# Investor Presentation

FEBRUARY 2026

# Forward Looking Statements

As a reminder, this presentation contains certain forward-looking statements that are based on Management's current expectations and views regarding future events and operating performance and are subject to uncertainties and changes in circumstances. Our actual results may differ materially from the forward-looking statements for a number of reasons. Our forward-looking statements are applicable only as of the date of this presentation. For a list of the factors which could affect our future results, including our earnings estimates, see forward-looking statements included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," set forth in our Annual Report on Form 10-K for the fiscal year ended March 31, 2025, and the "Caution Concerning Forward-Looking Statements" section of our press release and 8-K dated February 4, 2026, which was filed with the U.S. Securities and Exchange Commission.

In addition, we will also be presenting certain non-GAAP financial measures. For an explanation of the differences between the comparable GAAP financial information and the non-GAAP information, please see our company's Form 8-K which includes our press release dated February 4, 2026, which is located on our website at www.enersys.com.

# Well-Positioned for Long-Term Profitable Growth

1. Provider of **highly differentiated energy solutions** with full suite of technologies for diverse end markets

2. Strategically aligned with megatrends in **large and growing markets**

3. **Resilient business model** positioned for strong cash flow generation, profitable growth, and margin expansion

4. Strong, flexible balance sheet with **clear capital allocation priorities** for accelerated earnings growth

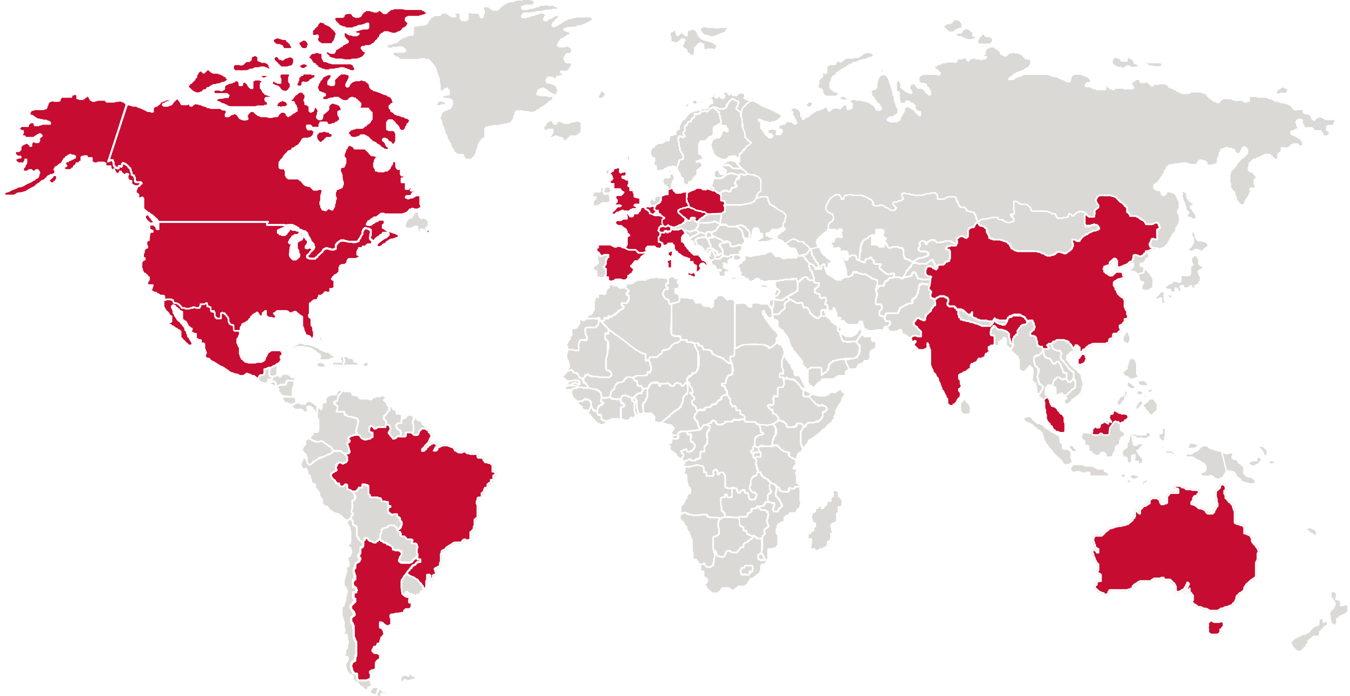
5. **Leadership team focused on execution** and **continuous value creation** for all stakeholders

# EnerSys at a Glance

## FY 2025 KEY STATISTICS[1]

| $4.3B | $528M | $589M | $10.15 | 10K+ | 2004 |
|---|---|---|---|---|---|
| Avg. Market Cap[2] | Adj. Operating Earnings[3] | Adj. EBITDA[3] | Adj. Diluted EPS[3] | Customers | IPO |

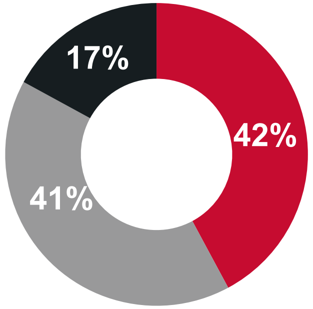
## GLOBAL FACILITY BASE[4]



