



# INVESTOR DAY

September 11, 2024



# Forward-Looking Statements

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This presentation contains statements, including information about future financial performance and market conditions, accompanied by phrases such as “believes,” “estimates,” “expects,” “plans,” “anticipates,” “intends,” “projects,” and other similar “forward-looking” statements, as defined in the Private Securities Litigation Reform Act of 1995. The actual results, performance or achievements of Modine, its operating segments, and the product groups within its operating segments may differ materially from those expressed or implied in these statements because of certain risks and uncertainties, including, but not limited to those described under “Risk Factors” in Item 1A of Part I of the Company's Annual Report on Form 10-K for the year ended March 31, 2024 and under Forward-Looking Statements in Item 7 of Part II of that same report and in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024. Other risks and uncertainties include, but are not limited to, the following: the impact of potential adverse developments or disruptions in the global economy and financial markets, including impacts related to inflation, energy costs, supply chain challenges or supplier constraints, logistical disruptions, tariffs, sanctions and other trade issues or cross-border trade restrictions; the impact of other economic, social and political conditions, changes and challenges in the markets where we operate and compete, including foreign currency exchange rate fluctuations, increases in interest rates or tightening of the credit markets, recession or recovery therefrom, restrictions associated with importing and exporting and foreign ownership, public health crises, and the general uncertainties, including the impact on demand for our products and the markets we serve from regulatory and/or policy changes that have been or may be implemented in the U.S. or abroad, including those related to tax and trade, climate change, public health threats, and military conflicts, including the current conflicts in Ukraine and in the Middle East and heightened tensions in the Red Sea; the overall health and pricing focus of our customers; our ability to successfully realize anticipated benefits, including improved profit margins and cash flow, from our strategic initiatives and our application of 80/20 principles across our businesses; our ability to be at the forefront of technological advances and the impacts of any changes in the adoption rate of technologies that we expect to drive sales growth; our ability to accelerate growth organically and through acquisitions and successfully integrate acquired businesses; our ability to effectively and efficiently manage our operations in response to sales volume changes, including maintaining adequate production capacity to meet demand in our growing businesses while also completing restructuring activities and realizing benefits thereof; our ability to fund our global liquidity requirements efficiently and comply with the financial covenants in our credit agreements; operational inefficiencies as a result of product or program launches, unexpected volume increases or decreases, product transfers and warranty claims; the impact on Modine of any significant increases in commodity prices, particularly aluminum, copper, steel and stainless steel (nickel) and other purchased components and related costs, and our ability to adjust product pricing in response to any such increases; our ability to recruit and maintain talent in managerial, leadership, operational and administrative functions and to mitigate increased labor costs; our ability to protect our proprietary information and intellectual property from theft or attack; the impact of any substantial disruption or material breach of our information technology (“IT”) systems; the impact of a material weakness identified in our internal controls related to IT system access in Europe on our financial reporting process; costs and other effects of environmental investigation, remediation or litigation and the increasing emphasis on environmental, social and corporate governance matters; our ability to realize the benefits of deferred tax assets; and other risks and uncertainties identified in our public filings with the U.S. Securities and Exchange Commission. Forward-looking statements are as of the date of this presentation, and we do not assume any obligation to update any forward-looking statements.

# Agenda and Presenters

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|          |                                                        |                  |
|----------|--------------------------------------------------------|------------------|
| 9:30 AM  | <b>Welcome and Opening Remarks</b>                     | Kathy Powers     |
|          | <b>Future Ready, Purpose Driven</b>                    | Neil Brinker     |
|          | <b>Evolving Our Performance Technologies Portfolio</b> | Adrian I. Peace  |
|          | <b>Accelerating Growth in Climate Solutions</b>        | Eric McGinnis    |
| 10:45 AM | <b>Break</b>                                           |                  |
| 11:00 AM | <b>Panel Discussion</b>                                | General Managers |
|          | <b>Unlocking Value to Power Our Future</b>             | Mick Lucareli    |
|          | <b>Closing Remarks</b>                                 | Neil Brinker     |
| 11:45 AM | <b>Q&amp;A</b>                                         |                  |



# Future Ready, Purpose Driven

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**Neil Brinker**  
President and CEO

## OUR VISION

Always evolving  
our portfolio of  
products in  
pursuit of highly  
engineered,  
mission-critical  
thermal solutions

## OUR PURPOSE

Engineering A Cleaner,  
Healthier World™

## OUR MISSION



Reduce Water & Energy  
Consumption



Lower Harmful  
Emissions



Enable Cleaner Running  
Vehicles



Use Environmentally Friendly  
Refrigerants



Improve Indoor Air Quality

## OUR VALUES

Integrity  
Committed

People Centric

Technology Driven

Results Oriented

Team Focused

# Our Purpose: Engineering a Cleaner, Healthier World™

## ENABLING OUR CUSTOMERS



### EVantage™

Battery thermal management systems deliver maximum cooling at the lowest power draw

### 44%

data center energy savings by deploying our advanced cooling technology

### Electric Solutions

AmpDawg™ Unit Heater and MEL Series Infrared Heater provide electric alternatives for residential and commercial

### 3<sup>rd</sup> Consecutive Year

of decreases in intensity of Scope 1 and Scope 2 GHG emissions, and water use

### Solar

Photovoltaic installations in Changzhou, China and Pontevico, Italy

### 100%

certified renewable electricity in operations at our Leeds, UK facility

## REDUCING OUR IMPACT



## Sustainability Spotlight: UN Global Compact

- Signatory to largest global sustainability initiative
- Developing forward-looking targets for carbon, water, and waste
- Advancing supply chain sustainability
- Continued commitment to governance, ethics, and integrity

Strategy and Products Benefit Our Company, Our Customers, and the Planet

# Strategic Pillars Driving Value Creation



Capitalizing on our **deep expertise in thermal management** to deliver differentiated solutions and sustained market leadership



Leveraging our portfolio of **highly engineered, mission-critical thermal solutions** to accelerate growth



Entering a **multi-year growth cycle** powered by **multiple secular mega-trends**



**Elevating our 80/20 discipline** by influencing daily decision-making and strategic resource and capital allocation



**Evolving our portfolio to compound shareholder value** by focusing on high-growth, high-margin businesses for sustainable growth and returns



# Deep Expertise in Thermal Management

## HIGHLY ENGINEERED, MISSION-CRITICAL thermal solutions to meet the needs of our customers

- ▶ Over a century of leadership in thermal management
- ▶ Strong relationships with leading companies across many diversified industries
- ▶ Patent-protected, fit-for-purpose innovation meeting customers' unique needs
- ▶ Advanced technical test centers and lab capabilities driving product development
- ▶ Proprietary technology and footprint creates ongoing value for our customers



# Building on More Than 100 Years of Thermal Industry Expertise

## VEHICULAR FOCUS

## DIVERSIFICATION FOCUS

## 80/20 DISCIPLINE AND TECHNOLOGY FOCUS

1916

Modine founded, focusing on thermal management for autos and early tractors



A Modine Unit Heater being installed.

1928

Heating Division is established and Modine becomes a public company

2005

Acquisition of Airedale Air Conditioning in the UK



2016

Acquisition of Luvata Heat Transfer Systems adding coils (HTP), coolers, and coatings product offerings

LUVATA

2023

Acquisition of Napps Technology including Jetson branded chillers

Jetson

2023

Divestiture of three German automotive locations

2024

Acquisition of TMGcore immersion cooling IP and technology



2024

Acquisition of Scott Springfield Manufacturing, adding evaporative cooling technology to our data center product offering



# Our Evolving 80/20 Journey Through Segmentation



- ▶ 80/20 is the foundation of our transformation
- ▶ The business portfolio will continually evolve while applying 80/20 principles through time
- ▶ As our revenue mix shifts, segmentation is critical to alignment
- ▶ Modine will be realigning the six product groups; which is a standard and planned element of 80/20
- ▶ The realignment of our product groups will further improve our product and market focus; further increasing our rate of growth and profitability
- ▶ 80/20 is a continuous process of alignment with a focus on growth and margin improvement

# Segments and Product Groups Aligned to Accelerate Growth

## Performance Technologies

### Heavy-Duty Equipment

Cooling systems for heavy-duty off-highway equipment including agricultural, construction and mining equipment, and prime power generation



### On-Highway Applications

Cooling systems for medium and heavy-duty commercial vehicles, and certain light-duty applications



### E-Mobility

Advanced thermal systems for commercial and specialty electric vehicles



## Climate Solutions

### Coils, Coolers & Coatings

Heat transfer coils for a wide variety of applications and markets, commercial refrigeration coolers, and anti-corrosion coating products



### Heating & School IAQ

Heating units for various end-use applications, and specialty indoor air quality products for the school market with after-sale support



### Data Centers & Commercial IAQ

Full system solutions for data center cooling for global customers and other commercial indoor air quality applications



# Modine At-a-Glance

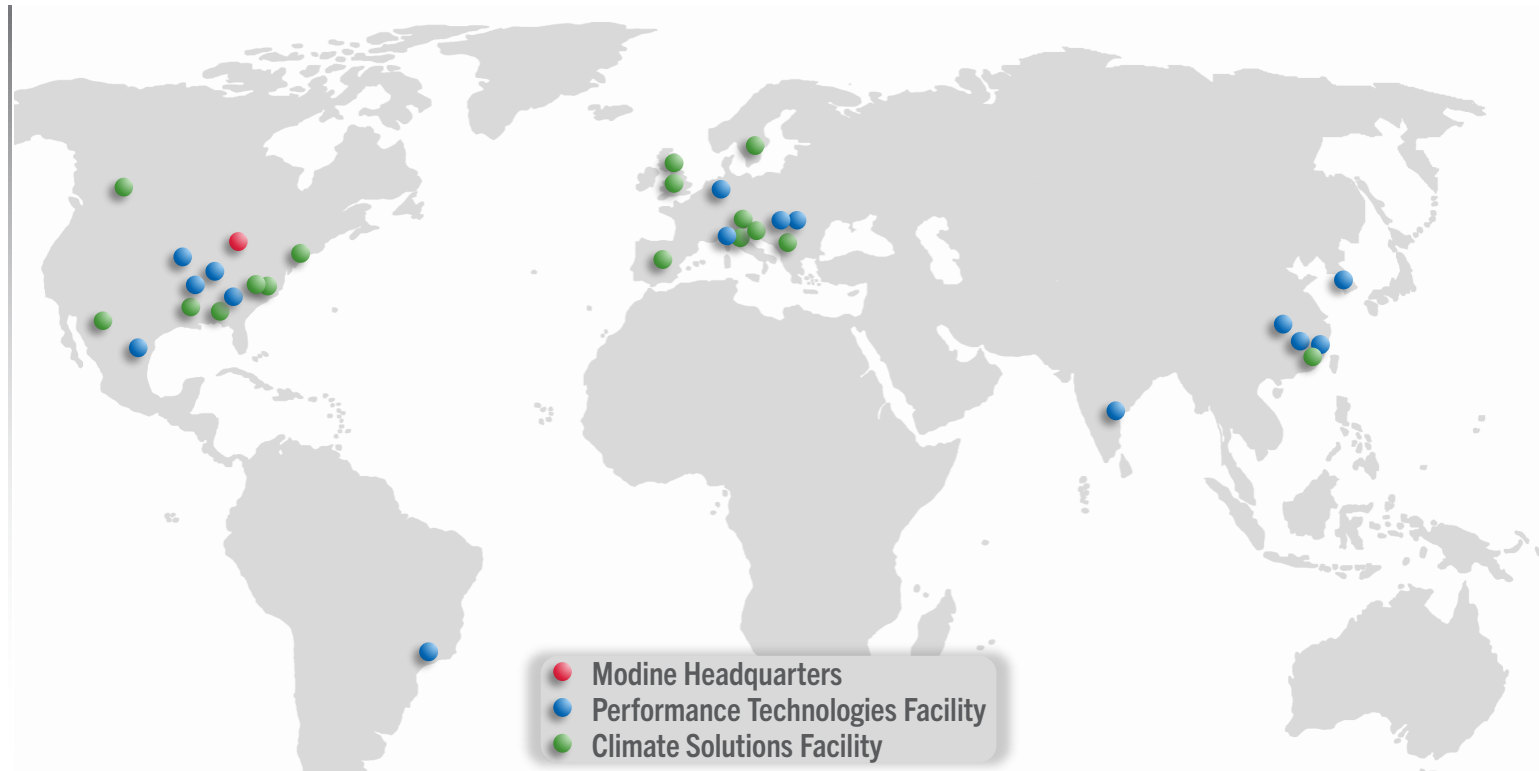
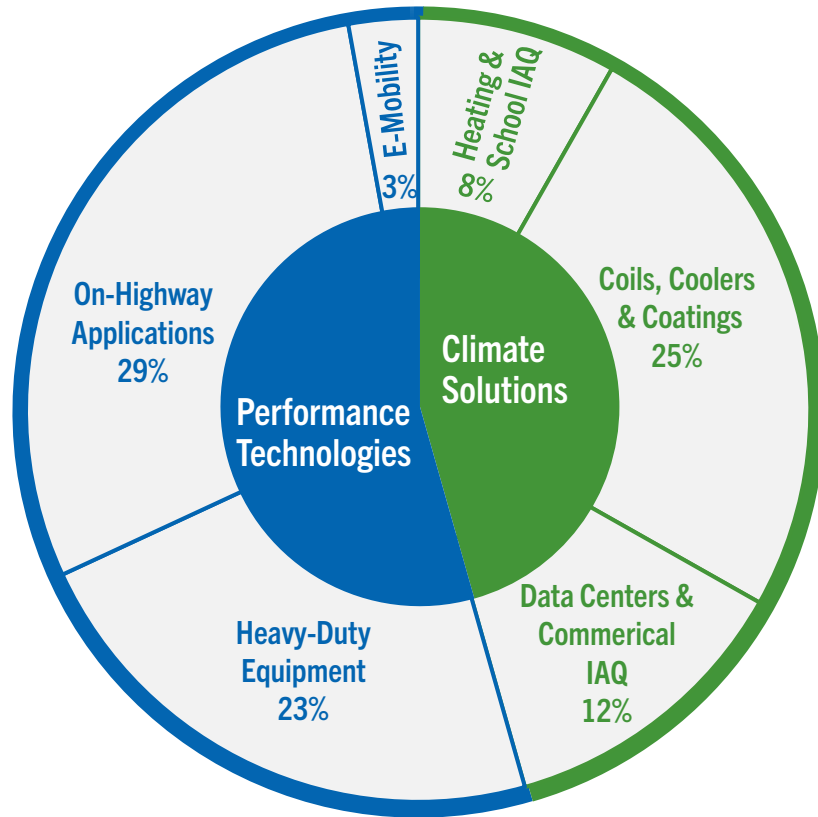
**\$2.4B** FY2024 Sales

**\$314M** FY2024 Adjusted EBITDA

**38** Manufacturing Facilities in 14 Countries<sup>1</sup>

Americas: 16  
Europe: 15  
Asia: 7

**~11,400** Employees



Positioned for Growth with Strong Product Portfolio and Global Footprint

# Secular Mega-Trends Driving Long-Term Growth



## High-Performance Computing

Rapid expansion of AI fueling explosive data center growth, with commensurate need for cooling solutions



## Global Emission Standard Regulations

Provide thermal components and systems to shift to low-carbon energy solutions driving demand for cleaner, more efficient thermal management



## Electrification

Solving the critical thermal transition to zero-emission mobility with smart electric components and technology



## Low Global Warming Potential Refrigerant Regulations

Tighter regulation of refrigerants driving demand for new, higher performing equipment



## Clean, Healthy Indoor Air Quality

Growing emphasis on health and safety in schools, and public buildings driving demand for clean air solutions

# Elevating the Tenets of 80/20



## Decentralized Segmented Businesses

Segmented portfolio enables greater agility and improved responsiveness to customer needs



## Customer Centric Innovation

Ongoing product innovation to provide a positive experience and build long-term relationships



## Entrepreneurial Spirit

Fostering an entrepreneurial spirit to enhance accountability, agility, and responsiveness



