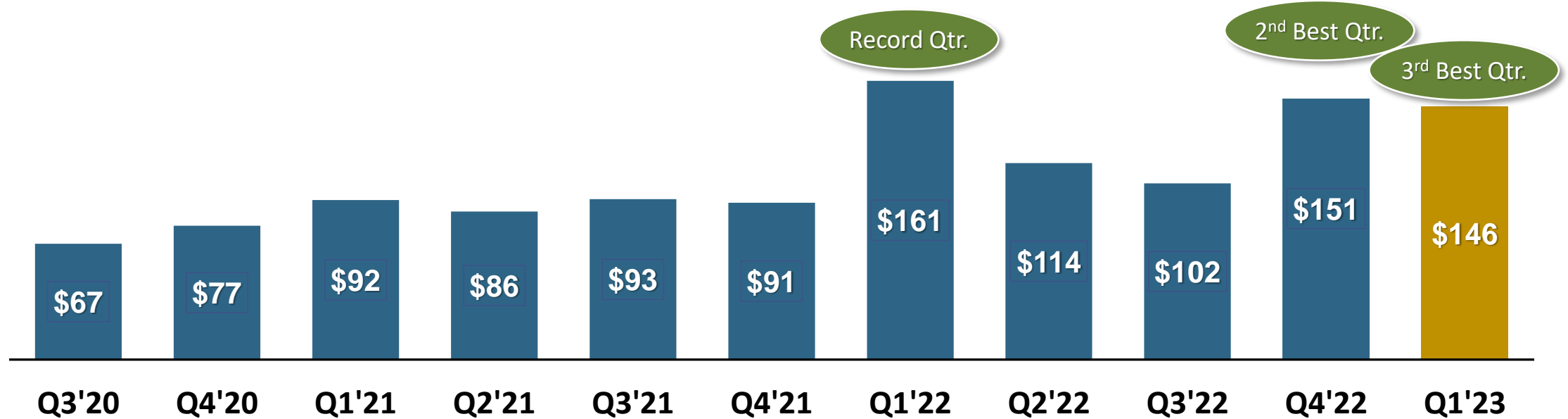
# Q1'23 P&L Performance

(\$MM)	<u>Q1'23</u>	<u>YoY</u>	<u>Comments</u>
<b>Orders:</b>	\$146.1	(9)%	Tremendous start (3 <sup>rd</sup> Highest Orders in CECO history) ... Tough YoY comp vs. record Q1'22 ... Great TTM > \$500M
<b>Sales:</b>	\$112.6	+22%	Steady execution from growing, higher margin backlog; TTM = \$443
<b>Gross Profit Margin:</b>	31.0%	+240bp	Record 1Q GP\$ level ... Gross Margins improving year-over-year ... covering inflation with price and execution, TTM rate of 30.9% ...
<b>GAAP OI:</b>	\$5.5	+\$0.3/6%	
<b>Non-GAAP OI:</b>	\$7.7	\$(0.1)/(1)%	
<b>Adj. EBITDA:</b>	\$9.7	+2%	Volume Growth/Execution overcomes added investments in SG&A to support full year growth and conversion
<b>GAAP EPS:</b>	\$0.06	\$(0.02)	
<b>Adj. EPS:</b>	\$0.10	\$(0.04)	Adj. EPS down YoY with higher interest expense and Q1'22 positive settlement of ~ \$2.5M

# Strong & Consistent Orders Growth = 2023 Revenue Growth

(\$MM)  
TTM = Trailing 12 Month  
Avg = TTM/4

TTM:	\$270	\$280	\$296	\$322	\$347	\$361	\$430	\$458	\$467	\$527	\$512
Avg/Qtr:	\$68	\$70	\$74	\$80	\$87	\$90	\$107	\$114	\$117	\$132	\$128
Vpy:	(42)%	14%	22%	42%	39%	17%	75%	33%	10%	67%	(9)%