## FY 2025 NET SALES

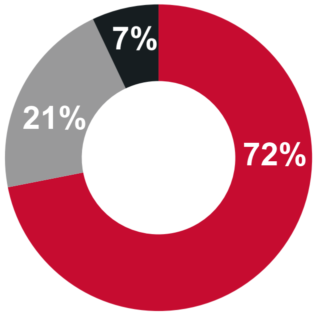
**$3.6B**

Business Segments[5]




- Energy Systems
- Motive Power
- Specialty

Geography




- Americas
- EMEA
- Asia

[1] FY 2025, year end March 31, 2025
[2] Average Market Cap YTD FY'26 as of February 4, 2026
[3] Non-GAAP financial measure. Please refer to appendix for reconciliation. Includes $185M of IRC 45X tax credit recorded in Cost of Sales (COS).
[4] Represents geographies with EnerSys manufacturing and distribution centers
[5] FY'25 Total Net Sales also includes ~$9M of sales in Corporate and other

# Business Segments

## PREMIUM ENERGY SOLUTIONS AND ELITE SERVICES POWERING DIVERSE END MARKETS

### ENERGY SYSTEMS

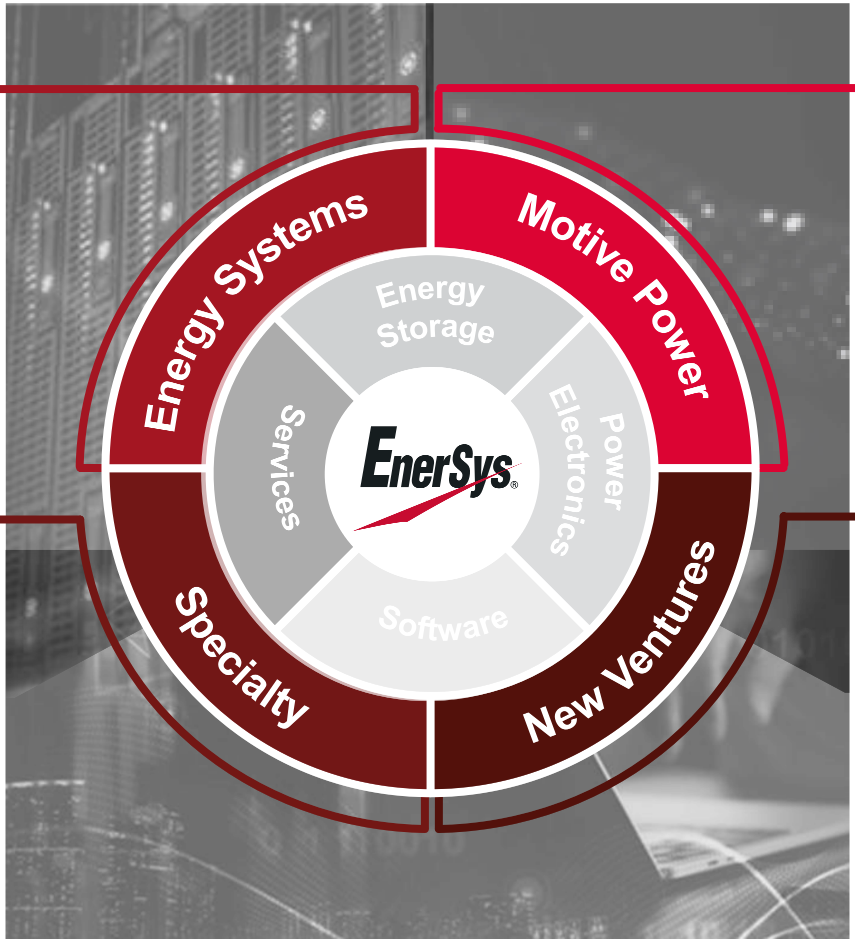
Power conversion, power distribution, and energy storage solutions

- Communications
- Data Centers
- Industrial Power and Utilities

### SPECIALTY

Energy solutions for large over-the-road trucks, aerospace and defense, and premium automotive applications

- Transportation
- Aerospace and Defense




### MOTIVE POWER

Industrial batteries, chargers and energy management solutions for electric-powered forklifts and industrial equipment

- Warehousing
- Logistics

### NEW VENTURES

Integrated energy storage and management systems designed to reduce demand charges, provide utility backup power, and enable dynamic DC fast charging