## Capital Allocation

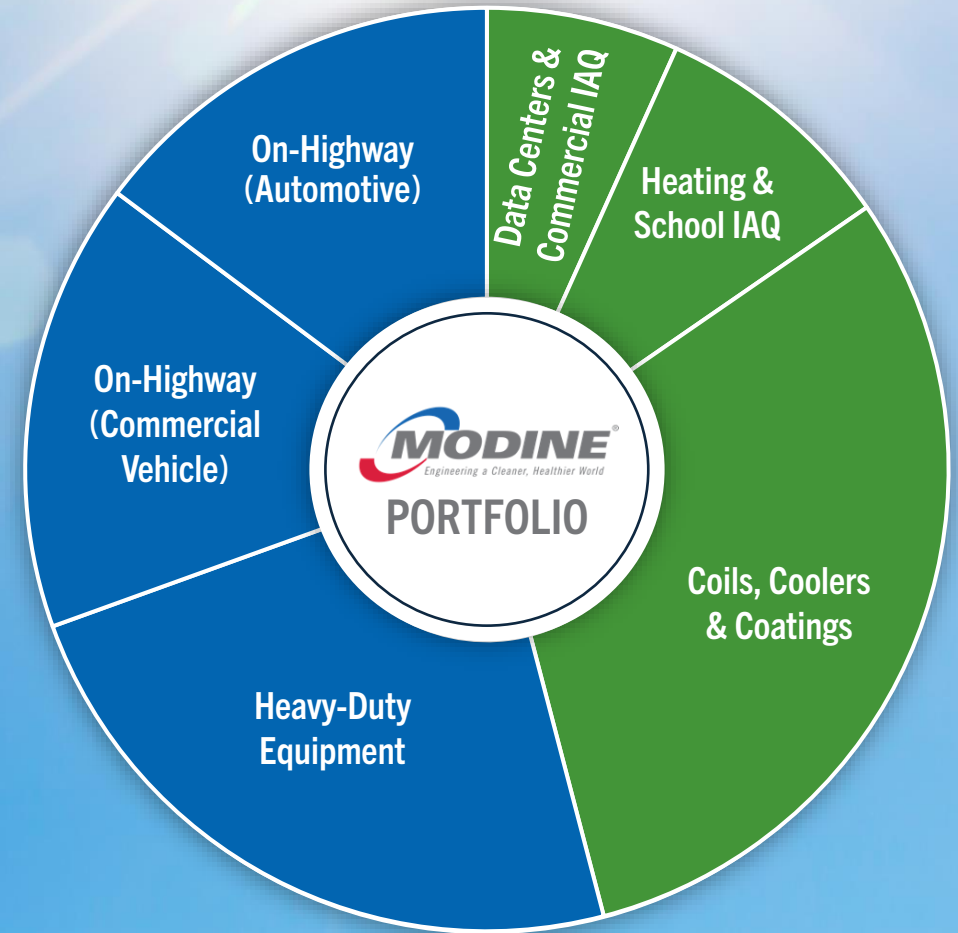
Shifting business mix to higher-growth, higher-margin opportunities

# Powered by 80/20 Commitment

# Ongoing Evolution of the Portfolio to Compound Value

## Our Portfolio Management Approach | Historical – '22

- Initial investments to diversify end markets, reduce automotive exposure
  - Airedale acquired in 2005
  - Luvata acquired in 2016
- Investing in our highest growth end markets
- Rationalizing exposure to legacy automotive business
- Leveraging 80/20 to optimize performance of legacy growth businesses
- High-growth portfolio driven by hyper growth products and end markets
- Core growth businesses delivering highly profitable returns for reinvestment in areas of high-growth
- Focused M&A to accelerate growth in key markets



# Ongoing Evolution of the Portfolio to Compound Value

## Our Portfolio Management Approach | Today – '24

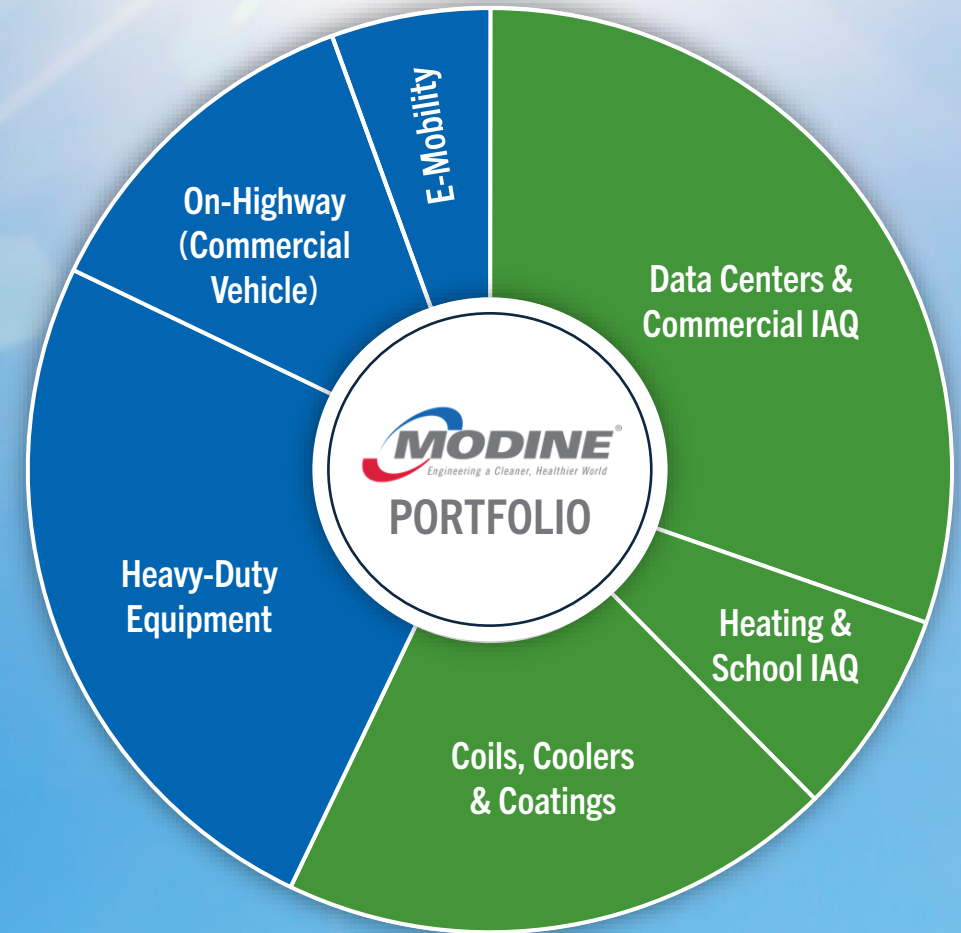
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# Ongoing Evolution of the Portfolio to Compound Value

## Our Portfolio Management Approach | Tomorrow – '27

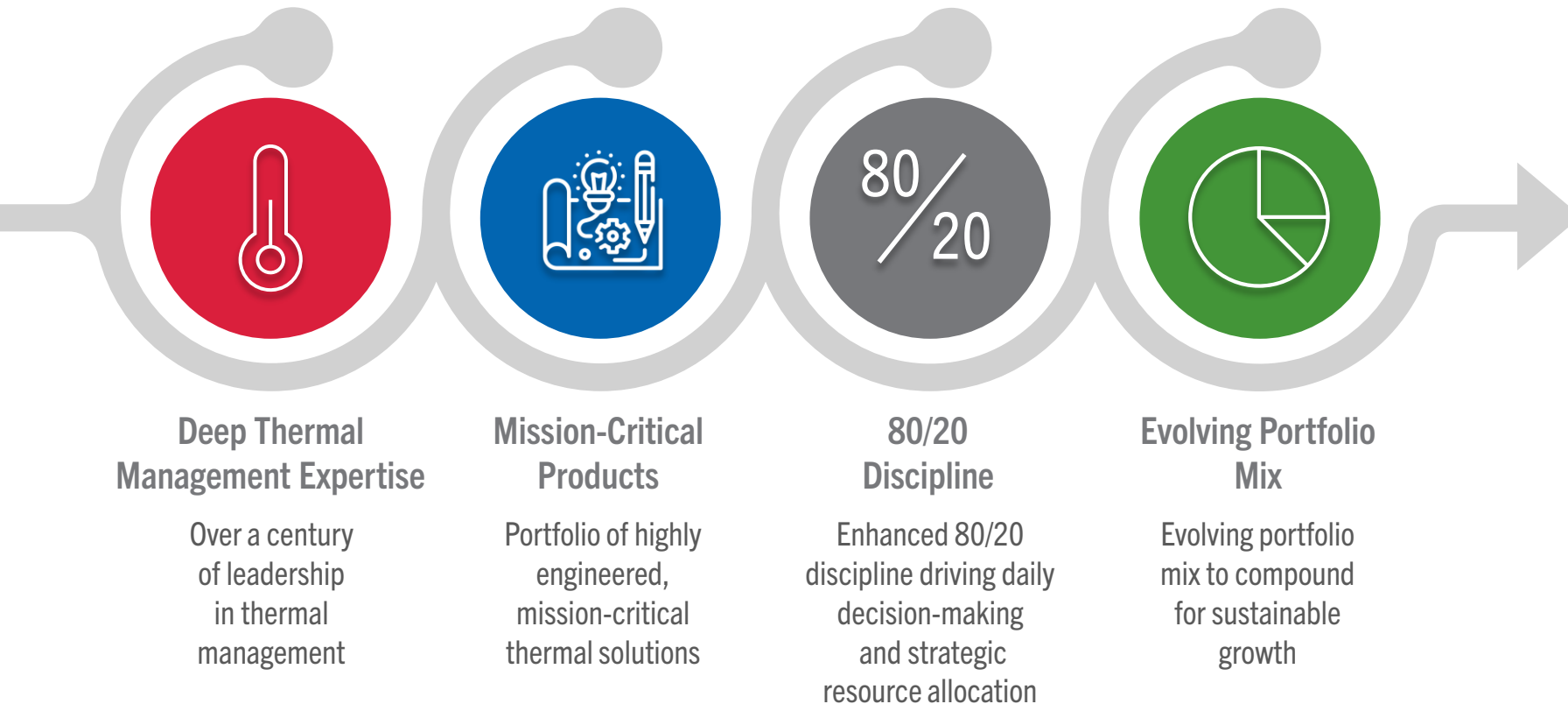
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# Leveraging Core Competency of Thermal Management Across High-Growth End Markets



Strategic framework drives success in all market environments...



...and delivers multi-year growth powered by strong secular Mega-Trends

- ✓ Energy Transition
- ✓ High-Performance Computing
- ✓ Clean, Healthy Indoor Air Quality
- ✓ Zero Failure Power Needs
- ✓ Electrification

# Exceeded 2022 Investor Day Targets as We Unlocked Value



## What We Promised

### Initial Transformation Targets

Established June 2022 Investor Day

FY22-24 Revenue CAGR : 6-8%

FY24 Adjusted EBITDA Margin: 10-12%



## What We Delivered

### Financial Targets Exceeded

FYE March 2024



**8.4%** FY22 – FY24 Revenue CAGR



**13.1%** FY24 Adjusted EBITDA Margin

# New FY27 Financial Targets

**10% – 13%**

Revenue  
CAGR

**16% – 18%**

Adjusted EBITDA  
Margin

- ▶ Accelerate targeted growth through strategic resource and capital allocation
- ▶ Complete exit of non-strategic businesses
- ▶ Pursue new market opportunities
- ▶ Continue mix shift with product line management powered by 80/20



# Rev Fire Group Video

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# Performance Technologies

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**Adrian I. Peace**

President, Performance Technologies

# Strategic Pillars Driving Value Creation



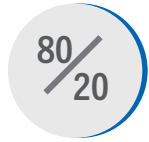
Capitalizing on our **deep expertise in thermal management** to deliver systems solutions and activate significant market opportunities while climbing the technology staircase



Leveraging our portfolio of **highly engineered, mission-critical thermal solutions** to drive competitive differentiation



Entering a **multi-year growth cycle** powered by **multiple secular mega-trends** such as decarbonization, electrification, and clean energy generation and storage



**Elevating our 80/20 discipline** to reduce complexity, drive product innovation, and continue to focus on improving margins and accelerating growth in key markets



**Evolving our portfolio to compound shareholder value** by focusing capital and resources on strategic, high-growth E-Mobility and power generation (GenSet) markets



Evolve & Pivot: 80/20-Powered Innovation to Deliver Accelerated Growth and Best-in-Class Returns

# Our Evolving 80/20 Journey Through Segmentation

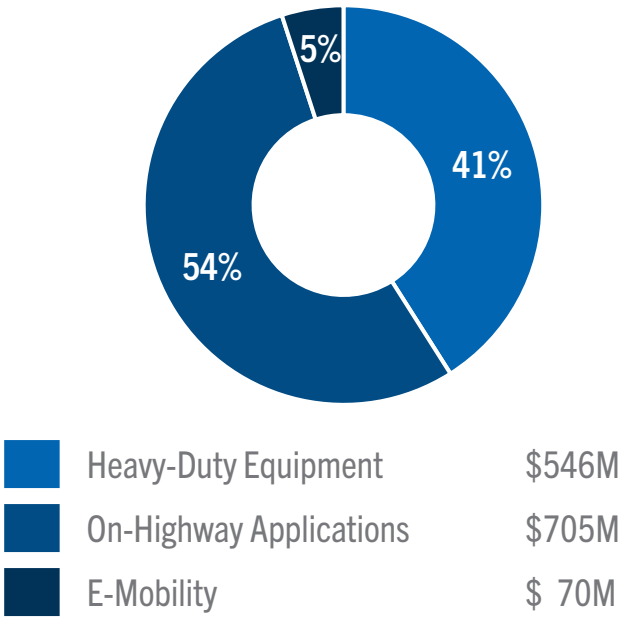


- ▶ The business portfolio will continue to evolve by applying 80/20 principles
- ▶ There is a natural progression to segmentation
  - Aligning the organization to better serve key customers
  - Allocating resources to the best opportunities
  - Improving agility around fast-moving, evolving markets such as Power Generation and E-Mobility
- ▶ Rationale for Performance Technologies segmentation
  - Evolve product-based to market-facing groups to align differentiated product/technology with customer needs
  - Accelerate innovation and growth while continuing to delight our strategic key customers
  - Leverage global manufacturing capabilities and highly talented workforce
  - Create opportunities to deploy Modine technology in new markets

# Performance Technologies Segment Overview

Engineer solutions to maximize fuel economy, minimize harmful emissions, and increase reliability for the energy systems that power our world

Performance Technologies  
FY24 Sales \$1,321M



Performance Technologies Product Groups



### Heavy-Duty Equipment





### On-Highway Applications





### E-Mobility



Exploring Emerging Markets and Technologies to Deliver Profitable Long-Term Growth



# Heavy-Duty Equipment Overview

FY24  
Revenue

\$546M

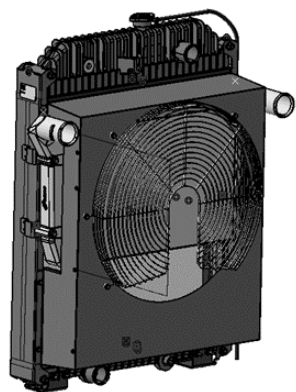
3-year  
Revenue CAGR

7% – 11%

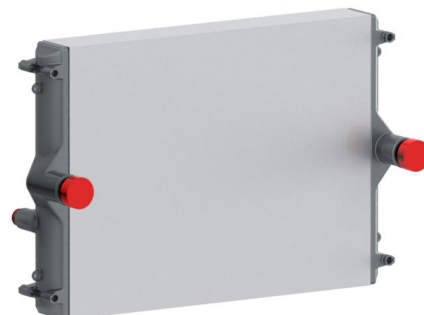
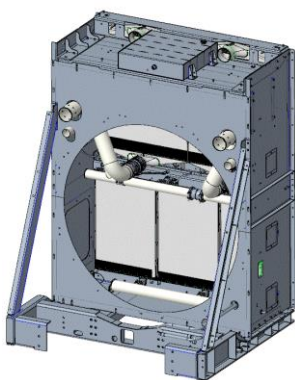
- Provider of specialized solutions to meet the unique demands of heavy-duty agricultural, backup and prime power generation, construction, and mining equipment
- Leveraging 80/20 strategies will continue to enable:
  - Compelling growth in the GenSet market as thermal modules transition to aluminum, providing greater performance and efficiency
  - Margin improvement in agricultural, construction, and mining markets