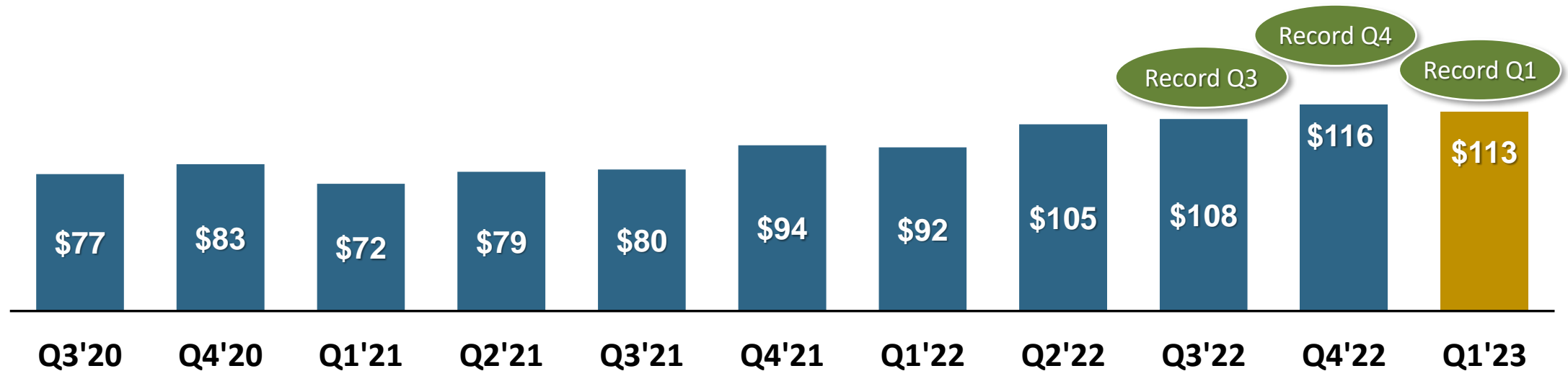


- Broad-based Orders **Growth** ... Broad-based Sales Pipeline
- Trailing 5 quarter average orders = ~\$135M
- **Record** 1<sup>st</sup> quarter of ~\$146M drives **Record** QE backlog of >\$350M

# Record Q1 Revenue ... Maintaining Solid Sequential Growth

(\$MM)  
TTM = Trailing 12 Month  
Avg = TTM/4

TTM:	\$322	\$316	\$307	\$311	\$313	\$324	\$345	\$371	\$400	\$423	\$443
Avg/Qtr:	\$81	\$79	\$77	\$78	\$78	\$81	\$86	\$93	\$100	\$106	\$111
Vpq	3%	7%	(2.5)%	10%	1%	17%	Flat	14%	3%	7%	(2)%
Vpy	(9)%	(7)%	(11)%	5%	3%	13%	28%	34%	35%	23%	22%