- Commercial and Retail Operations

# Foundational Core Modular Platforms

## DIFFERENTIATED PLATFORMS WITH ENHANCED VERTICAL CAPABILITIES AND TAILORED SOLUTIONS

### ENERGY STORAGE

**Lithium-ion** *(maintenance-free)*

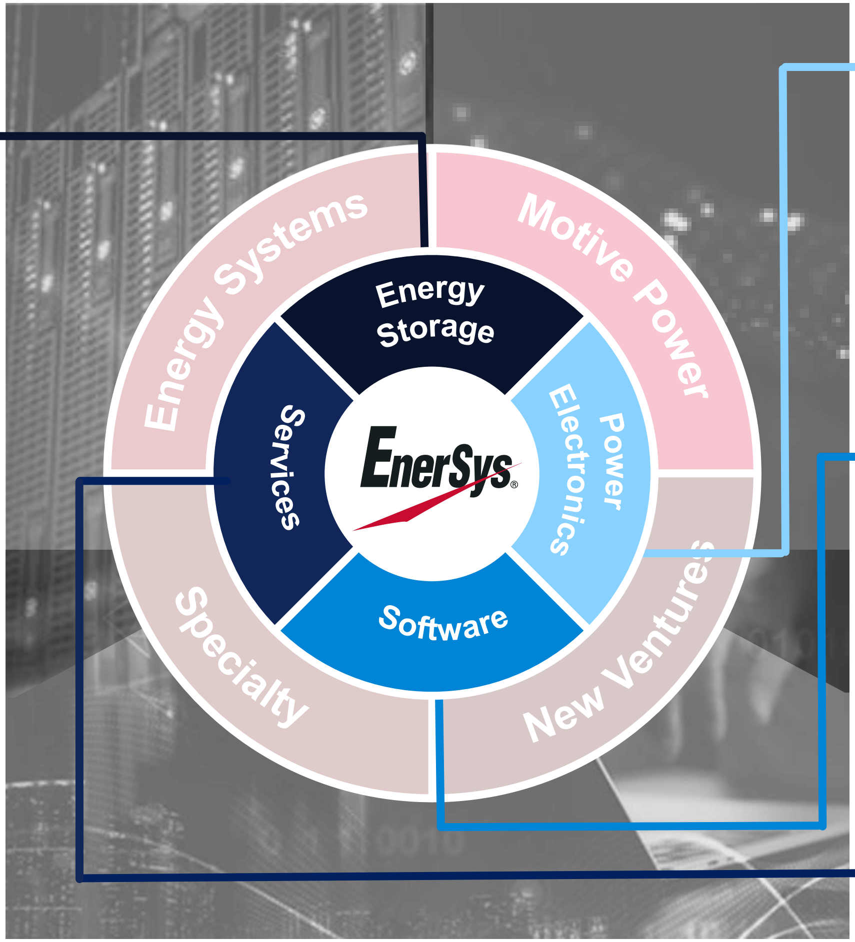
- Heavy-duty applications
- Maximum recharge & storage efficiency
- Stringent safety standards

**TPPL** *(maintenance-free)*

- Light to medium-duty applications
- Advanced recharge & storage efficiency
- Balances productivity and sustainability

**Lead-acid** *(traditional flooded)*

- Full range of applications
- Proven & established technology




### POWER ELECTRONICS

- High-efficiency power conversion
- High voltage energy transfer with power line communication for 5G
- Wireless charging for AGVs
- High-speed chargers for forklifts and EVs
- Cloud-connected IoT monitoring devices

### SOFTWARE

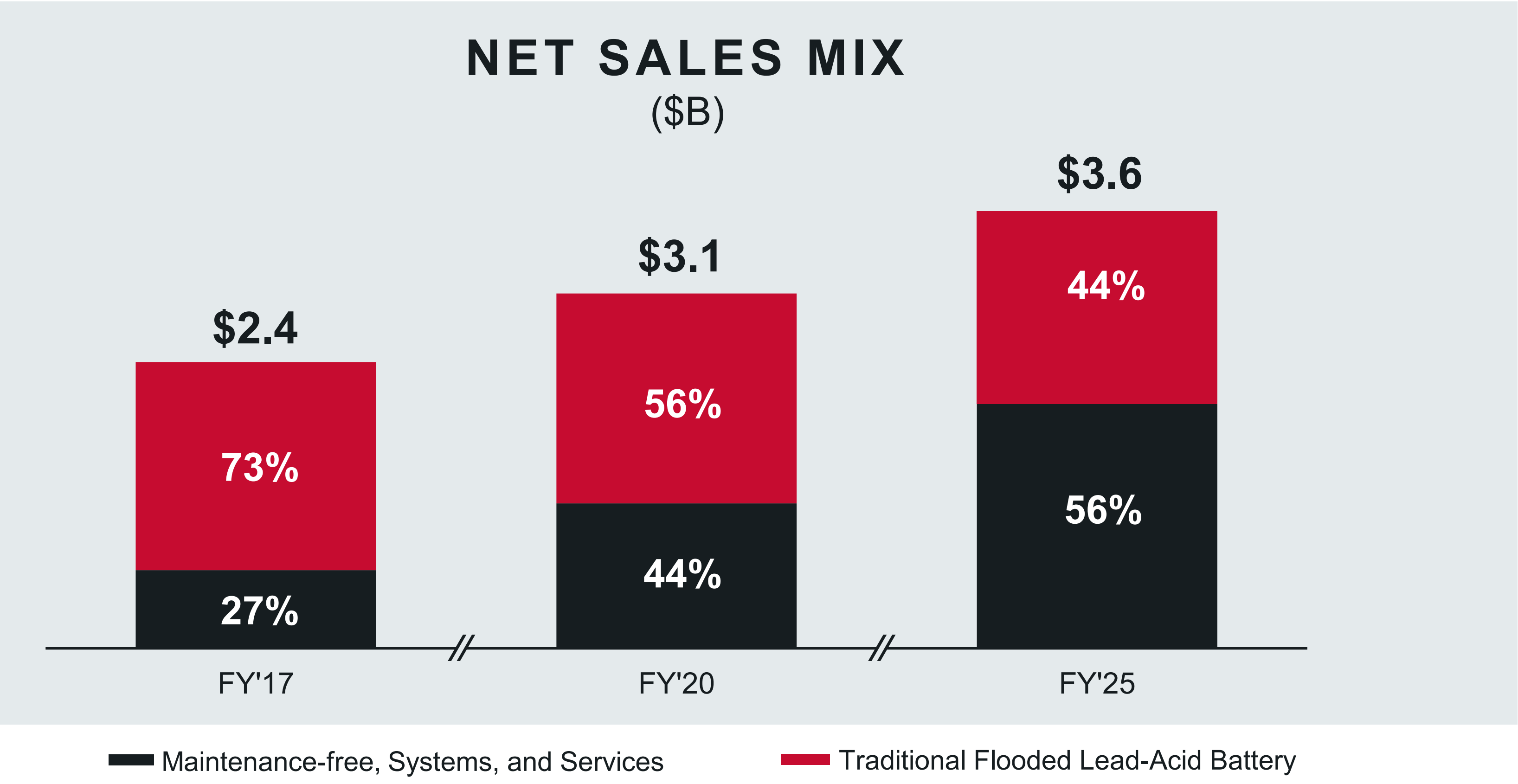
- System modeling & optimization
- Asset management software
- Mobile apps to maximize asset health
- Cloud-based data analysis & reporting
- Advanced energy management tools
- Cyber Security to secure devices and data