## Products and Solutions

Custom Designed Cooling Modules



Heat Exchangers



## Key End Markets

Agricultural  
Equipment



Construction  
Equipment



Stationary Power  
Generation



Mining  
Equipment





# Innovating Heavy-Duty Equipment

## Key Market Drivers

- ▶ Emissions, durability, alternate fuels, and cost continue to drive a need for innovative technology
- ▶ Global population and income growth driving need for agriculture and construction equipment to meet needs for infrastructure and food
- ▶ Rapid electrification, aging power infrastructure, and data center demand driving need for backup power, fueling growth in GenSets

## Key Strategic Objectives



Leverage product innovations in targeted markets to differentiate, expand margins, and gain share



Align manufacturing footprint to best serve top customers via 80/20



Drive profitable growth by aligning product mix with multiple high-growth secular mega-trends

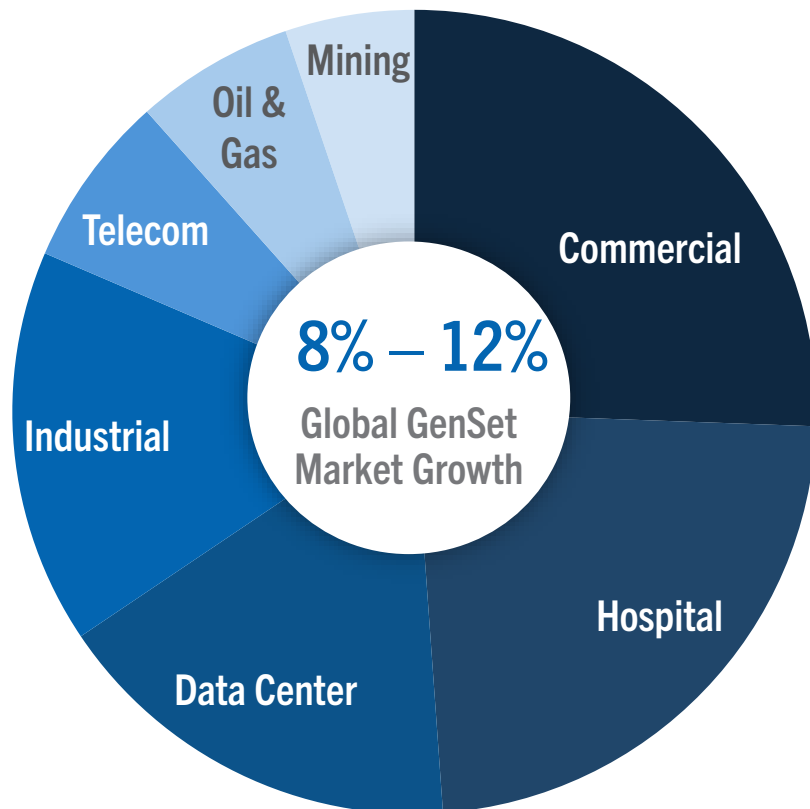


Leveraging Industry-Leading Thermal Expertise to Lead in the Heavy-Duty Equipment Market



# GenSet Proliferation and Expansion

Diverse GenSet Market Enabling Uninterrupted Energy Supply For Mission-Critical Applications



- GenSets are sold into a diverse range of applications, including the high-growth data center market
- Focus on this attractive market has led to new customer relationships and share gains
- Customers benefit from differentiated aluminum technology

Modine GenSet 3-Year Growth CAGR 30%



# On-Highway Applications Overview

FY24 Revenue

\$705M

3-year Revenue  
CAGR

(10%)–(15%)

- Provider of heat exchangers that provide optimal thermal management for engines and powertrains focused on lowering carbon emissions and improving efficiency
- Strategic relationships with global manufacturers that leverage thermal expertise and global footprint to deliver high-quality, cost-effective thermal solutions
- Rationalize portfolio through product line simplification of highly competitive automotive component offerings while targeting strategic customers in the commercial vehicle business for improved profitability and innovation

## Products and Solutions

EV & ICE Chillers, Oil  
Coolers, Condensers



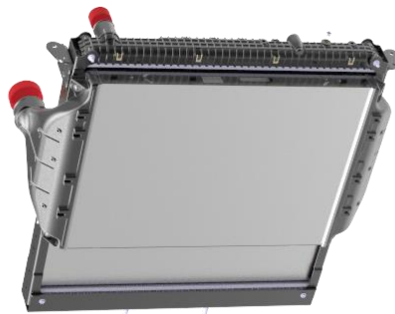
Liquid Charge-  
Air Coolers



Commercial Vehicle  
Braking System  
Retarder Cooler



Custom Designed  
Cooling Modules



## Key End Markets

Commercial Vehicle



Specialty Vehicle



Automotive





# Improving On-Highway Applications Profitability

## Key Market Drivers

- ▶ Greater attention on emissions driving demand for advanced engine technology
- ▶ Stringent performance regulations have driven the need for more cost effective and seamlessly integrated solutions
- ▶ Limited ceiling for growth and margin accretion due to commoditizing automotive component market

## Key Strategic Objectives



Develop technologies and provide innovative solutions that maximize energy efficiency for strategic customers



Apply 80/20 principles to optimize commercial vehicle platform and enhance strategic customer focus to drive product innovation, growth, and profitability



Evolve portfolio by rationalizing automotive product lines through divestiture and product line simplification



Utilizing 80/20 to Optimize Our Product Portfolio



# E-Mobility Overview

FY24 Revenue

\$70M

3-year Revenue  
CAGR

35% – 45%

- Provide advanced thermal systems that maximize cooling capacity at minimum power draw to extend range and safety of commercial and specialty EV vehicles
- Target EV vehicle OEMs in North America and Europe with plug-and-play systems for high-use, heavy-duty applications that demand enhanced reliability and durability
- Grow market position by leveraging our proprietary, patented technologies to address thermal management challenges in zero-emission mobility

## Products and Solutions

Battery Thermal Management  
Systems



Electronic Cooling  
Packages



Fuel Cell Stack Cooling  
Package



## Key End Markets

Transit and Coach Bus



Truck and Last Mile  
Delivery



Specialty Vehicle and  
Off-Highway





# Accelerating E-Mobility Growth

## Key Market Drivers

- ▶ Electrification mega-trend driving demand for thermal solutions in multiple EV applications
- ▶ Regulations are further incentivizing adoption of EV technology across market segments
- ▶ E-Mobility market expected to outpace global GDP growth through 2030 and beyond

## Key Strategic Objectives



Leverage early mover advantage to drive differentiation and own IP of components and systems to protect our position



Capitalize on customer relationships and thermal expertise to capture outsized growth from electrification of commercial and specialty vehicles



Leverage global manufacturing footprint to service customers in North America and Europe. Expand into adjacent applications as electrification gains momentum by leveraging IP-protected standard products



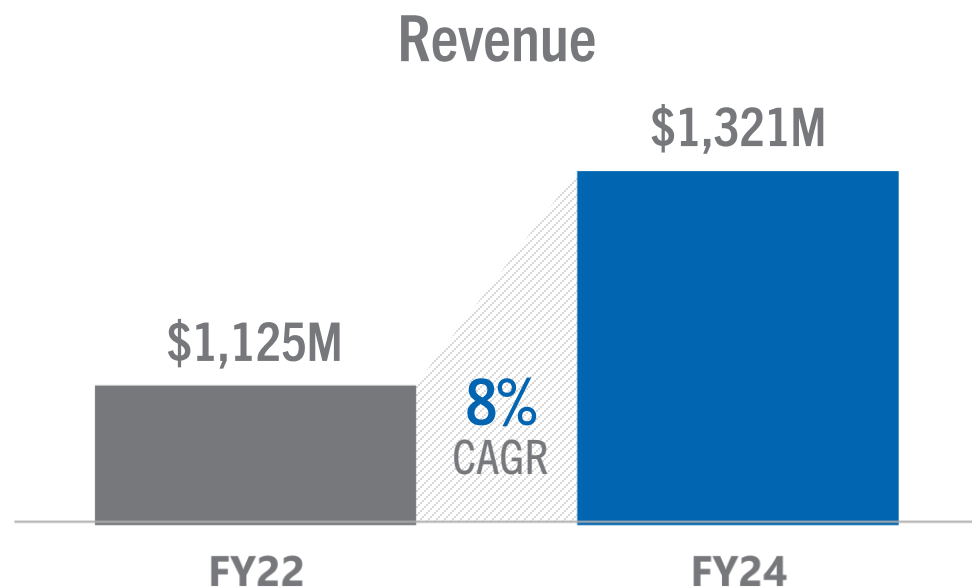
Multiple Long Term Mega-Trends Driving Demand for E-Mobility Products