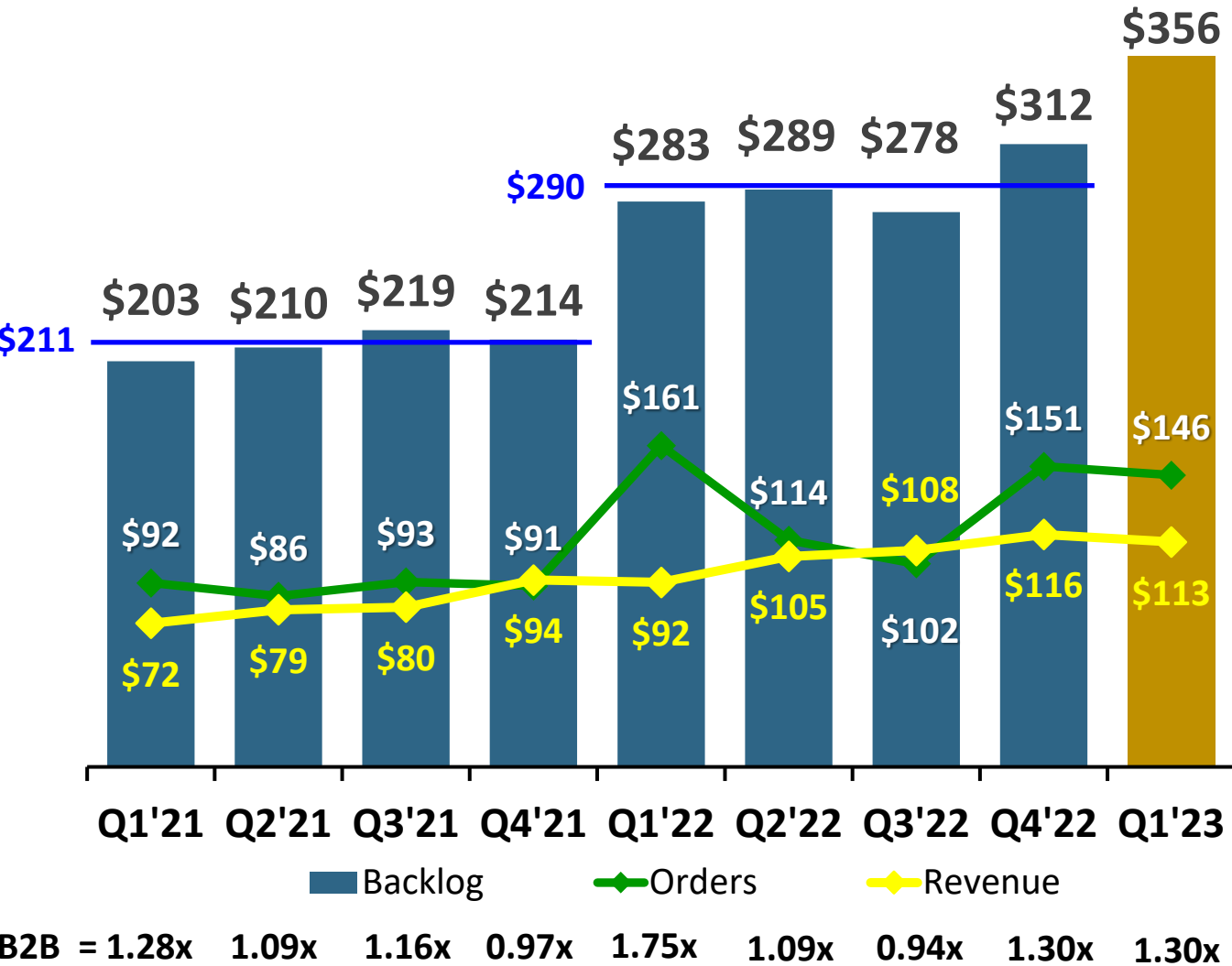
- Highest Revenue 1<sup>st</sup> Quarter in Company History ... Company Transformation Underway
- TTM continues growth started in 2Q'21
- ~57% above 1Q'21 bottom (~25% CAGR)

# Backlog\* Remains at Record Levels

(\$MM)