### SERVICES

- Energy system design and installation
- Data-driven optimization & management
- Predictive maintenance & repair

TPPL: Thin Plate Pure Lead

# Product Portfolio Evolution | End-to-End Energy Solutions Provider




## BENEFITS OF MAINTENANCE-FREE SOLUTIONS

- ✓ Higher performance
- ✓ Higher energy density
- ✓ Higher reliability
- ✓ Less labor-intensive
- ✓ Lower total cost of ownership

**Delivering Higher Value, Higher Margin Solutions to Our Global Customer Base**

# Addressing Global Megatrends through Our Leading Positions in Diverse End Markets

**~$30B+**
**Serviceable Addressable Market[1]**

**$3.6B**
**EnerSys FY'25 Net Sales**

**Diverse End Markets**

- Communications
- Data Centers
- Industrial Power & Utilities
- Logistics & Warehousing
- Transportation
- Aerospace & Defense
- Commercial & Retail Operations

**Energy Transition**
- Modernizing energy grids, storage, and distribution
- Markets shifting as industries embrace electrification

**Energy Security**
- Increasing resiliency of electrical infrastructure and grid
- Growing need for reliability of mission-critical facilities

**Connectivity**
- Continuing to rollout 5G with path for 6G
- Expanding broadband to rural areas

**Automation**
- Challenging labor market and cost-efficiencies
- Implementing autonomy for scalability

**Decarbonization**
- Improving energy management and reducing emissions
- Evolving regulatory environment (e.g., Set Rule and IRA)

**Megatrends Increasing Demand for Battery Powered Energy Solutions**

[1] SAM includes existing markets we serve, excludes Fast Charge and Storage (FC&S), as of June 2023; Source: Third-party research and Company estimates; IRA: Inflation Reduction Act

# Leveraging Our Sustainable Competitive Advantages

### Deep Customer Relationships

**Customer-centric end-to-end solutions** provider, from design to asset management software, service, and replacement

### Domain Expertise

Product and company differentiation around systems / technology with **core competencies at scale**

### Modular Technology

**Only fully integrated provider** of power hardware, conversion, and software systems to diverse end markets

### Resilient Business Model

**Large, diverse end-markets** and global customer base supported by strong balance sheet and cash generation

### Operational Excellence

Continuous improvement enabling **margin expansion opportunities**

# EnerGize
# Strategic Framework to Transform and Grow

## *OPTIMIZE*
### Our Core
**1**

- Restructuring for operational efficiency and effectiveness
  - Streamlining organization
  - 11% workforce reduction; \$80M[1] annualized savings
- Establishing Centers of Excellence (CoEs)
  - Faster decision making, unique expertise, reduced complexities

## *INVIGORATE*
### Our Operating Model
**2**

- Enhancing strategic planning processes and operational excellence metrics
- Emphasizing accountability
- Bringing new products to market faster
- Driving more focus with capital allocation choices

## *ACCELERATE*
### Our Growth
**3**

- Leveraging leading market positions to grow in current and adjacent end markets
- Accelerating new product solutions our customers want (e.g., BESS, predictive analytics, services)
- Taking disciplined approach to capital allocation

**Designed to Deliver Higher Organic Growth, Margins, and Returns**




[1] \$80M annualized savings beginning in FY'26; \$30M - \$35M expected starting H2 FY'26