# E-Mobility Market Potential

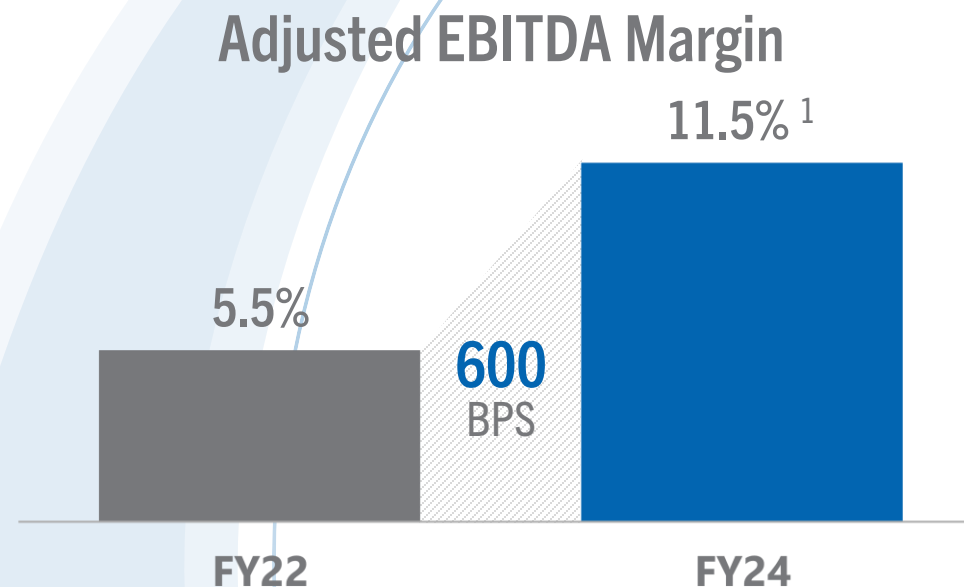


E-Mobility Technology Can be Adopted by Many Diverse End-Market Applications

# Strong Performance Relative to Targets

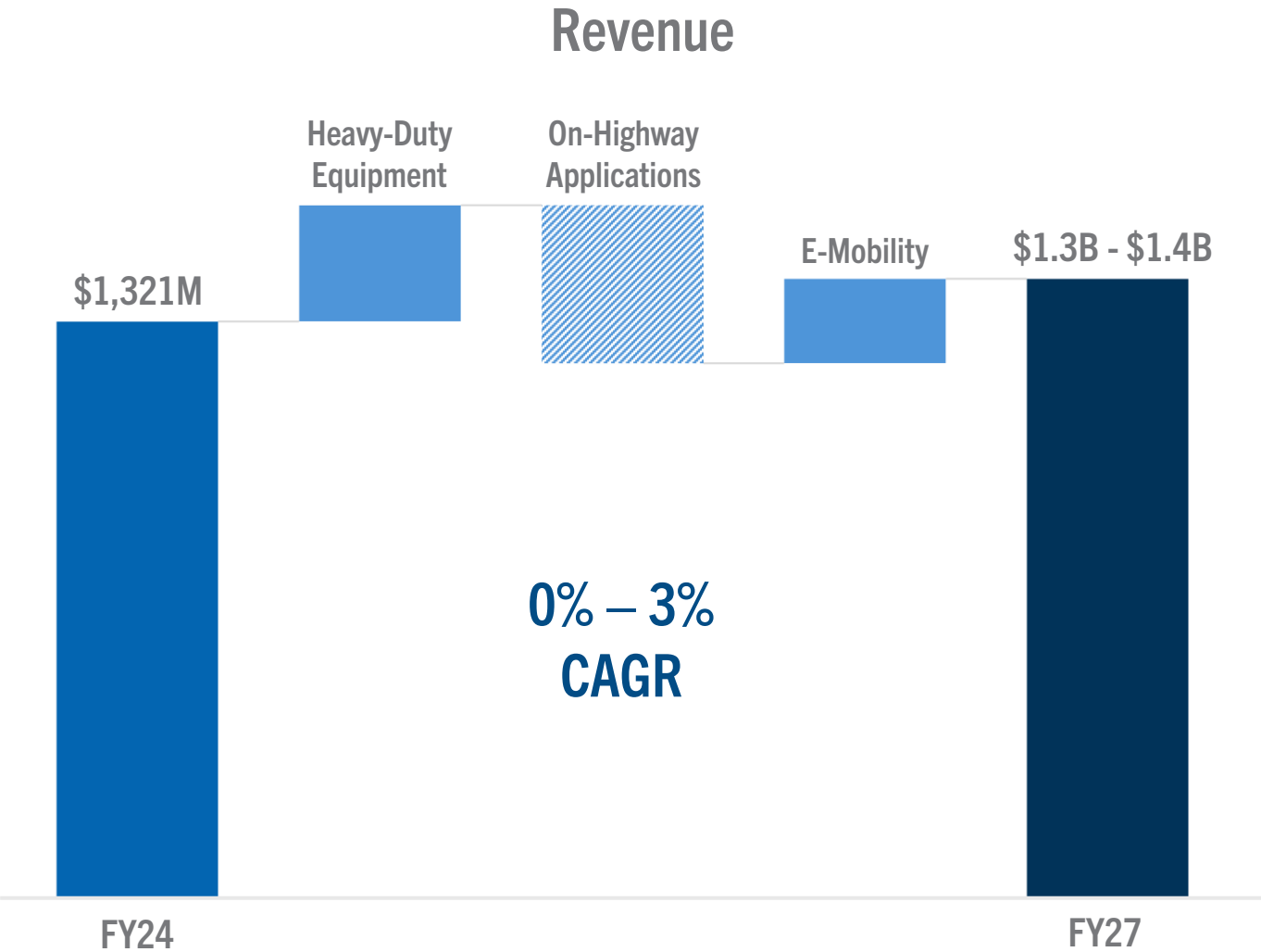


**5% – 7%**  
2022 Investor Day Targets  
Phase 1 FY24 Revenue CAGR



**10% – 12%**  
2022 Investor Day Targets  
Phase 1 FY24 Adjusted EBITDA Margin

# Performance Technologies FY27 Revenue Drivers



## FY24 - FY27 Revenue CAGR

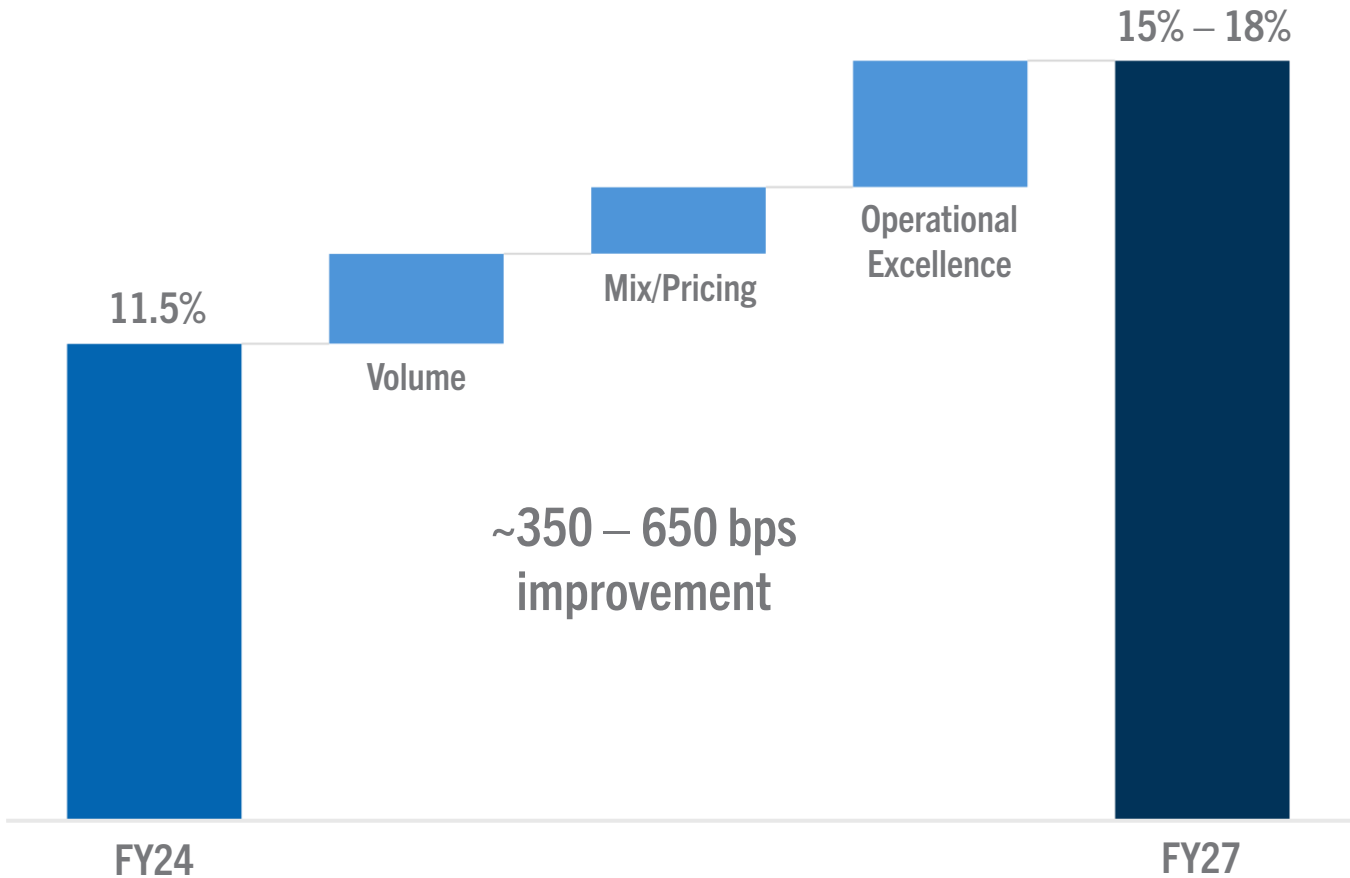
|                         |               |
|-------------------------|---------------|
| Heavy-Duty Equipment    | 7% – 11%      |
| On-Highway Applications | (10%) – (15%) |
| E-Mobility              | 35% – 45%     |

## Key Drivers

- Electrification wave for E-Mobility continues ~ 40% CAGR
- Power generation hyper-growth driven by technology advances and mission-critical applications
- Commercial vehicle, agriculture, construction, and mining growing at market rate
- Automotive product line simplification continues

# Performance Technologies FY27 Adjusted EBITDA Drivers

## Adjusted EBITDA Margin



## Key Drivers

- **Commercial Excellence** – Innovation, 80/20 informed go-to-market strategies and industry-appropriate terms enable sustainable growth
- **Product mix shifting** with growth of higher EBITDA products
- **Product line simplification** facilitates redeployment of overhead to high margin product portfolio
- **Operational Excellence & 80/20 Lean** deployment solidifies margin accretion
- **Global capacity & footprint** enables growth with strategic customers

# Compelling Long-Term Growth Opportunity



Capitalizing on our deep expertise in thermal management to deliver systems solutions and activate significant market opportunities while climbing the technology staircase



Leveraging our portfolio of highly engineered, mission-critical thermal solutions to drive competitive differentiation



Entering a multi-year growth cycle powered by multiple secular mega-trends in energy generation and electrification



Elevating our 80/20 discipline to reduce complexity, drive product innovation, and continue focus on improving margins and accelerating growth in key markets



Evolving our portfolio to compound shareholder value by focusing capital and resources on strategic, high-growth E-Mobility and power generation (GenSet) markets

# Corscale Video

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# Accelerating Growth in Climate Solutions

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**Eric McGinnis**  
President, Climate Solutions

# Strategic Pillars Driving Value Creation



Capitalizing on our **deep expertise in thermal management** to deliver differentiated solutions, build market leadership and provide unmatched customer service



Leveraging our portfolio of **highly engineered, mission-critical thermal solutions** to accelerate growth, expand our market reach, and drive profitability



Entering a **multi-year growth cycle** powered by **multiple secular mega-trends** in high-performance computing and indoor air quality with significant upside remaining



**Elevating our 80/20 discipline** in daily decision-making to drive product innovation, market segmentation, and customer focus to accelerate profitable growth



**Compounding shareholder value through** focusing capital and resources on strategic high-growth Data Center and Commercial IAQ markets



Highly Aligned with Strategic Pillars to Drive Sustainable Growth

# Our Evolving 80/20 Journey Through Segmentation

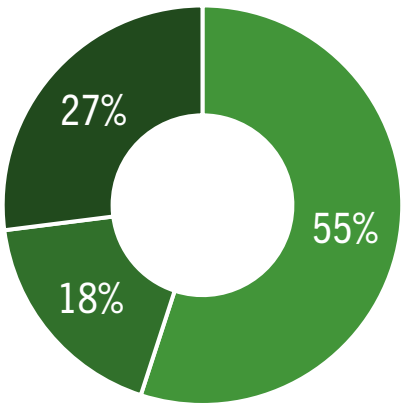


- ▶ The business portfolio will continually evolve while applying 80/20 principles
- ▶ There is a natural progression to segmentation
  - Aligning the organization to better serve customers
  - Allocating resources to the best opportunities
  - Improving agility around fast-moving, evolving markets
- ▶ Rationale for Climate Solutions segmentation
  - Continued shift from product-based to market-facing groups to align common products to address targeted markets
  - Accelerate growth by focusing on expanding key customer relationships
  - Leverage manufacturing capabilities and workforce skill set

# Climate Solutions Segment Overview

Climate Solutions provides energy-efficient, safe, climate-controlled solutions, and components for a wide range of critical applications

Climate Solutions  
FY24 Sales \$1,108M



|  |                               |        |
|--|-------------------------------|--------|
|  | Coils, Coolers & Coatings     | \$606M |
|  | Heating & School IAQ          | \$200M |
|  | Data Centers & Commercial IAQ | \$302M |

## Climate Solution’s Product Groups



Coils, Coolers & Coatings





Heating & School IAQ





Data Centers & Commercial IAQ



Mission-Critical Thermal Solutions for High-Growth End-Markets



# Coils, Coolers & Coatings Overview

FY24 Revenue

\$606M

3-year Revenue  
CAGR

0% – 5%

- World's largest independent manufacturer of heat transfer coils, used in a variety of applications and markets, estimate ~30% market share
- Provider of commercial refrigeration coolers leveraging low-GWP natural refrigerants
- Market leader in anti-corrosion coating products and application services to OEMs and distributors
- Aim to reposition the portfolio by increasing the focus on higher-margin products and systems while optimizing the margin on lower-margin component sales by applying 80/20 principles

## Products and Solutions

OE & Aftermarket  
Coils



Refrigeration Coolers



Performance Coatings



## Key End Markets

Commercial and Residential HVAC



Data Center Cooling



Commercial Refrigeration



Heat Pumps





# Repositioning the Portfolio to Increase Profitability and Growth

## Key Market Drivers

- F-Gas regulation requiring shift to low GWP natural refrigerants (CO2 & R454B) in mature economies
- Regulation aimed at reducing dependency on natural gas through electrification creating need for new heat exchanger coil solutions
- High performance computing demand and infrastructure buildout drives increased demand for specialized coils

## Key Strategic Objectives



Leverage global manufacturing footprint, production capability, broad product portfolio, and strong global customer relationships to increase share in growing markets



Increase share in refrigeration coolers by providing solutions that support environmentally friendly low GWP refrigerant systems



Utilize 80/20 discipline to enhance commercial excellence, improve profitability, and focus operations to drive competitive cost structure

Coils, Coolers & Coatings Increasing Focus on High Margin Products to Reposition the Portfolio



# Heating & School IAQ Overview

FY24 Revenue

\$200M

3-year Revenue  
CAGR

5% – 10%

- North America's leading unit heater manufacturer, used in greenhouse, garage and various other end-use applications with strong brand recognition, established sales channels, and expansive product offering
- Provider of specialty retrofit indoor air quality products to the North American K-12 school market with industry leading after-sale support
- Aim to maintain leading market share position with applications in defensible, niche markets, while accelerating growth organically through new product development, and inorganically through strategic acquisitions

## Products and Solutions

Commercial & Residential  
Unit Heaters



Vertical & Horizontal  
Unit Ventilators



## Key End Markets

Commercial Heating



Residential Heating



Indoor Air Quality - Schools





# Accelerating Heating & School IAQ Growth

## Key Market Drivers

- Comfort and indoor air quality requirements in schools driving demand for energy efficient solutions
- Building electrification creating demand for electric and hydronic alternatives for unit heaters
- Sustainability initiatives and energy transition demanding energy efficiency and lower water consumption

## Key Strategic Objectives



Defend market leading position and strong brand recognition in heating by expanding product portfolio with new electric and hydronic products, while protecting share in gas-fired products



Invest in the growing school IAQ and heating markets with new product development, and expand geographic reach through strategic channel development



Target incremental growth through acquisitions to consolidate fragmented, niche markets

Defending Our Leading Share and Expanding Market Reach through New Product Development



# Data Centers & Commercial IAQ Overview

FY24 Revenue

\$302M

3-year Revenue  
CAGR

45% – 55%

- Provider of full system solutions for data center cooling with a suite of products designed to deliver flexible solutions and superior service to global colocation operators and hyperscale customers
- Modine's current product portfolio combined with recent acquisitions provides additional products and technologies to grow in Commercial IAQ markets, including healthcare, and pharma
- Aim to leverage the Airedale brand to expand into telecom and edge applications, while supporting rapid growth by investing in capacity and technology

## Products and Solutions



Cooling  
Distribution Unit  
(CDU)



Immersion  
Cooling



BMS/ Controls



Chiller



CRAC/  
CRAH



Fan  
Wall

## Key End Markets

Hyperscale Data Centers



Colocation Data Centers



Edge and Telecom



Commercial IAQ





# Leveraging Technology in Data Centers & Commercial IAQ

## Key Market Drivers

- Desire to meet sustainability goals and reduce data center operating costs fuels demand for energy and water-efficient thermal solutions
- Scarce energy resources and higher demand are increasing lead times and stretching market capacity
- Exponential computing power needs from high-density computing applications drives need for new technologies to meet increased data center cooling demands

## Key Strategic Objectives



Provide the most efficient data center cooling products optimized with controls to reduce total cost of ownership and help customers meet sustainability targets



Leverage industry expertise to expand product portfolio with next-generation liquid-cooled technology to meet the data center cooling needs of new and existing customers today and in the future



Expand system sales in Commercial IAQ to edge, telecom and enterprise applications by offering full portfolio of solutions including Scott Springfield, Napps and Airedale products

Combining Data Center and Commercial IAQ Brings a Wide Product Range to Attractive End Markets



# Data Center Cooling Market Growth

## Emerging Data Center Growth Technologies



### Liquid Cooling

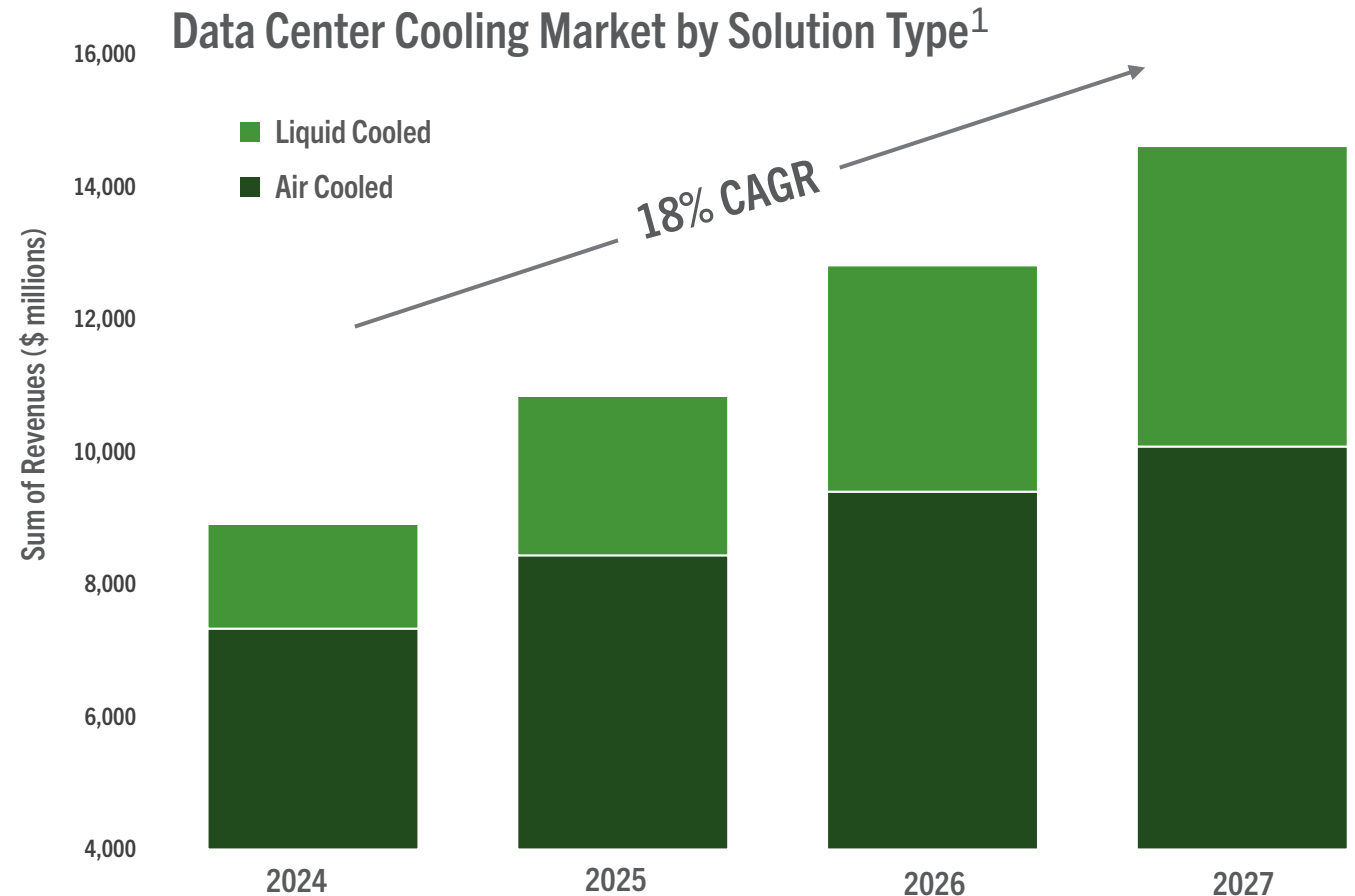
- Direct to Chip
- 1 Phase Immersion
- 2 Phase Immersion