TTM = Trailing 12 Month

B2B = Book to Bill



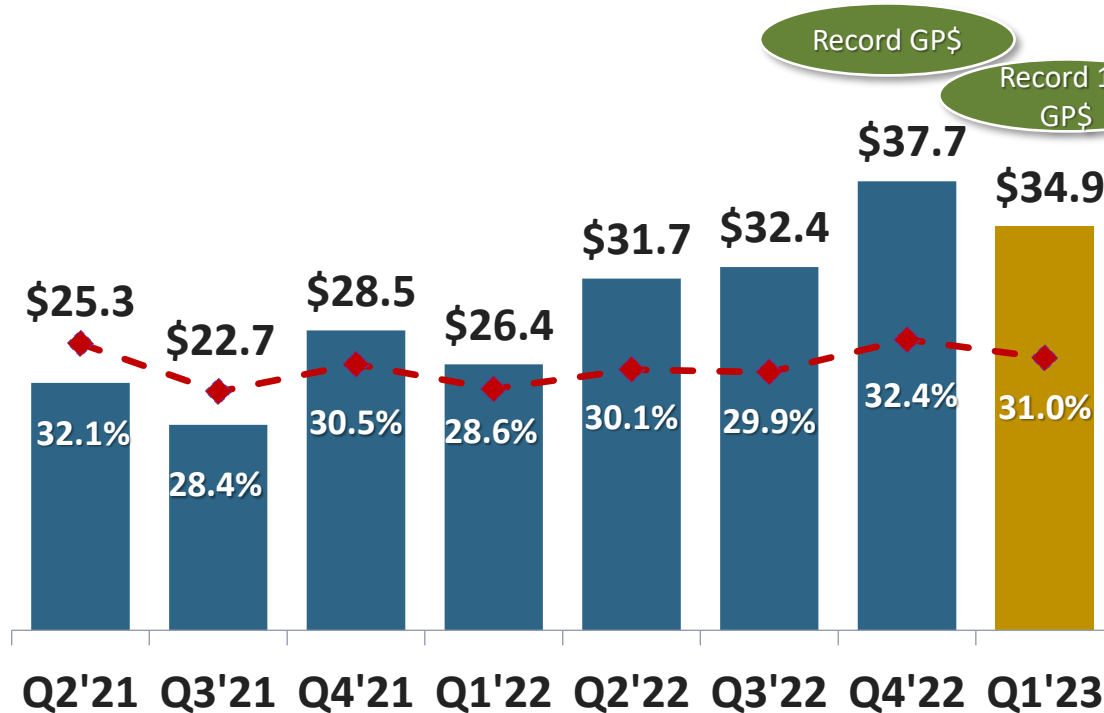
- Record Backlog up 14% sequentially, 26% y/y, 60%+ to convert in CY2023
- 1Q'23 B2B = 1.3x for 2<sup>nd</sup> straight quarter
- TTM Orders = \$513
- TTM B2B = 1.16x → Future Growth
- Opportunity Pipeline > \$2.5B supports continued B2B > 1.0 and high backlog level
- No cancellations in 1Q'23
- ~\$11M of acquired backlog

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

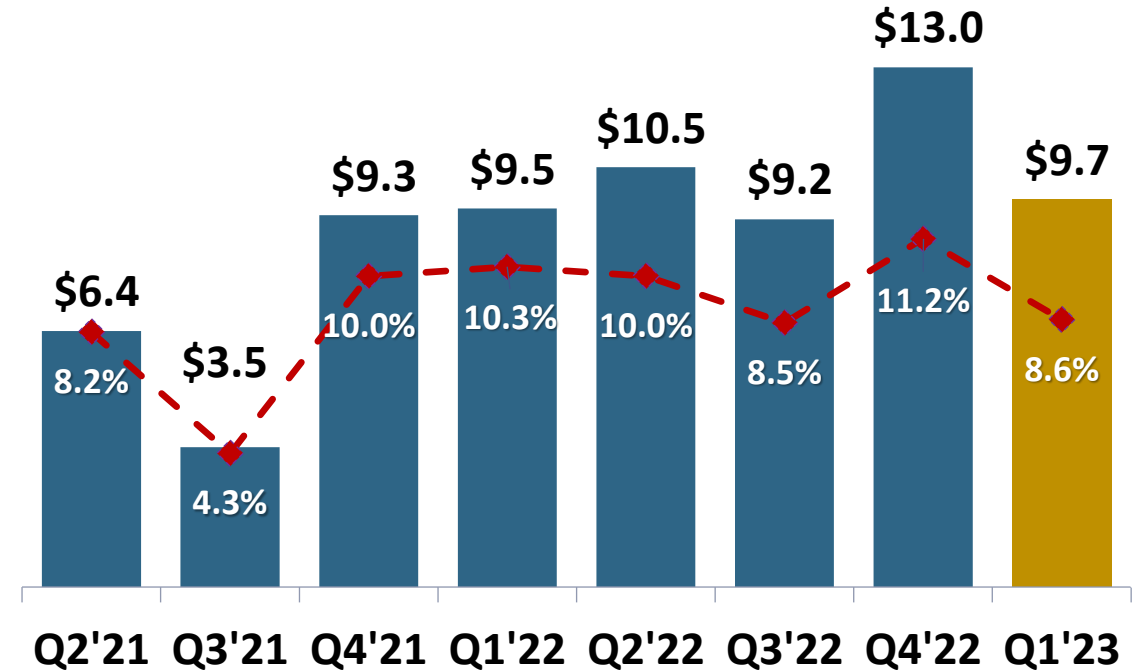
# Continuing to Drive Strong Profitability