# Optimizing our Core: Centers of Excellence

## DELIVERING VALUE TO CUSTOMERS

**Lead Acid CoE**

- Drives global operational consistency across all our lead acid and TPPL plants
- Improves productivity and enhances delivery reliability to our customers
- Optimizes our more stable, capital-intensive lead acid manufacturing through standard work, plant performance, and balanced production

**Power Electronics CoE**

- Manages contract manufacturing, assembly operations, strategic sourcing and supply chain management in one cohesive, highly skilled structure
- Accelerates speed to market leveraging strong external partnerships across the org
- Optimizes nimbleness and working capital requirements of the highly technical, asset light portion of our company

**Lithium-Ion CoE**

- Accelerates innovation and improves execution, leveraging deep expertise across LoBs
- Ensures new product introductions meet our customers' needs
- Secures our position as a market leader

**Building an Engine for Growth and Strong Operational Performance**

# Disciplined Capital Allocation Strategy

| Priorities | | FY'21 – FY'25 ($M, cumulative) | YTD FY'26 ($M) | Future Priorities |
|---|---|---|---|---|
| **Invest in Organic Growth (CapEx)** | | **~$440M** | **$54** | • Enhance disciplined ROIC thresholds<br>• Drive additional operational efficiencies<br>• Progress domestic-sourced lithium strategy |
| **Strategic M&A** | | **~$220M**<br>*Bren-Tronics Acquisition $208M in FY'25* | Pipeline remains active | • Focused on opportunities to:<br>➢ Strengthen customer intimacy<br>➢ Expand wallet share, leveraging leading positions in growing end markets<br>➢ Progress transformation journey |
| **Return of Capital** | *Dividends*<br>*Buybacks* | **~$160M**<br>**~$430M** | ***$29M***<br>***$300M*** | • Committed to competitive dividend that grows with earnings over time (excluding IRC 45X funds)<br>• ~$930M outstanding repurchase authorization[2] |
| **Net Leverage[1]** | | **1.0x – 2.5x** | **1.2x** | • Target below low end of 2x – 3x long-term net leverage range during volatile macro for optionality<br>• Ample dry powder for opportunistic tuck-in acquisitions and other choices |

**Balancing Innovation and Growth Investments while Returning Capital to Shareholders**




[1] Non-GAAP financial measure. Please refer to appendix for reconciliation; Net leverage = Net Debt / Adj EBITDA (per credit agreement)
[2] As of February 4, 2026; includes the 2025 stock repurchase authorization as well as estimated anti-dilution repurchases

# Leadership Team Focused on Execution and Accountability

**Shawn O'Connell**
President and CEO
Joined: **2011**
CEO: **2025**

**Keith Fisher**
President,
Energy Systems, Global
**2025**

**Andi Funk**
EVP and CFO
**2018**

**Joe Lewis**
Chief Legal and Compliance Officer
**2005**

**Mark Matthews**
CTO & President,
Specialty, Global
Joined: **2016**
CTO: **2025**

**Philipp Michalsky**
Chief Information Officer
**2016**

**Todd Sechrist**
Chief Human Resources Officer
**2025**

**Chad Uplinger**
President,
Motive Power, Global
**1999**

## HIGHLIGHTS

- ✓ Cultivating a high-performance culture
- ✓ Strengthening capabilities that align with strategic priorities
- ✓ Proven talent, positioned to deliver
- ✓ Led by CEO with prior leadership roles across LOBs and global operations

**Inspiring and Empowering Our Employees to Drive Value for All Stakeholders**




LOBs – Lines of Business

# Experienced Board of Directors

**Paul Tufano**
Non-Executive Chair of the Board of Directors, EnerSys
Joined: **2015**
Chair: **2024**

**Caroline Chan**
VP and General Manager Network Business Incubator Division, Intel
**2020**

**Steven Fludder**
Former CEO,
LS Energy Solutions LLC
**2020**

**David Habiger**
Vice Chairman,
J.D. Power
**2024**

**Howard Hoffen**
Chairman, CEO, and Managing Director,
Metalmark Capital LLC
**2004**

**Lauren Knausenberger**
EVP and CIO,
Science Applications International Corporation
**2024**

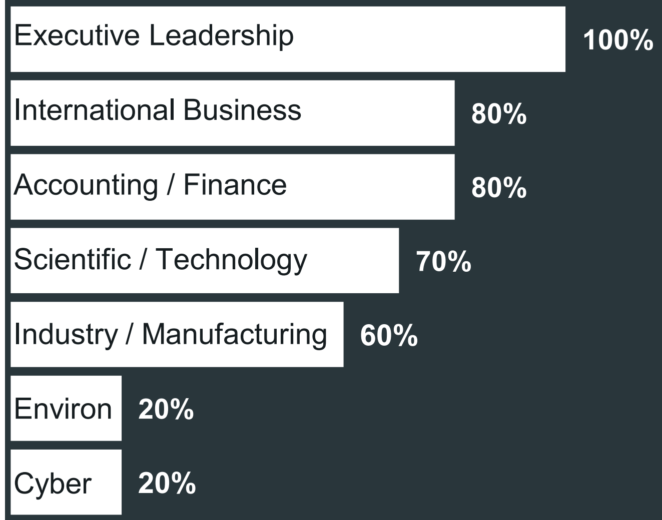
**Tamara (Tammi) Morytko**
SVP & President,
MTS Segment, Hillenbrand
**2022**

**Shawn O'Connell**
President and CEO,
EnerSys
**2025**

**Ronald Vargo**
Former EVP and CFO,
ICF International
**2017**

**Rudolph (Rudy) Wynter**
Former President, National Grid PLC New York Business
**2022**

## SKILLS MATRIX




## BOARD ATTRIBUTES

**~59** Years - Average Age

**~6** Years - Average Board Tenure

# Our Sustainability Goals & Commitments

## GOALS & PROGRESS

**ENERGY**

Reduce energy intensity per kWh of storage produced by 25% by 2030.