## Core Data Center Business



### Air Cooling

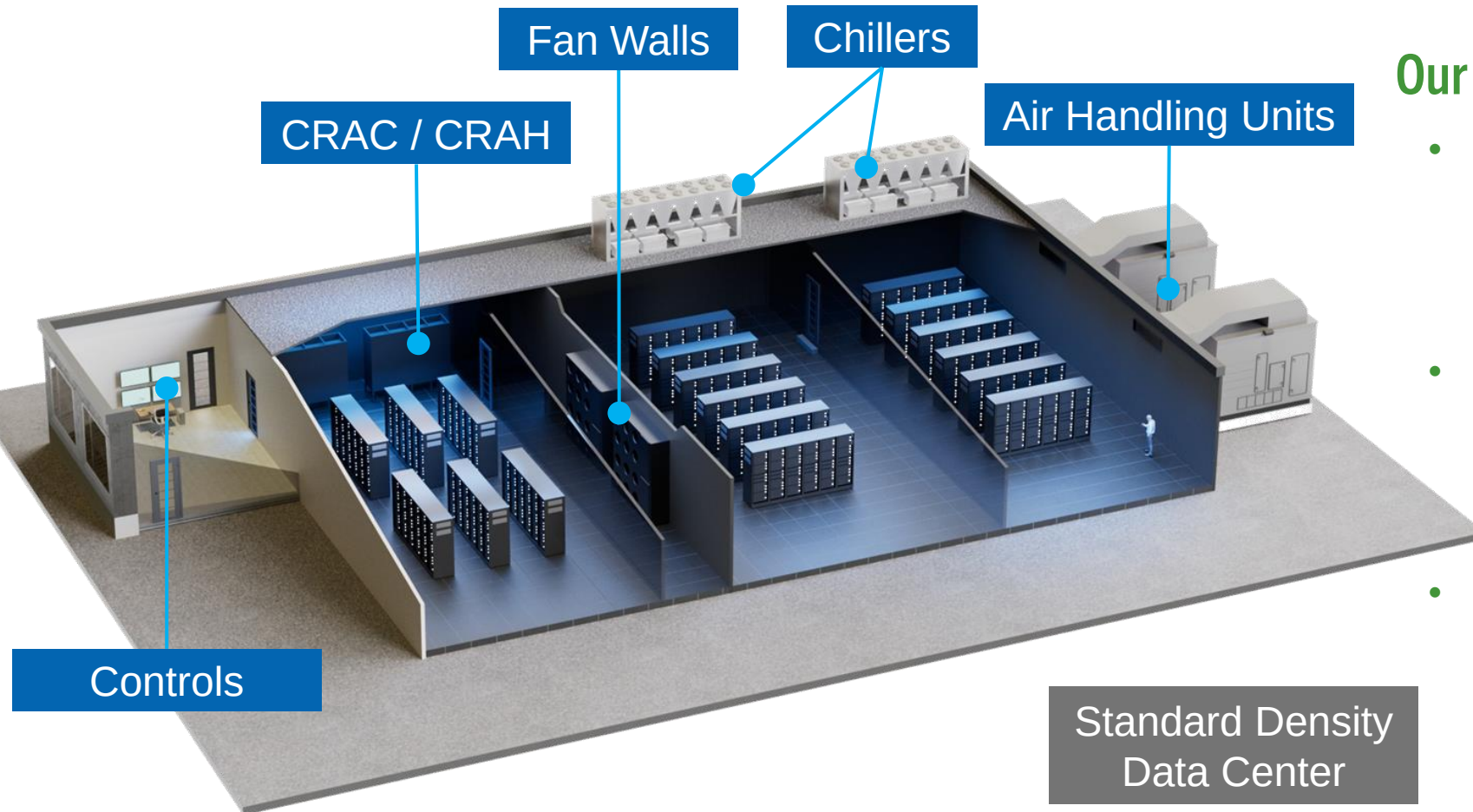
- Air conditioning units specifically designed to cool air in and around the server racks within the data center
- This represents the largest part of today's market



Positioned to Win Today and Tomorrow for Data Center Cooling Solutions



# A Complete Data Center Solution Provider Today



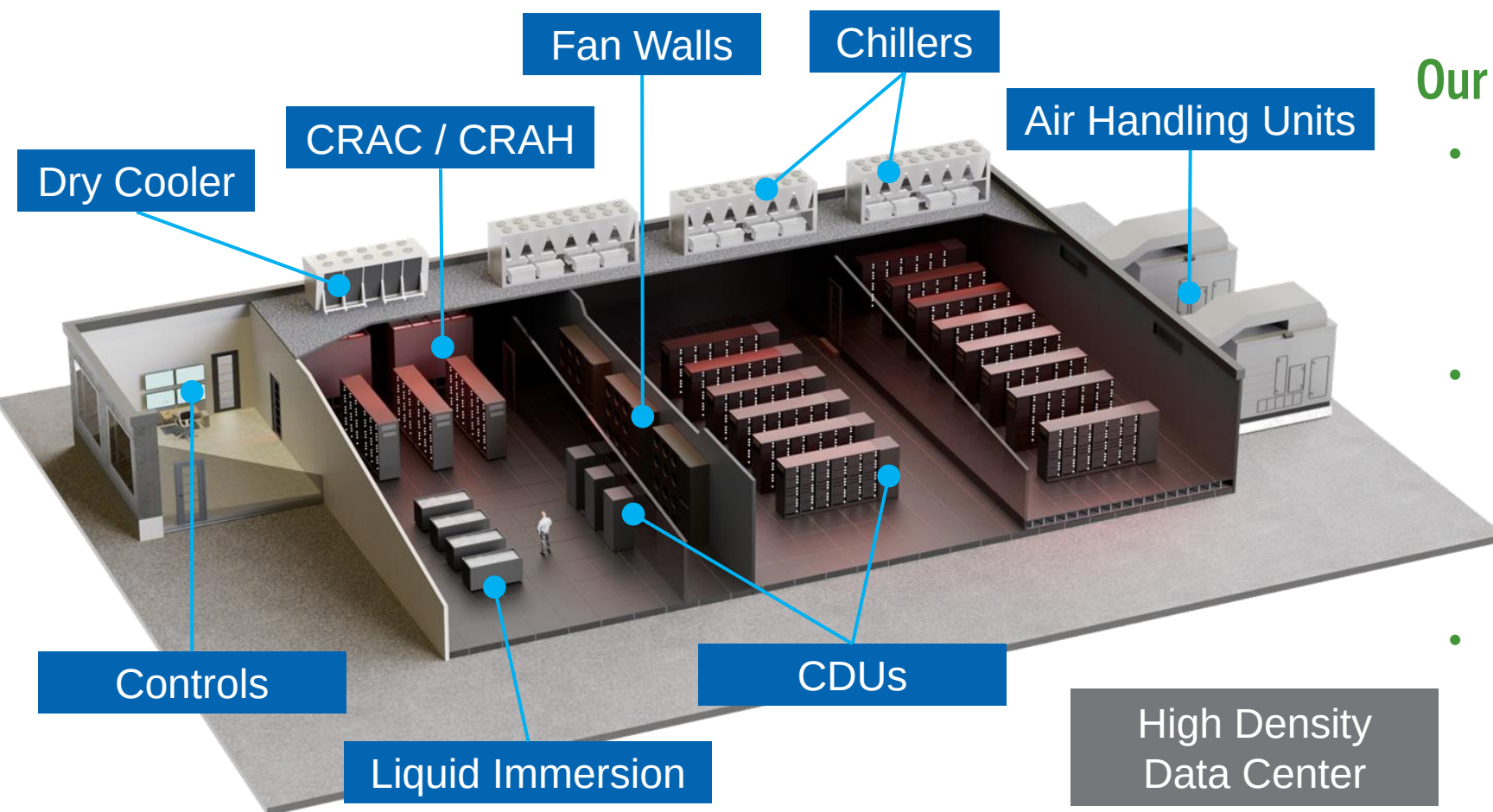
## Our Right to Win in Global Data Centers

- We create, deliver, monitor, and maintain data center cooling systems for key, strategic accounts globally including colocation and hyperscale customers
- We can deliver complete system solutions with controls and monitoring to optimize performance and reduce energy consumption, reducing the total cost of ownership
- The market for air-cooling solutions continues to grow as demand for data services increases. Our portfolio of indoor and outdoor equipment, optimized via intelligent controls, is designed to deliver maximum uptime and energy efficiency

Delivering Tailored Solutions to Meet Today's Growing Need for Data Center Cooling



# A Complete Data Center Solution Provider Today and Tomorrow



## Our Right to Win in Global Data Centers

- As new IT applications like AI result in higher heat-loads at the chip level, we are expanding our solutions to serve a new era of liquid and hybrid air/liquid data centers
- We support hybrid and liquid cooling with tailored products, delivering optimized performance and the highest efficiency level, from outdoor heat rejection to indoor server and chip optimization
- High-performance compute data centers will require liquid cooling at the chip but will not remove the need for the air-cooling solutions we provide today

Positioned to Provide Air-Cooled and Liquid-Cooled Solutions to the High-Performance Compute Data Center



# Winning The Data Center of Today And Tomorrow

## Air Cooled

### Winning Solution for Today's Data Center Thermal Management Needs

- Leading provider of air-cooled data center thermal management solutions
- Air-cooled solutions make up majority of today's data center thermal management systems



Precision Air Conditioning



Fan Wall



Chiller

## Direct-to-chip & Immersion Cooling

### Emerging Technologies for the Data Center of Tomorrow

- Increasing data center density & heat output
- Newest chip technology requires more robust cooling
- Liquid cooled solutions fit the bill

### Deploying Capital for the Future of Data Center Thermal Management Solutions

- Liquid cooled solutions expected to grow at 42% CAGR 2024-2027
- Purchased TMGcore's intellectual property to establish an industry leading immersion cooling technology platform



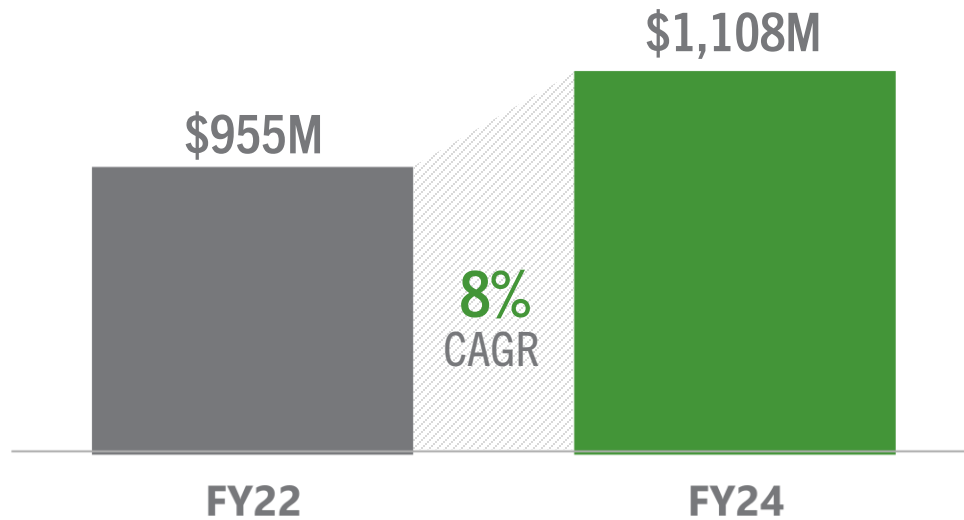
### EdgeBox Liquid Immersion Cooling

TMGcore's cutting-edge two-phase immersion cooling system enables autonomous and highly efficient thermal management for the most extreme computing applications

Our Family of Solutions is Tailored to Serve the Core Market of Today and the New Technology of The Future

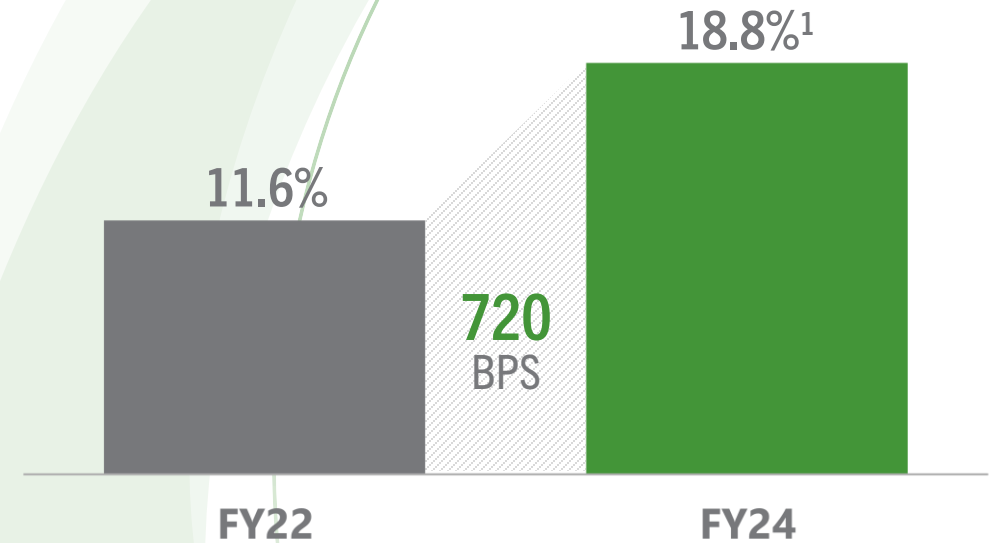
# Outstanding Financial Performance Ahead of Targets

## Revenue



**6% – 8%**  
2022 Investor Day Targets  
Phase 1 FY24 Revenue CAGR

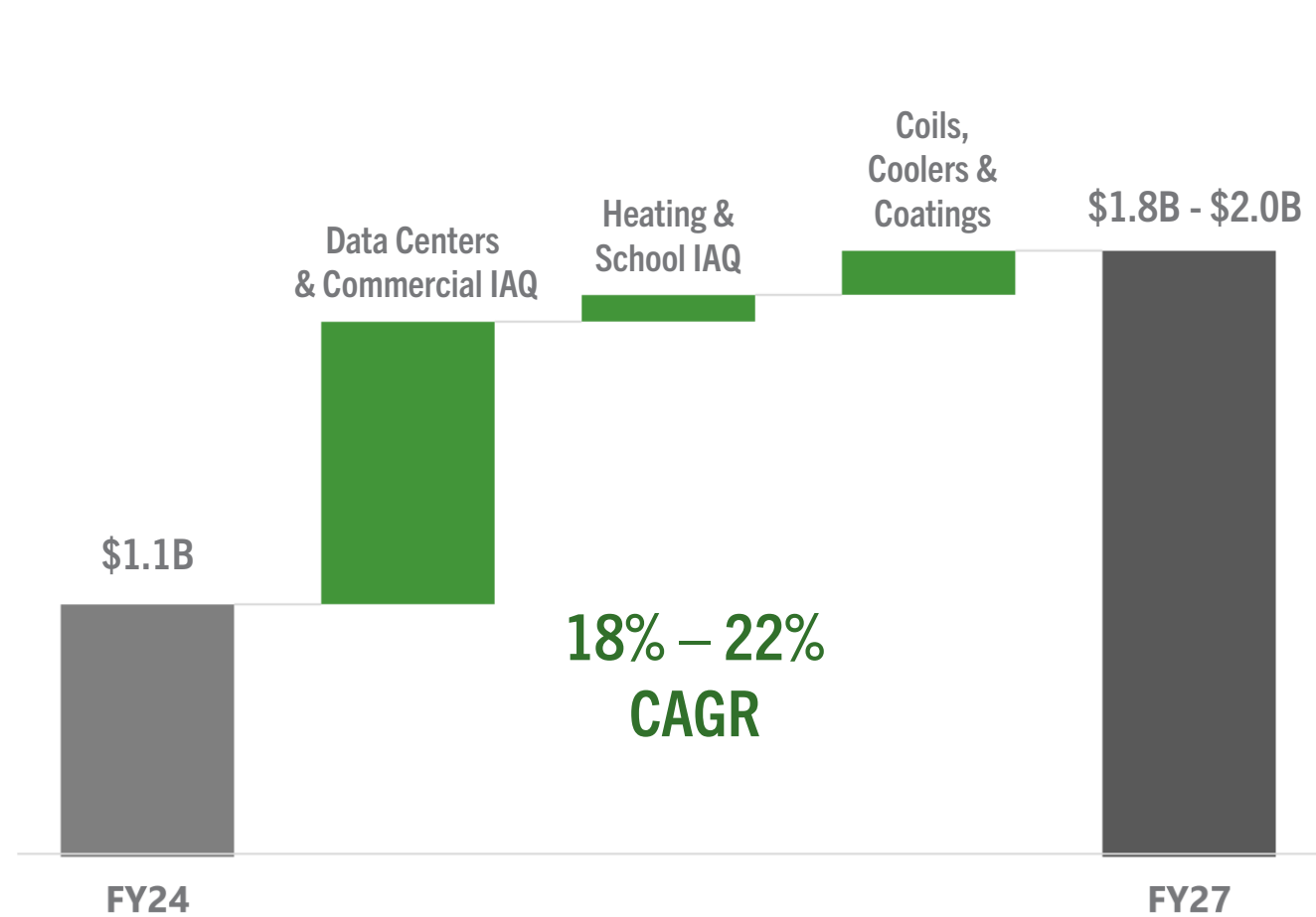
## Adjusted EBITDA Margin



**13% – 15%**  
2022 Investor Day Targets  
Phase 1 FY24 Adjusted EBITDA Margin

# Climate Solutions FY27 Revenue Drivers

## Revenue



## FY24 - FY27 Revenue CAGR

|                               |           |
|-------------------------------|-----------|
| Data Centers & Commercial IAQ | 45% – 55% |
| Heating & School IAQ          | 5% – 10%  |
| Coils, Coolers & Coatings     | 0% – 5%   |