(\$MM)

## Gross Profit & Margins



## Adjusted EBITDA & Margins



- **Gross Profit:** Record Q1 GP\$ quarter ... +32% Y/Y on higher volume, execution and project pricing ... margin rate up ~240 bps Y/Y ... Benefits of higher booked margins and M&A ... TTM of \$136.7 +33% is ~31% margin/+120 bps
- **EBITDA:** +2% Y/Y ... TTM of \$42.5 +48%, margin down YoY on SG&A to support growth and Q1'22 settlement gain

Overcoming Disruptions ... Continuing to Invest in Growth, People and Operating Model

# Balanced Capital Allocation Driving Value Creation

## Acquisitions in 2023

~\$25M



- Q1 Close ... Annualized Revenues ~\$10M
- Thermal Acoustics platform
- Adds Standard Products + Acoustic Controls for Industrial applications
- UK-based



- Q2 Close ... Annualized Revenues ~\$12M
- Supports Energy Transition applications
- Sep-Fil platform
- Chemical Process and Hydrocarbon Processing and Transport
- US-based

## Share Repurchase: *FY'22 + 2H'21*

~\$12M

- Announced \$20M, 3-Yr. Authorization in May '22
- Repurchased ~ 3% of Shares in 2022 (Avg. Price \$6.80)
- Completed ~ \$7M of share repurchases in 2022
- Completed ~ \$5M of repurchases in 2H'21

## CapEx & Growth

~\$2.5M  
in 1Q'23

- Increased investments in Lean/Productivity Initiatives
- Already strong plant safety programs were advanced
- Upgrades to IT network security and bandwidth
- India expansion = Doubled resources

*Deployed ~ \$80M in Capital Toward Acquisitions and Stock Buybacks Over the Past 18 Months*

# Cash Position and Liquidity Supports Capital Deployment Plan

(\$MM)

## Cash Position and Liquidity

**Cash 12.31.22** **\$46.6**

### Sources

Cash from Operations	\$(12.0)
Net Borrowings	<u>\$34.0</u>
Total	\$22.0

### Uses

M&A	\$(24.1)
Capex	<u>\$(2.5)</u>
Total	\$(26.6)

### Other

FX	\$(0.1)
Other	<u>\$0.3</u>
Total	\$0.2

**Cash 3.31.23** **\$42.2**

### Ref:

Cash Interest	\$(2.3)
Cash Taxes	\$(1.3)

## Leverage and Investment Capacity

**Gross Debt 12.31.22** **\$104.9**

### Borrowings

On revolver	\$54.8
On term loan	\$ -
Other	<u>\$2.1</u>
Total	\$56.9

### Repayments

On revolver	\$(20.0)
On credit facility	<u>\$ (0.6)</u>
Total	\$(20.6)

Net Borrowings, Q12023 \$36.3

**Gross Debt 3.31.23** **\$141.2**

	<u>12.31.21</u>	<u>12.31.22</u>	<u>3.31.23</u>
Net Debt <sup>1/</sup>	\$33.5	\$58.3	\$99.0
TTM Bank EBITDA <sup>2/</sup>	\$28.7	\$42.7	\$40.9
<b>Leverage Ratio<sup>3/</sup></b>	<b>1.2x</b>	<b>1.4x</b>	<b>2.4x</b>
<b>Capacity<sup>4/</sup></b>	<b>~\$50</b>	<b>~\$74</b>	<b>~\$40</b>

Note:

1/ Net Debt = Gross Debt - Cash

2/ TTM Bank EBITDA as defined in the Credit Facility

3/ Leverage Ratio = Net Debt / TTM Bank EBITDA

4/ Capacity = Current Facility Capacity + Net US Cash

# Looking Forward & Summary



# Raising Full Year 2023 Earnings Outlook

(\$MM)

	<u>Revenue</u>	<u>Adjusted EBITDA</u>	<u>Free Cash Flow</u>
<b>Full Year Outlook</b>	<b>\$485+</b> <i>Up ~15% YoY</i>	<b>\$50+</b> <i>Up ~18% YoY*</i>	<b>50% to 70% of EBITDA</b>
<i>Previous Outlook:</i>	<i>\$460 – \$485</i>	<i>\$45 – \$50</i>	

## Macro Tailwinds > Headwinds for CECO

- ✓ Reshoring / Renewing Industrial Strategic Investment
- ✓ Significant Infrastructure Investments Globally
- ✓ “Green” Investments + Energy Transition
- ✓ N.A. Electronics / Semiconductor Strategic Investment
- ✓ Global Tightening of Regulatory Environment
- ? Economic Recession / Financial Tightening

## Advancing Operational Excellence

- ✓ Growth: Investment in Talent + Market Penetration
- ✓ Advancing CECO’ Lean Enterprise Muscle
- ✓ More Robust / Global Supply Chain Capabilities
- ✓ Capital Investments in New Machining Drives Quality
- ✓ Launch of New Products > Historic Introductions
- ✓ India: Triple the Size of Employee Pool from 2 Years Ago

# 1Q'23 Earnings Presentation: In Conclusion

## Q1 2023:

- **Great Growth:** Record Q1 Revenue ... And We Still Generated an ~ 1.3X Book-to-Bill
- **Positioned to Sustain Growth:** Large Book-to-Bill Enabled Record Backlog Levels
- **Improving Margins:** Strong Gross Margins ... And Our Operating Excellence Programs Are Just Starting
- **Programmatic M&A Continues:** Completed Two Strategic Acquisitions YTD in 2023

## FY 2023 Outlook:

- **Full Year 2023 Guidance:** Raised for Second Time Since Introduced in November 2022
- **High Confidence:** Macro Trends in Our Favor ... Record Backlog ... Large Sales Pipeline for 2023++

## CECO Continues to Transform:

- **Long-Term Transformation Underway:** Confident in Playbook to Drive Sustainable Growth / Profitability

*Another Building Block As We Transform CECO*

# Appendix

Supplemental Materials and Non-GAAP Reconciliation Tables

# Revenue Excluding Acquisitions

<i>(dollars in millions)</i>	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Annual 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Annual 2022	Q1 2023	TTM
Revenue as report in accordance with GAAP	\$ 71.9	\$ 78.7	\$ 80.0	\$ 93.6	\$ 324.1	\$ 92.4	\$ 105.4	\$ 108.4	\$ 116.4	\$ 422.6	\$ 112.6	\$ 442.8
Less revenue attributable to acquisitions	-	-	-	-	-	-	(4.6)	(6.0)	(7.4)	(18.0)	(12.6)	(30.6)
Organic Revenue	\$ 71.9	\$ 78.7	\$ 80.0	\$ 93.6	\$ 324.1	\$ 92.4	\$ 100.8	\$ 102.4	\$ 109.0	\$ 404.6	\$ 100.0	\$ 412.2

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.