We have achieved a 19% improvement since FY2021

**WATER**

Reduce water intensity per kWh of storage produced by 25% by 2030.

We have achieved a 6% improvement since FY2021

**WASTE**

We are working to establish a measurable waste goal aligned with stakeholders' expectations.

99% recycling rate for lead batteries; with 100% of three main components recyclable

**GHG EMISSIONS SCOPE 1**

$CO_2$ neutral by 2040

FY25 emissions down 2% YoY and down 25% since FY20

**GHG EMISSIONS SCOPE 2**

$CO_2$ neutral by 2050

FY25 emissions down 5% YoY and down 2% since FY20

**GHG EMISSIONS SCOPE 3**

Develop full scope 3 GHG inventory and disclose in CDP, TCFD, ESRS and beyond

We have disclosed FY25 Scope 3 emissions.

## AWARDS & RECOGNITION

Top 10 for Military Supplier Diversity

German ESG Transparency Award Recipient

Better Program and Better Practice Award Recipient

**Sustainability Disclosures Aligned with ESRS, GRI, IFRS, ISSB, SASB, and SDGs[1]**

1 ESRS: European Sustainability Reporting Standards; GRI: Global Reporting Initiative; IFRS: International Financial Reporting Standards; ISSB: International Sustainability Standards Board; SASB: Sustainability Accounting Standards Board; SDGs: United Nations Sustainable Development Goals

# Energy Efficiency & Optimization of Products & Services

- Driving profitability and growth, with focus on advancements in energy systems, electrification, and customer emissions reduction objectives
- Accelerating new product solutions that solve our customers operational efficiency needs
- Leveraging online customer portal to optimize battery recycling, reduce environmental impact, and increase profitability
- Collaboratively developing a circular lithium-ion battery recycling process


**Helping Customers Meet their Business & Energy Performance Objectives While also Achieving Ours**

# Compelling Investment Thesis

1

Delivering innovative solutions and defining the future of energy transition

2

Strategically positioned in expanding markets driven by global megatrends

3

Invigorated leadership team executing a clear strategy for accelerated revenue and earnings growth

EnerSys®

**Playing a Critical Role in Accelerating Energy Transition**

# Appendix

# IRC Section 45X of the Inflation Reduction Act (IRA) Enables…

## 45X BACKGROUND

- Law in effect 1/1/23 - 12/31/32 with phase out years 8 - 10
- IRC 45X includes third party sales of U.S. manufactured battery cells and modules
- Battery Cell: $35/kWh for 100+Wh/L density and 12+Wh capacity
- Battery Module: $10/kWh for 7kWh+
- Electrode Active Material: 10% of material's production cost

## ENS ANNUAL BENEFITS[1]

- ~90% of EnerSys U.S. battery production currently qualifies
  - Lithium, TPPL, and flooded lead-acid battery products may qualify depending on energy density
- Recorded as reduction to COGS
- Expected Annual Value to EnerSys:
  - 2023-2029 (yrs 1–7): ~$135–$175M
  - 2030-2032 (yrs 8–10)[2]: ~$68–$88M
- Generated IRC 45X credits of ~$450M between January 2023 and December 2025
  - In Q2 FY'26, received $137M cash from FY'24 U.S. tax refund

## ENERSYS COMMITMENT

- Proceeds used as law intended: *to further U.S. capacity of energy-dense batteries*
- Invest in U.S. domestic energy growth
  - Securing domestic lithium cells
  - Intend to build a lithium-ion cell gigafactory in the U.S. dedicated to EnerSys products
  - Timing: expect commercial production operations in FY'30
- Provided CapEx to further expand TPPL production capacity in U.S.

**…Accelerated Investments in Qualifying Batteries, Including Domestic Lithium Strategy for BESS and Maintenance-Free Offerings**

[1] The expected figures are long term expectations for future periods and should not be viewed as a guarantee of future performance or guidance. Actual results may differ, and such differences may be material. Estimated benefits as of February 4, 2026.
[2] Using 50% of annual range of $135-175M, based on phase out of 75%, 50%, and 25% for years 8-10, respectively