## Key Drivers

- Data Center revenue growing at above market rates across current and new customers
- Commercial IAQ leveraging edge and telecom relationships
- Heating and School IAQ benefiting from new products and market growth, potential for acquisitions
- Coils, Coolers and Coatings rebalancing product portfolio

# Climate Solutions FY27 Adjusted EBITDA Drivers

## Adjusted EBITDA Margin



## Key Drivers

- **Commercial Excellence** - Volume primarily driven by Data Center and Commercial IAQ revenue growth
- **Product mix shifting** with margin benefitting from 80/20 activities in Coils, Coolers & Coatings and growth of higher EBITDA products
- **Operational excellence** more than offsets inflation
- **80/20 focus** creating operational efficiencies, including lowering labor and procurement costs

# Compelling Long-Term Growth Opportunity



Capitalizing on our deep expertise in thermal management to deliver superior service, differentiated solutions and market leadership



Leading provider of highly specialized, mission-critical thermal management solutions for key end-markets



Well-positioned to accelerate growth driven by megatrends in high-density computing and indoor air quality



Delivering top line growth and margin expansion through 80/20 discipline focused on product innovation and customer focus



Proactively enhancing returns by allocating capital and resources to high-growth markets

Lead by an Experienced Leadership Team with Proven Track Record of Success



# Welcome to Investor Day 2024

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OUR PROGRAM WILL RESUME SHORTLY



# Athenor Video

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# Panel Discussion



# Airedale Video

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## Financial Review

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**Mick Lucareli**  
EVP & Chief Financial Officer

# Key Messages



Capitalizing on deep expertise in thermal management to **drive end-market diversification and business resiliency** through any economic cycle



Leveraging strong balance sheet and free cash flow to **enable strategic flexibility and optionality**



Building on **proven track record of revenue growth and margin expansion** resulting from focus on strong markets supported by secular mega-trends



**Relentlessly leveraging 80/20 principles** to continuously deliver margin expansion and drive optimal business mix



Prudently allocating capital to optimize the business portfolio to **achieve long-term financial goals and compound shareholder value**



# A Proven Ability to Meet or Exceed Financial Targets

**Previous Financial  
Targets** for FY22 – FY24  
(Announced at 2022 Investor Day)

Revenue      **6 - 8%  
CAGR**

Adjusted  
EBITDA  
Margin      **10 - 12%**

FCF % of  
Sales      **3 - 5%**

**Actual FY24  
Financial Results**

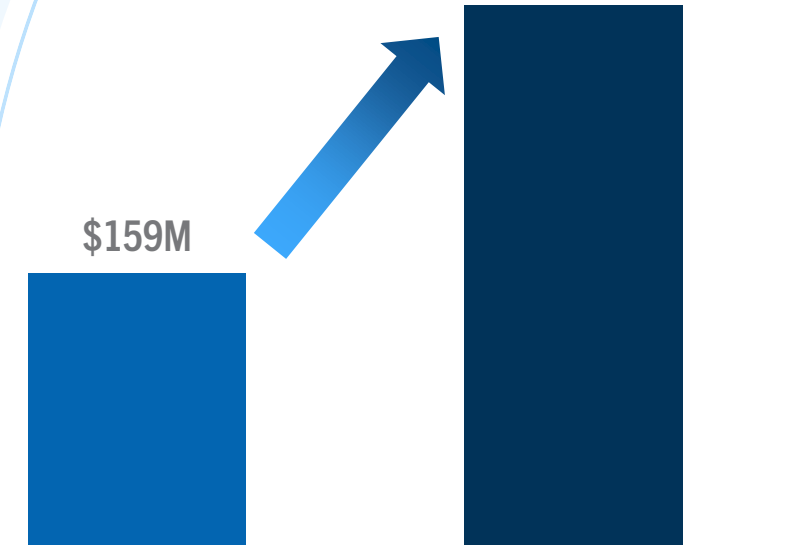
**8.4%  
CAGR**

**13.1%**

**5.3%**

**Nearly Doubled  
Adjusted EBITDA**

**\$159M**



**FY22**

**FY24**

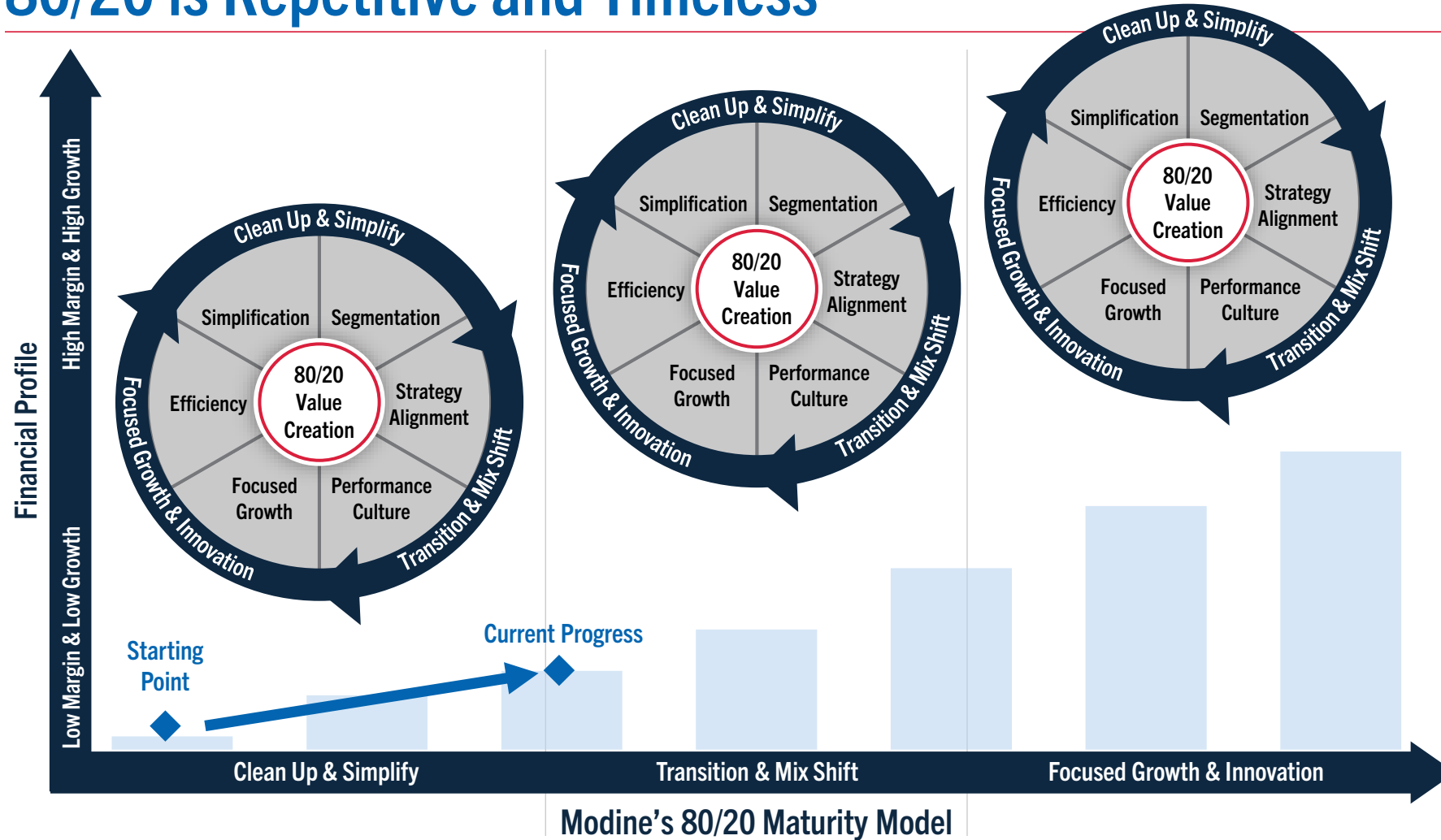
**Exceeded Financial Targets and Nearly Doubled Adjusted EBITDA Since 2022 Investor Day**

# 80/20 Includes Multiple, Repetitive Phases



- ▶ 80/20 is the foundation of our transformation, including the strong financial improvements
- ▶ It is an evergreen process, which will increase shareholder value over an extended time horizon
- ▶ Implementing 80/20 is a multi-phased process that will drive long-term financial improvements
- ▶ Modine's strong financial performance to date will continue to compound as we move through the current and future 80/20 phases

# 80/20 is Repetitive and Timeless



- Business portfolio will continually evolve over time, while transforming Modine's financial profile
- As part of this process, the six product groups will be realigned beginning with the new fiscal year (April 2025)
- Revenue grouping will change, but there will be no impact or changes to current business segment reporting
- Realignment of our product groups will sharpen our product and market focus; increasing growth and profitability

Modine in the Early Phases of 80/20 Journey, with Rapid Improvements Already Achieved

# Establishing New Financial Targets; FY25 – FY27

## Revenue Growth

**10% - 13%**

FY24 – FY27 CAGR

## Margin Improvement

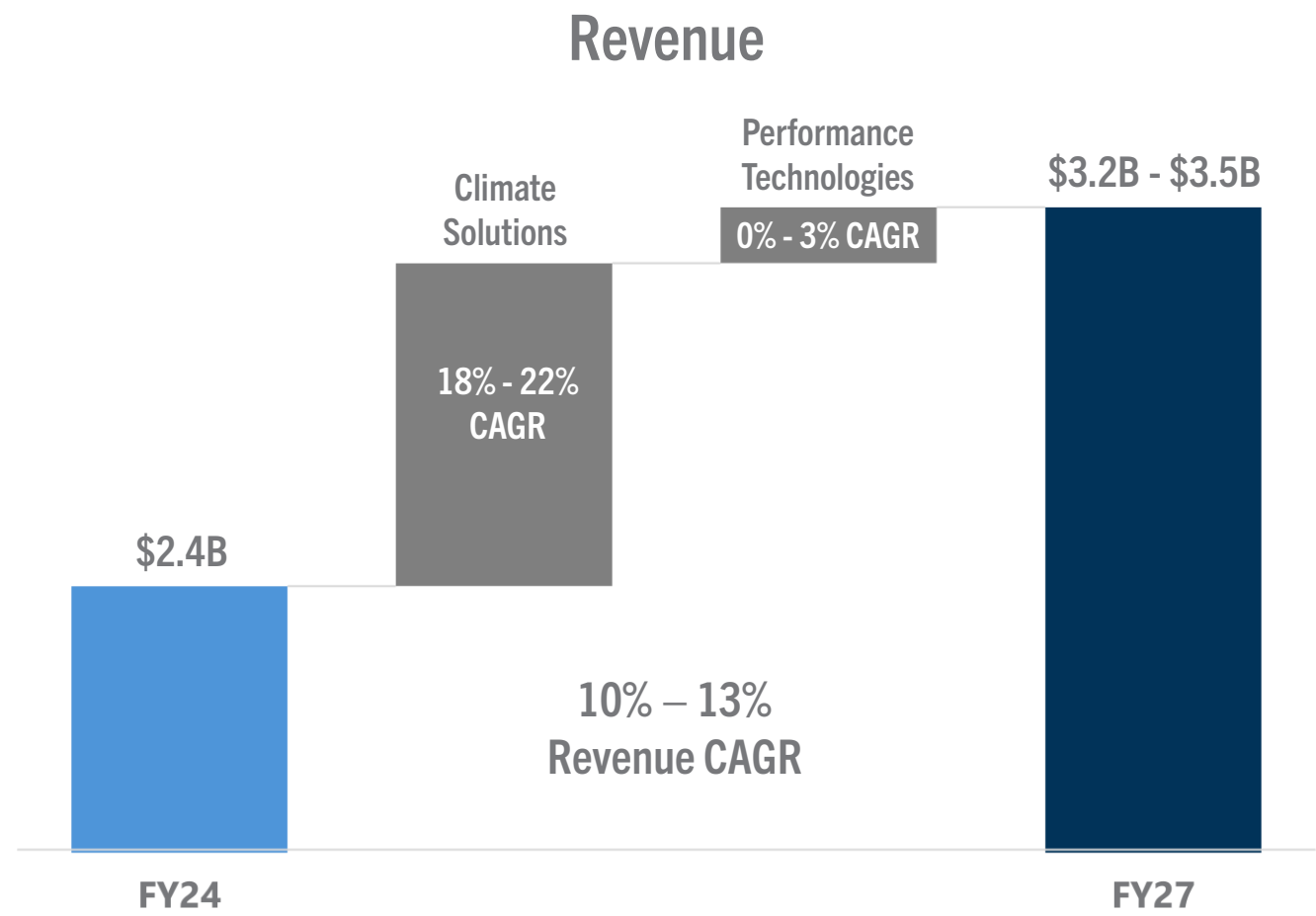
**16% - 18%**

Adjusted EBITDA  
Margin

- Increasing the revenue growth from our previous goal of 8 to 10%
- Significant margin improvement; ~300 to 500 basis points over the next three years

Evolving 80/20 Maturity; Increasing Financial Targets Resulting in 20-25% Earnings Growth