# Non-GAAP Operating Income and Margin

<i>(dollars in millions)</i>	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Annual 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Annual 2022	Q1 2023	TTM
<b>Operating Income as reported in accordance with GAAP</b>	\$ 3.1	\$ 2.1	\$ (0.6)	\$ 5.3	\$ 9.9	\$ 5.2	\$ 5.7	\$ 2.8	\$ 8.4	\$ 22.2	\$ 5.5	\$ 22.4
<i>Operating Margin in accordance with GAAP</i>	4.3%	2.7%	-0.8%	5.7%	3.1%	5.6%	5.4%	2.6%	7.2%	5.3%	4.9%	5.1%
<b>Acquisition and integration expense</b>	0.1	-	0.2	0.5	0.8	1.0	1.5	1.3	0.7	4.5	0.5	4.0
<b>Amortization expense</b>	1.7	1.7	1.7	1.6	6.7	1.5	1.5	2.0	2.1	7.0	1.7	7.3
<b>Earn-out and retention expense (income)</b>	0.1	0.6	0.1	0.3	1.1	-	-	-	(0.2)	(0.2)	-	(0.2)
<b>Restructuring expense</b>	-	0.3	0.4	-	0.6	0.1	-	-	-	0.1	-	-
<b>Executive transition expense</b>	-	-	-	-	-	-	-	1.2	-	1.2	-	1.2
<b>Non-GAAP Operating Income</b>	\$ 5.0	\$ 4.7	\$ 1.8	\$ 7.7	\$ 19.1	\$ 7.8	\$ 8.7	\$ 7.3	\$ 11.0	\$ 34.8	\$ 7.7	\$ 34.7
<i>Non-GAAP Operating Margin</i>	7.0%	6.0%	2.3%	8.2%	5.9%	8.4%	8.3%	6.7%	9.5%	8.2%	6.8%	7.8%

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.

# Non-GAAP Net Income, Adjusted EBITDA, and Margin

<i>(dollars in millions)</i>													
	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Annual 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Annual 2022	Q1 2023	TTM	
<b>Net Income as reported in accordance with GAAP</b>	\$ 1.2	\$ 0.3	\$ (1.2)	\$ 1.2	\$ 1.4	\$ 2.8	\$ 4.4	\$ 1.9	\$ 8.3	\$ 17.4	\$ 2.0	\$ 16.6	
Acquisition and integration expense	0.1	-	0.2	0.5	0.8	1.0	1.5	1.3	0.7	4.5	0.5	4.0	
Amortization expense	1.7	1.7	1.7	1.6	6.7	1.5	1.5	2.0	2.1	7.0	1.7	7.3	
Earn-out and retention expense (income)	0.1	0.6	0.1	0.3	1.1	-	-	-	(0.2)	(0.2)	-	(0.2)	
Restructuring expense	-	0.3	0.4	-	0.6	0.1	-	-	-	0.1	-	-	
Executive transition expense	-	-	-	-	-	-	-	1.2	-	1.2	-	1.2	
Foreign currency remeasurement	0.6	1.1	(0.1)	0.5	2.0	0.3	(0.3)	2.5	(3.8)	(1.3)	(0.1)	(1.6)	
Tax benefit (cost) of expenses	(0.6)	(0.9)	(0.6)	(0.7)	(2.8)	(0.7)	(0.7)	(1.8)	0.3	(2.8)	(0.5)	(2.7)	
<b>Non-GAAP Net Income</b>	\$ 3.1	\$ 3.1	\$ 0.5	\$ 3.4	\$ 9.8	\$ 5.0	\$ 6.4	\$ 7.1	\$ 7.4	\$ 25.9	\$ 3.6	\$ 24.6	
Depreciation expense	0.8	0.8	0.8	0.8	3.2	0.9	0.9	0.9	1.0	3.6	1.2	4.0	
Non-cash stock compensation	0.7	0.9	0.9	0.9	3.3	0.9	0.9	1.1	1.0	3.9	0.8	3.8	
Other (income) / expense	(0.1)	(0.2)	(0.1)	0.6	0.2	0.2	(1.6)	(3.8)	(0.4)	(5.6)	0.7	(5.2)	
Interest expense	0.7	0.7	0.7	0.8	3.0	0.8	1.1	1.6	1.9	5.4	2.4	7.0	
Income tax expense	1.2	1.1	0.7	2.6	5.5	1.8	2.6	2.1	1.8	8.2	0.5	7.0	
Non-Controlling Interest	0.1	0.1	0.1	0.3	0.6	-	0.3	0.2	0.3	0.8	0.5	1.3	
<b>Adjusted EBITDA</b>	\$ 6.5	\$ 6.5	\$ 3.6	\$ 9.4	\$ 25.6	\$ 9.6	\$ 10.6	\$ 9.2	\$ 13.0	\$ 42.2	\$ 9.7	\$ 42.5	
<i>Non-GAAP Operating Margin</i>	9.0%	8.3%	4.5%	10.0%	7.9%	10.4%	10.1%	8.5%	11.2%	10.0%	8.6%	9.6%	
<b>Basic Shares Outstanding</b>	35,396,705	35,491,725	35,472,298	35,399,724	35,345,785	35,051,034	34,873,238	34,871,948	34,318,526	34,672,007	34,441,905	34,626,404	
<b>Diluted Shares Outstanding</b>	35,774,208	35,819,269	35,472,298	35,537,136	35,594,779	35,199,201	35,041,152	35,287,605	34,919,398	35,005,159	35,198,668	35,111,706	
<b>Earnings per share:</b>													
Basic	\$ 0.03	\$ 0.01	\$ (0.03)	\$ 0.03	\$ 0.04	\$ 0.08	\$ 0.13	\$ 0.06	\$ 0.24	\$ 0.50	\$ 0.06	\$ 0.48	
Diluted	\$ 0.03	\$ 0.01	\$ (0.03)	\$ 0.03	\$ 0.04	\$ 0.08	\$ 0.13	\$ 0.06	\$ 0.24	\$ 0.50	\$ 0.06	\$ 0.47	
<b>Non-GAAP earnings per share:</b>													
Basic	\$ 0.09	\$ 0.09	\$ 0.01	\$ 0.10	\$ 0.28	\$ 0.14	\$ 0.18	\$ 0.20	\$ 0.22	\$ 0.75	\$ 0.10	\$ 0.71	
Diluted	\$ 0.09	\$ 0.09	\$ 0.01	\$ 0.10	\$ 0.28	\$ 0.14	\$ 0.18	\$ 0.20	\$ 0.21	\$ 0.74	\$ 0.10	\$ 0.70	