# Financial Update

# Q3'26 Performance

## ADJUSTED EPS[1] EX 45X $1.84 UP +50% Y/Y

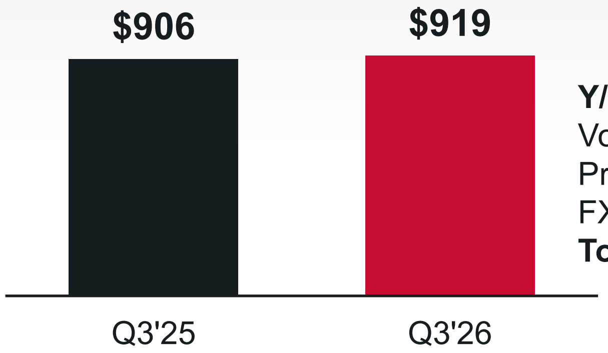
| $919M | $142M | $160M | $2.77 | $171M |
|---|---|---|---|---|
| Net Sales | Adj Op Earnings[1,2] | Adj EBITDA[1,2] | Adj EPS[1,2] | Free Cash Flow[1] |
| +1% Y/Y | (8%) Y/Y | (7%) Y/Y | (11%) Y/Y | +$115M Y/Y |
| | *+34% Y/Y ex 45X* | *+30% Y/Y ex 45X* | *+50% Y/Y ex 45X* | |

**Adj Gross Margin[1,2] of 30.2% (280)bps Y/Y; ex 45X Adj Gross Margin[1,2] of 26.4%, +170 bps Y/Y**

[1] Non-GAAP measure. Please refer to appendix for reconciliation.
[2] Includes $35M of IRC 45X tax credit recorded in Cost of Sales (COS) in Q3'26 and $75M in Q3'25. Note Q3'25 included $36M one-time catch up of 45X credits.

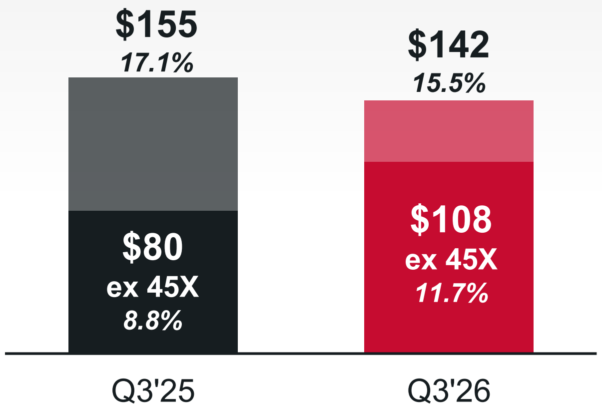
# Q3’26 Results

## NET SALES

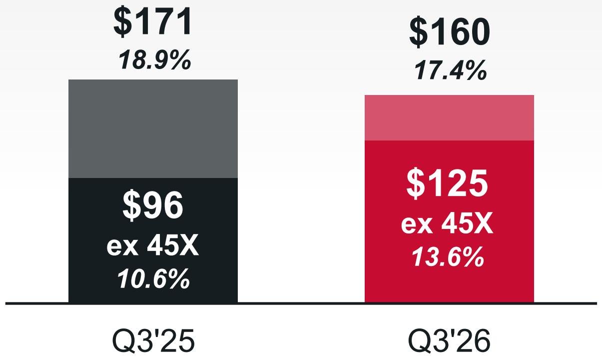



**Y/Y %Δ**
Volume (4%)
Price/mix +3%
FX +2%
**Total +1%**

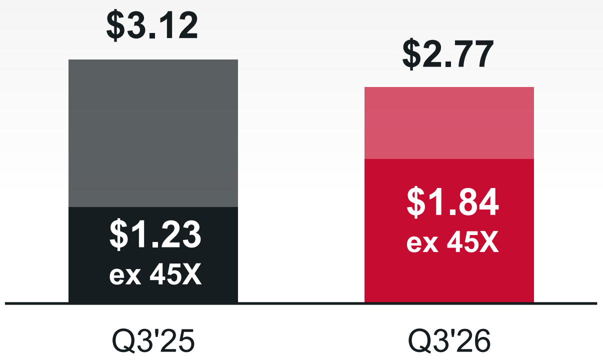
## ADJ OP EARNINGS[1] & MARGIN




## ADJ EBITDA[1] & MARGIN




## ADJ DILUTED EPS[1]




**Adjusted EPS ex 45X +50% Y/Y on +1% Net Sales Growth**

[1] Non-GAAP measure. Please refer to appendix for reconciliation. Includes IRC 45X tax credit recorded in Cost of Sales (COS): $35M in Q3’26 and $75M in Q3’25. Note Q3’25 included $36M one-time catch up of 45X credits.

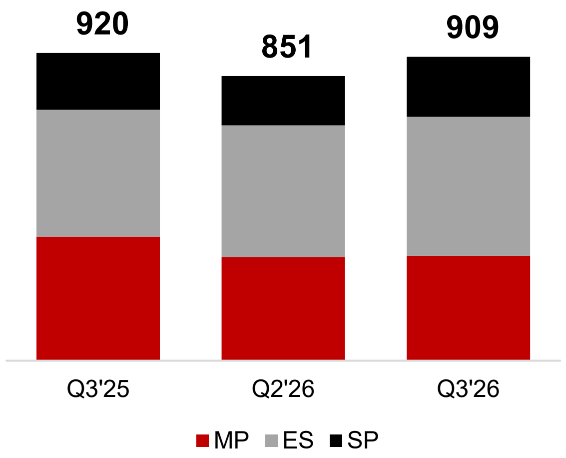
Prior Year 45X
Prior Year Base
Current Year 45X
Current Year Base