# Revenue Drivers | A Portfolio Shift to Higher-Growth Businesses

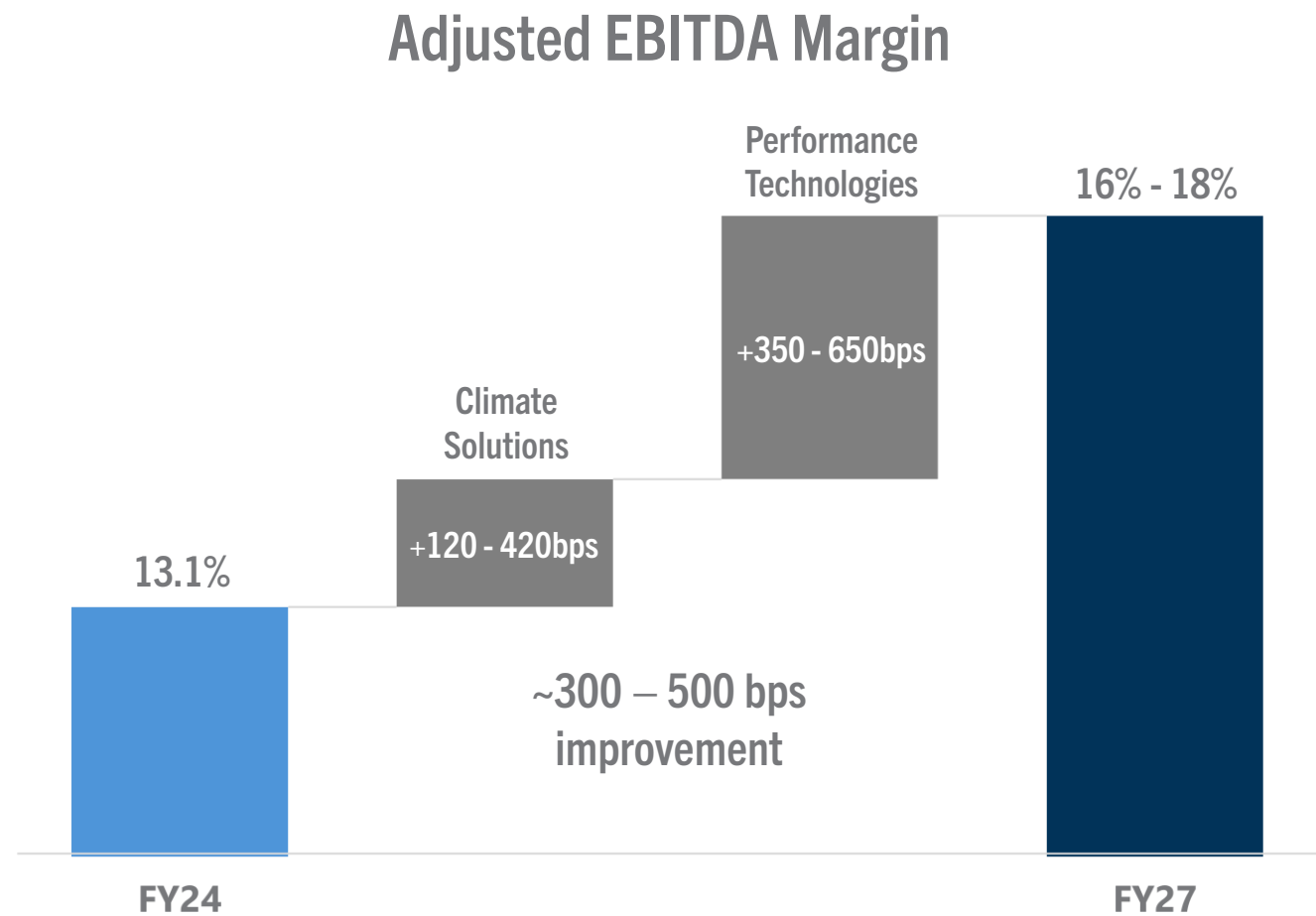


## Key Assumptions

- Revenue growth will be primarily driven through Climate Solutions; including a 45-55% CAGR in the Data Center & Commercial IAQ product group
- Performance Technologies is focused on evolving the portfolio through targeted growth and exit strategies, versus overall revenue growth
- Outlook assumes approximately \$300M of revenue exits in Performance Technologies through FY27
- Revenue projections are solely based on organic growth

Aggressive Plan to Drive 10% to 13% Revenue Growth

# Margin Drivers | 80/20 Driving Improvements Across The Organization

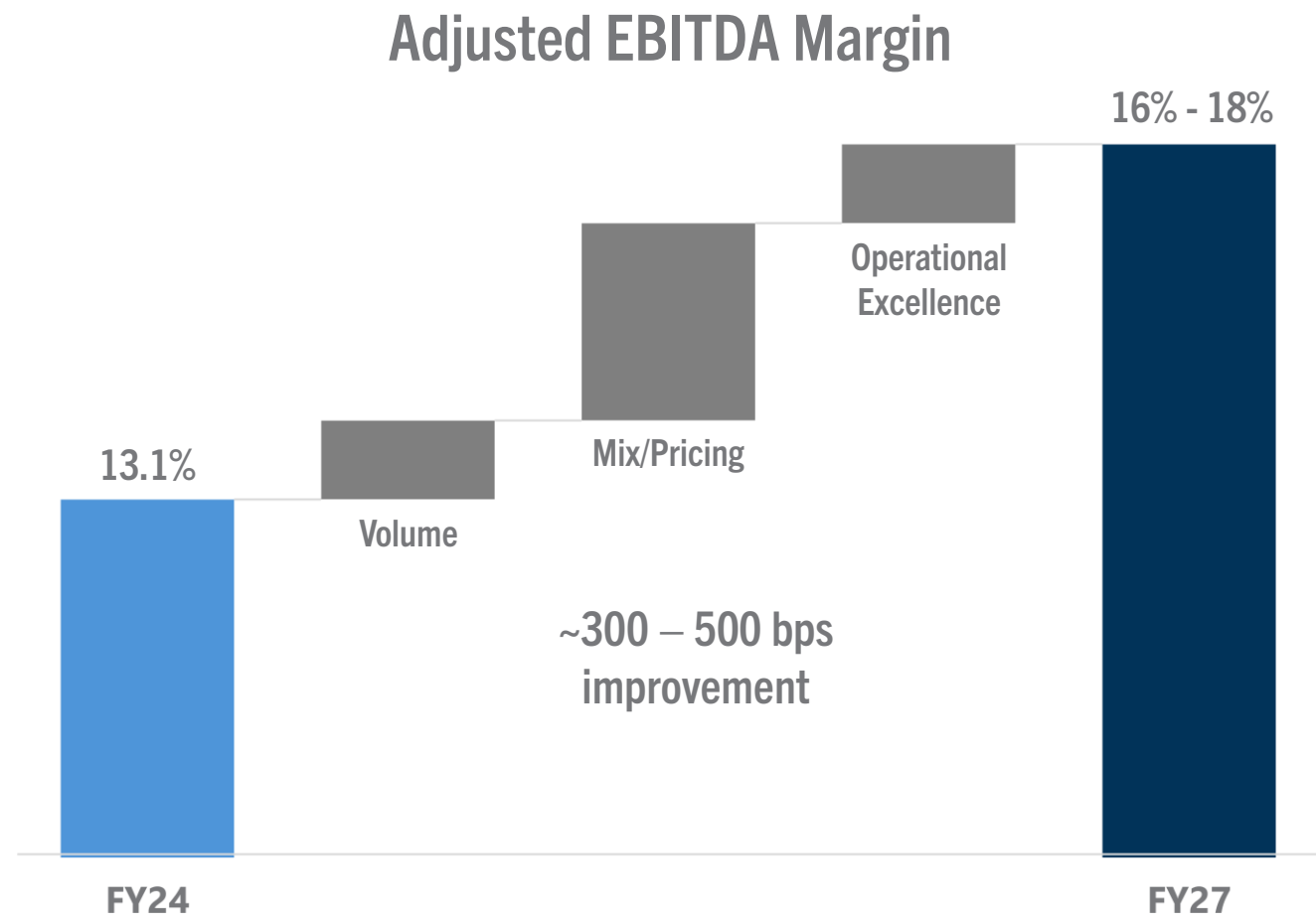


## Key Assumptions

- The 80/20 evolution and maturity across Modine is a critical element of the anticipated margin improvements
- Anticipating the largest margin increase through Performance Technologies, given the heavy focus on transforming the portfolio to a more favorable business mix
- Climate Solutions margin improvement resulting from a combination of revenue growth, business mix and operational excellence

Revenue Growth and Portfolio Mix Shift Expected to Drive Margin Improvement Over Three Years

# Margin Drivers | Commercial and Operational Improvements



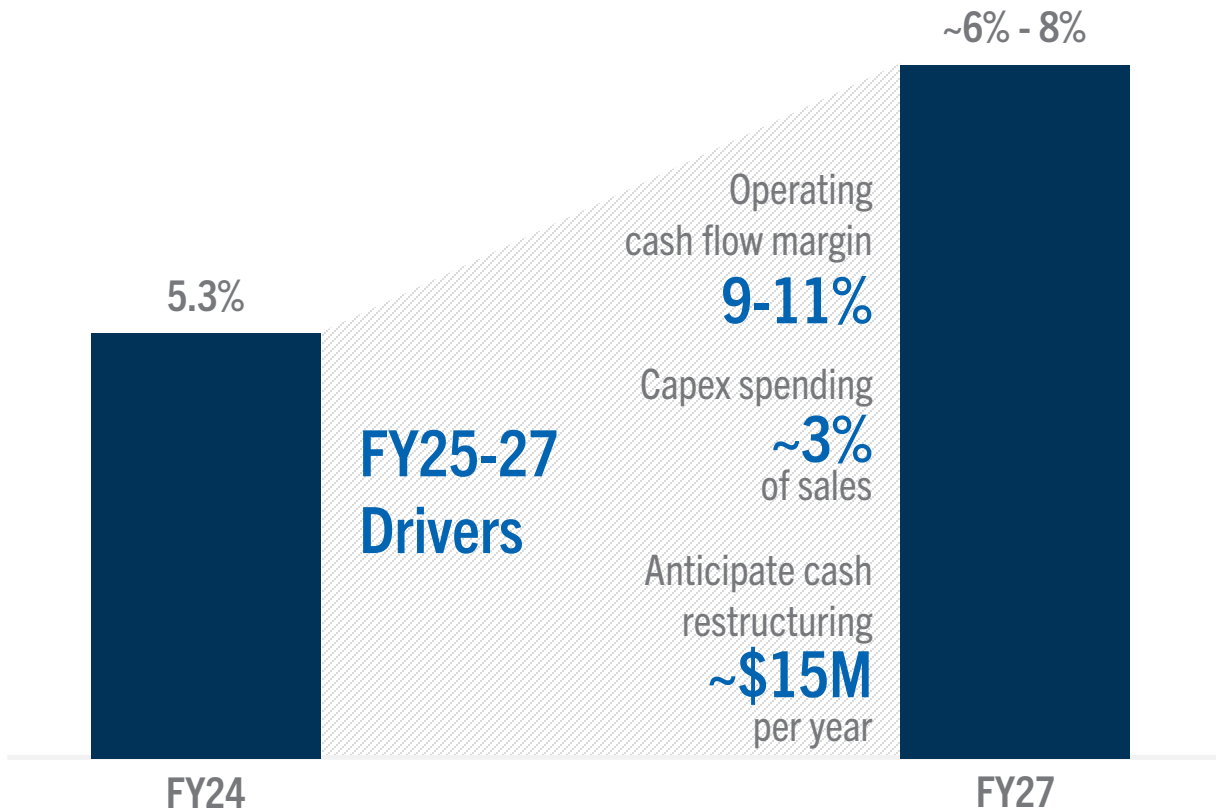
## Key Assumptions

- Margin improvement heavily driven by commercial excellence, which includes volume growth, improving mix, and favorable pricing
- 80/20 maturity beginning to deliver additional margin improvements through operational excellence
- Operational excellence represents the intersection of 80/20 and “Lean”, with improvement costs and efficiency across labor, material, and overhead businesses

Focus on Commercial and Operational Excellence Expected to Result in Significant Margin Improvement Over Next Three Years

# Increasing Free Cash Flow Conversion

## Free Cash Flow as % of Sales



## Free Cash Flow Drivers

- Targeted capital allocation is accelerating revenue growth
- Revenue growth and positive mix shift driving a higher cash flow margin
- Restructuring cash required to complete rationalization of targeted portions of the Performance Technologies segment
- Strong cash flow and the positive impact on net debt, provides significant capacity for acquisitions

Higher Free Cash Flow Conversion From Significant Margin Improvement and Disciplined Capital Spending

# Balance Sheet and Capital Allocation Priorities

## Balance Sheet Position (\$MM, 6/30/2024)

### Balance Sheet Liquidity

|                         |       |
|-------------------------|-------|
| Cash & Cash Equivalents | \$73  |
| Total Debt              | \$436 |
| Net Debt                | \$363 |

### Available Credit

|                                        |       |
|----------------------------------------|-------|
| Current Available Credit               | \$164 |
| Excess Borrowing Capacity <sup>1</sup> | \$758 |

### Leverage Ratio

|                        |           |
|------------------------|-----------|
| Net Debt / Adj. EBITDA | 1.1x      |
| Target Leverage        | 1.0x-2.5x |

## Capital Allocation Priorities

- 1 Investment in Organic Growth**
  - Allocate capital to growth businesses
  - Target capital spending at ~3% of sales
- 2 Restructuring**
  - ~\$15M cash spend annually through FY27
  - Fully funded through ongoing operations, no external financing needed
- 3 Strategic Acquisitions**
  - Adequate balance sheet flexibility to execute strategic M&A
- 4 Share Repurchase**
  - Evaluate additional repurchases based on cash flow, macro climate, and other cash needs

Strong Balance Sheet Well-positioned to Support Future Acquisitions and Investments in Organic Growth

# Structured Approach to Acquisitions and Divestitures

## STRATEGIC PRIORITIES & FOCUS AREAS

Expand product portfolio by adding to current systems solutions

Secure next-generation technology to meet market demand

Targeted acquisition markets – Data Centers, Heating, and Commercial IAQ

Exploring new adjacent markets, with mission-critical thermal needs, leveraging our core competencies

Divest non-strategic businesses to improve business mix

## CLEAR CRITERIA

- Highly engineered, mission-critical products
- Clear market growth drivers; tied to mega trends
- Fragmented market composition
- Accretive margin profile and EPS accretive within 12 months

## DISCIPLINED PROCESS

- Leverage 80/20 as competitive differentiator to increase value
- Standardized valuation approach, utilizing multiple methods with a strong return on capital focus
- Rigid return expectations and clear hurdle rates
- Established integration framework to maximize success

Targeting Opportunistic Acquisitions that Solidify Market-leading Positions

# Acquisition & Divestiture Targets<sup>1</sup>

Acquired Revenue: \$200M-\$400M

Margin & Earnings: Year one accretive

Business Exits/Divestitures: ~ \$300M

Target Leverage Range: 1.0x-2.5x

Fiscal 2027 financial targets do not include incremental acquisitions

## Maximum Leverage

Flexible debt covenants support post-acquisition leverage of 3.00-3.25x, would plan to de-leverage to the target range within the first year

# Well-Positioned for Success



Delivering end-market diversification for business resiliency through any economic cycle



Providing strategic flexibility through strong free cash flow and balance sheet



Furthering focus on organic investment to achieve revenue and EBITDA growth, with M&A providing upside to targets



Leveraging 80/20 to deliver growth and improve business mix through operational and commercial excellence



Allocating capital to optimize the business portfolio to achieve long-term financial goals and compound shareholder value

## Fiscal 2027 Financial Targets

**10% – 13%**  
Revenue Growth

**16% – 18%**  
Adjusted EBITDA  
Margin

80/20 Maturity Supporting New Financial Targets, Resulting in 20% to 25% Annual Earnings Growth



## Closing Remarks

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**Neil Brinker**  
President and CEO

## OUR VISION

Always evolving  
our portfolio of  
products in  
pursuit of highly  
engineered,  
mission-critical  
thermal solutions

## OUR PURPOSE

Engineering A Cleaner,  
Healthier World™

## OUR MISSION



Reduce Water & Energy  
Consumption



Lower Harmful  
Emissions



Enable Cleaner Running  
Vehicles



Use Environmentally Friendly  
Refrigerants



Improve Indoor Air Quality

## OUR VALUES

Integrity  
Committed

People Centric

Technology Driven

Results Oriented

Team Focused

# Compelling Long-Term Investment Opportunity



Capitalizing on our **deep expertise in thermal management** to deliver differentiated solutions and sustained market leadership



Leveraging our portfolio of **highly engineered, mission-critical thermal solutions** to accelerate growth



Entering a **multi-year growth cycle** powered by **multiple secular mega-trends**