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.

# Adjusted Free Cash Flow

<i>(dollars in millions)</i>	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Annual 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Annual 2022	Q1 2023	TTM
Net Cash provided by (used in) operating activities	\$ 9.9	\$ (5.8)	\$ 6.1	\$ 3.1	\$ 13.3	\$ (0.2)	\$ 18.9	\$ 1.0	\$ 10.0	\$ 29.6	\$ (12.0)	\$ 17.9
Add: Earn-outs classified as operating	-	-	0.6	-	0.6	-	1.0	-	-	1.0	-	1.0
Capital Expenditures	(0.5)	(0.5)	(0.7)	(0.9)	(2.6)	(0.7)	(0.8)	(0.9)	(1.0)	(3.4)	(2.5)	(5.2)
<b>Adjusted Free Cash Flow</b>	<b>\$ 9.4</b>	<b>\$ (6.3)</b>	<b>\$ 6.0</b>	<b>\$ 2.2</b>	<b>\$ 11.3</b>	<b>\$ (0.9)</b>	<b>\$ 19.1</b>	<b>\$ 0.1</b>	<b>\$ 9.0</b>	<b>\$ 27.2</b>	<b>\$ (14.5)</b>	<b>\$ 13.7</b>
TTM Adjusted FCF	\$ 3.9	\$ 3.5	\$ 3.4	\$ 11.3	\$ 11.3	\$ 1.0	\$ 26.4	\$ 20.5	\$ 27.2	\$ 27.2	\$ 13.7	\$ 13.7
TTM EBITDA	\$ 31.9	\$ 30.2	\$ 26.5	\$ 25.7	\$ 25.7	\$ 28.9	\$ 33.1	\$ 38.7	\$ 42.2	\$ 42.2	\$ 42.5	\$ 42.5
TTM FCF / EBITDA conversion	12.2%	11.6%	12.8%	44.0%	44.0%	3.5%	79.8%	53.0%	64.5%	64.5%	32.2%	32.2%

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.