80/  
20

**Elevating our 80/20 discipline** by influencing daily decision-making and strategic resource and capital allocation

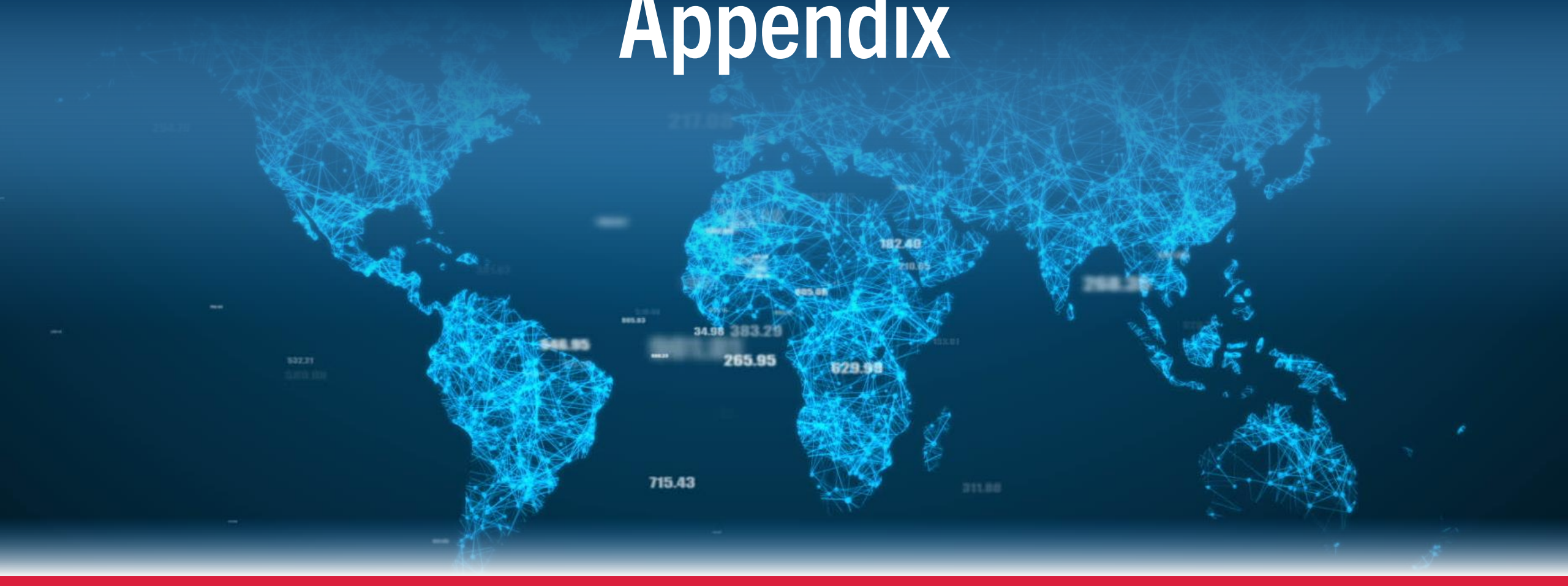


**Evolving our portfolio to compound shareholder value** by focusing on high-growth, high-margin businesses for sustainable growth and returns

# Question & Answer



# Appendix



# GAAP Income Statements

## Modine Manufacturing Company Consolidated statements of operations (In millions)

|                                                      | Twelve months<br>ended March 31,<br>2022 |
|------------------------------------------------------|------------------------------------------|
| Net sales                                            | \$ 2,050.1                               |
| Cost of sales                                        | 1,740.8                                  |
| <b>Gross profit</b>                                  | 309.3                                    |
| Selling, general & administrative expenses           | 215.1                                    |
| Restructuring expenses                               | 24.1                                     |
| Impairment charges (reversals) – net                 | (55.7)                                   |
| Loss on sale of assets                               | 6.6                                      |
| <b>Operating income</b>                              | 119.2                                    |
| Interest expense                                     | (15.6)                                   |
| Other expense – net                                  | (2.1)                                    |
| <b>Earnings before income taxes</b>                  | 101.5                                    |
| Provision for income taxes                           | (15.2)                                   |
| <b>Net earnings</b>                                  | 86.3                                     |
| Net earnings attributable to noncontrolling interest | (1.1)                                    |
| <b>Net earnings attributable to Modine</b>           | <u>\$ 85.2</u>                           |

## Modine Manufacturing Company Consolidated statements of operations (In millions)

|                                                      | Twelve months<br>ended March 31,<br>2024 |
|------------------------------------------------------|------------------------------------------|
| Net sales                                            | \$ 2,407.8                               |
| Cost of sales                                        | 1,882.2                                  |
| <b>Gross profit</b>                                  | 525.6                                    |
| Selling, general & administrative expenses           | 273.9                                    |
| Restructuring expenses                               | 15.0                                     |
| Gain on sale of assets                               | (4.0)                                    |
| <b>Operating income</b>                              | 240.7                                    |
| Interest expense                                     | (24.1)                                   |
| Other expense – net                                  | (2.0)                                    |
| <b>Earnings before income taxes</b>                  | 214.6                                    |
| Provision for income taxes                           | (51.2)                                   |
| <b>Net earnings</b>                                  | 163.4                                    |
| Net earnings attributable to noncontrolling interest | (1.9)                                    |
| <b>Net earnings attributable to Modine</b>           | <u>\$ 161.5</u>                          |

# Non-GAAP Reconciliations

## Modine Manufacturing Company

### Adjusted financial results (unaudited)

(In millions)

|                                                                   | Twelve months ended<br>March 31,<br>2022 | Twelve months ended<br>March 31,<br>2024 |
|-------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| Net earnings                                                      | \$ 86.3                                  | \$ 163.4                                 |
| Interest expense                                                  | 15.6                                     | 24.1                                     |
| Provision for income taxes                                        | 15.2                                     | 51.2                                     |
| Depreciation and amortization expense                             | 54.8                                     | 56.1                                     |
| Other expense – net                                               | 2.1                                      | 2.0                                      |
| Restructuring expenses <sup>(a)</sup>                             | 24.1                                     | 15.0                                     |
| Impairment charges (reversals) – net <sup>(b)</sup>               | (55.7)                                   | -                                        |
| Loss on sale of assets <sup>(c)</sup>                             | 6.6                                      | -                                        |
| Gain on sale of assets <sup>(d)</sup>                             | -                                        | (4.0)                                    |
| Acquisition and integration costs <sup>(e)</sup>                  | -                                        | 4.1                                      |
| Environmental charges <sup>(f)</sup>                              | 3.8                                      | 2.4                                      |
| Strategic reorganization and automotive exit costs <sup>(g)</sup> | 6.0                                      | -                                        |
| <b>Adjusted EBITDA</b>                                            | <b>\$ 158.8</b>                          | <b>\$ 314.3</b>                          |

# Non-GAAP Reconciliations

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- (a) Restructuring expenses include employee severance-related expenses and equipment transfer costs. The fiscal 2022 and fiscal 2024 restructuring expenses primarily related to severance expenses in Europe within the Performance Technologies segment.
- (b) The net impairment reversal during fiscal 2022 primarily related to the Company's liquid-cooled automotive business. In connection with the termination of the agreement to sell this business in the third quarter of fiscal 2022, the Company reversed a significant amount of previously-recorded impairment charges within the Performance Technologies segment.
- (c) The Company sold its air-cooled automotive business in Austria in April 2021. As a result of the sale, the Company recorded a \$6.6 million loss on sale at Corporate.
- (d) The Company sold three automotive businesses based in Germany in October 2023. As a result of the sale, the Company recorded a \$4.0 million gain on sale at Corporate.
- (e) On March 1, 2024, the Company acquired Scott Springfield Manufacturing, a leading provider of air handling units for the data center, telecommunications, healthcare, and aerospace markets. In addition, the Company purchased liquid immersion cooling technology from TMGcore, Inc. in January 2024. Acquisition and integration costs in fiscal 2024, recorded as SG&A expenses at Corporate, primarily include fees for i) transaction advisors, ii) legal, accounting, and other professional services, and iii) incremental costs directly associated with integration activities. In addition, the adjustment includes \$1.6 million, also recorded at Corporate, for the impact of an inventory purchase accounting adjustment.
- (f) Environmental charges, including related legal costs, are recorded as SG&A expenses at Corporate and relate to a previously-owned U.S. manufacturing facility.
- (g) The fiscal 2022 amounts include costs recorded at Corporate associated with the Company's strategic reorganization and automotive exit strategy. During fiscal 2022, the Company recorded SG&A expenses totaling \$3.4 million related to recruiting new senior management and the Company's implementation of 80/20. In addition, the Company recorded \$2.6 million of costs associated with its review of strategic alternatives for its automotive businesses, including costs to prepare the businesses for sale.

# Non-GAAP Reconciliations

## Modine Manufacturing Company

### Segment adjusted financial results

#### Recast for segment realignment (unaudited)

(In millions)

|                                                                   | Twelve months ended March 31, 2022 |                          |                            |                   | Twelve months ended March 31, 2024 |                          |                            |                   |
|-------------------------------------------------------------------|------------------------------------|--------------------------|----------------------------|-------------------|------------------------------------|--------------------------|----------------------------|-------------------|
|                                                                   | Climate Solutions                  | Performance Technologies | Corporate and eliminations | Total             | Climate Solutions                  | Performance Technologies | Corporate and eliminations | Total             |
| Operating income                                                  | \$ 81.0                            | \$ 69.8                  | \$ (31.6)                  | \$ 119.2          | \$ 178.6                           | \$ 111.7                 | \$ (49.6)                  | \$ 240.7          |
| Depreciation and amortization expense                             | 26.5                               | 27.1                     | 1.2                        | 54.8              | 26.5                               | 28.7                     | 0.9                        | 56.1              |
| Restructuring expenses <sup>(a)</sup>                             | 2.6                                | 21.5                     | -                          | 24.1              | 3.0                                | 12.0                     | -                          | 15.0              |
| Impairment charges (reversals) – net <sup>(b)</sup>               | 0.3                                | (56.0)                   | -                          | (55.7)            | -                                  | -                        | -                          | -                 |
| Loss on sale of assets <sup>(c)</sup>                             | -                                  | -                        | 6.6                        | 6.6               | -                                  | -                        | -                          | -                 |
| Gain on sale of assets <sup>(d)</sup>                             | -                                  | -                        | -                          | -                 | -                                  | -                        | (4.0)                      | (4.0)             |
| Acquisition and integration costs <sup>(e)</sup>                  | -                                  | -                        | -                          | -                 | -                                  | -                        | 4.1                        | 4.1               |
| Environmental charges <sup>(f)</sup>                              | -                                  | -                        | 3.8                        | 3.8               | -                                  | -                        | 2.4                        | 2.4               |
| Strategic reorganization and automotive exit costs <sup>(g)</sup> | -                                  | -                        | 6.0                        | 6.0               | -                                  | -                        | -                          | -                 |
| <b>Adjusted EBITDA</b>                                            | <b>\$ 110.4</b>                    | <b>\$ 62.4</b>           | <b>\$ (14.0)</b>           | <b>\$ 158.8</b>   | <b>\$ 208.1</b>                    | <b>\$ 152.4</b>          | <b>\$ (46.2)</b>           | <b>\$ 314.3</b>   |
| <b>Net sales</b>                                                  | <b>\$ 954.6</b>                    | <b>\$ 1,124.5</b>        | <b>\$ (29.0)</b>           | <b>\$ 2,050.1</b> | <b>\$ 1,108.1</b>                  | <b>\$ 1,321.3</b>        | <b>\$ (21.6)</b>           | <b>\$ 2,407.8</b> |
| <b>Adjusted EBITDA margin</b>                                     | <b>11.6%</b>                       | <b>5.5%</b>              |                            | <b>7.7%</b>       | <b>18.8%</b>                       | <b>11.5%</b>             |                            | <b>13.1%</b>      |

# Non-GAAP Reconciliations

## Modine Manufacturing Company

### Net debt (unaudited)

(In millions)

|                                 | June 30, 2024   |
|---------------------------------|-----------------|
| Debt due within one year        | \$ 30.2         |
| Long-term debt                  | 405.7           |
| Total debt                      | 435.9           |
| Less: cash and cash equivalents | 72.9            |
| <b>Net debt</b>                 | <b>\$ 363.0</b> |

## Free cash flow (unaudited)

(In millions)

|                                                | Twelve months ended<br>March 31,<br>2024 |
|------------------------------------------------|------------------------------------------|
| Net cash provided by operating activities      | \$ 214.6                                 |
| Expenditures for property, plant and equipment | (87.7)                                   |
| <b>Free cash flow</b>                          | <b>\$ 126.9</b>                          |
| <b>Net sales</b>                               | <b>\$ 2,407.8</b>                        |
| <b>Free cash flow % of sales</b>               | <b>5.3%</b>                              |

# Performance Technologies Re-segmentation Effective FY26

|                                   |                                                                                                                                                                                                         |                                                                                                                                                                                     |                                                                                                                                                                                            |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CURRENT<br/>PRODUCT GROUPS</b> | <b>AIR-COOLED PRODUCTS</b><br><b>\$702M FY24 Sales</b> <ul style="list-style-type: none"> <li>• AC- Auto</li> <li>• AC- Commercial Vehicle</li> <li>• AC- Off-Highway</li> <li>• AC- GenSets</li> </ul> | <b>LIQUID-COOLED PRODUCTS</b><br><b>\$492M FY24 Sales</b> <ul style="list-style-type: none"> <li>• LC- Auto</li> <li>• LC- Commercial Vehicle</li> <li>• LC- Off-Highway</li> </ul> | <b>ADVANCED SOLUTIONS</b><br><b>\$127M FY24 Sales</b> <ul style="list-style-type: none"> <li>• EV Systems</li> <li>• EV Auto</li> <li>• Specialty Vehicle Systems</li> </ul>               |
| <b>NEW<br/>PRODUCT GROUPS</b>     | <b>HEAVY-DUTY EQUIPMENT</b><br><b>\$546M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Off-Highway</li> <li>• GenSets</li> </ul>                                                              | <b>ON-HIGHWAY APPLICATIONS</b><br><b>\$705M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Automotive (ICE and EV)</li> <li>• Commercial Vehicle</li> </ul>                | <b>E-MOBILITY</b><br><b>\$70M FY24 Sales</b> <ul style="list-style-type: none"> <li>• EV Systems (Specialty and Commercial Vehicles)</li> <li>• Specialty Vehicle Systems (ICE)</li> </ul> |

# Climate Solutions Re-segmentation Effective FY26

|                                   |                                                                                                                                                                                                                   |                                                                                                                                                                                                     |                                                                                                                                                                                                               |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CURRENT<br/>PRODUCT GROUPS</b> | <b>HEAT TRANSFER PRODUCTS</b><br><b>\$473M FY24 Sales</b> <ul style="list-style-type: none"> <li>• OE and Aftermarket Coils</li> <li>• Anti-Corrosive Coatings</li> </ul>                                         | <b>HVAC&amp;R</b><br><b>\$341M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Heating Products</li> <li>• Refrigeration Coolers</li> <li>• School IAQ</li> <li>• Commercial IAQ</li> </ul> | <b>DATA CENTERS</b><br><b>\$294M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Data Center Cooling Products</li> <li>• Edge &amp; Telecom</li> </ul>                                                |
| <b>NEW<br/>PRODUCT GROUPS</b>     | <b>COILS, COOLERS &amp; COATINGS</b><br><b>\$606M FY24 Sales</b> <ul style="list-style-type: none"> <li>• OE and Aftermarket Coils</li> <li>• Refrigeration Coolers</li> <li>• Anti-Corrosive Coatings</li> </ul> | <b>HEATING &amp; SCHOOL IAQ</b><br><b>\$200M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Heating Products</li> <li>• School IAQ</li> </ul>                                              | <b>DATA CENTERS &amp; COMMERCIAL IAQ</b><br><b>\$302M FY24 Sales</b> <ul style="list-style-type: none"> <li>• Data Center Cooling Products</li> <li>• Edge &amp; Telecom</li> <li>• Commercial IAQ</li> </ul> |

# Forward-Looking Non-GAAP Financial Measure

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The Company's presentation includes a fiscal 2027 adjusted EBITDA margin target. Adjusted EBTIDA margin is a non-GAAP financial measure that excludes the impact of certain cash and non-cash expenses or gains. These expenses and gains may be significant and include items such as restructuring expenses (including severance and equipment transfer costs), acquisition and integration costs, impairment charges and certain other items. Estimates of these expenses and gains for fiscal 2027 are not available due to the low visibility and unpredictability of these items.