*($M, except EPS)*

# Demand Trends

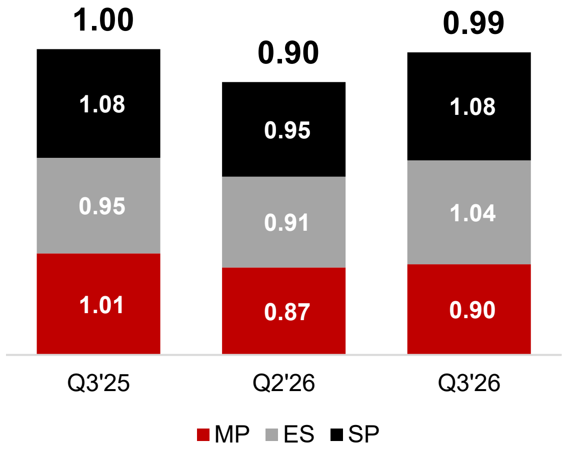
## ORDER PATTERNS FLUCTUATING ON MIXED MARKET DYNAMICS

**Orders[1]**




Q3’26 orders (1%) Y/Y on MP and +7% Q/Q on SP and ES

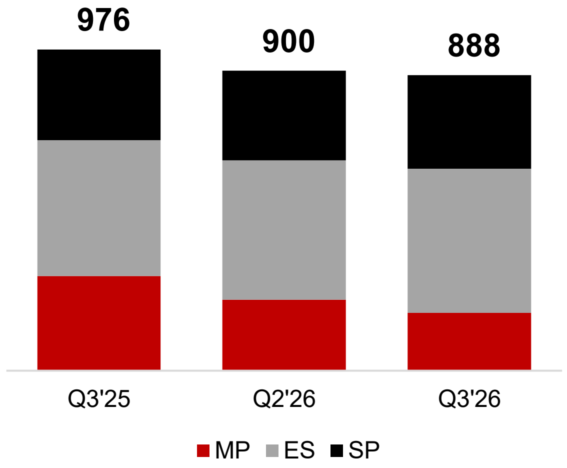
**Book to Bill[1]**




Q3’26 book to bill .99 down slightly Y/Y but up Q/Q illustrating dynamic conditions from current economic climate

MP .90, ES 1.04, SP 1.08 (1.23 A&D, .93 Trans)

**Backlog[1]**




Q3’26 backlog (9%) Y/Y and (1%) Q/Q on MP partially offset by ES and SP

**Positive Demand Signals in Most Markets Balancing Softness in Motive Power & Transportation**




[1] Stated in a constant currency at a static budgeted exchange rate
MP – Motive Power
ES – Energy Systems
SP – Specialty

# Balance Sheet, Cash Flow and Leverage

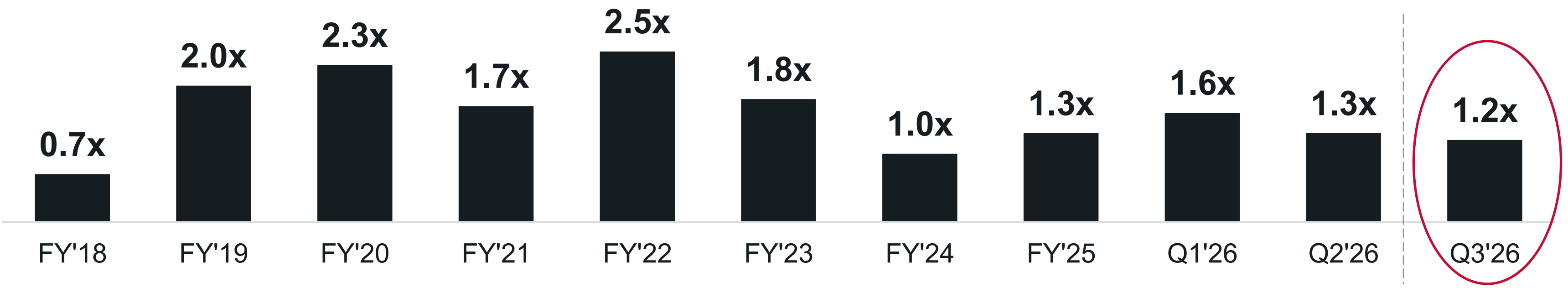
## SELECTED BALANCE SHEET METRICS[1]

| ($M) | Q4'25 | Q3'26 |
|---|---|---|
| Cash and Cash Equivalents | $343 | $450 |
| Net Debt[3] | $781 | $743 |
| Net Leverage Ratio[3] | 1.3x | 1.2x |
| Primary Operating Capital[4] | $932 | $934 |

## SELECTED CASH FLOW METRICS[2]

| ($M) | Q3'25 | Q3'26 |
|---|---|---|
| Cash Flow from Operations | $81 | $185 |
| CapEx | ($24) | ($13) |
| Free Cash Flow[4] | $57 | $171 |
| Free Cash Flow[4] Conversion | 46% | 190% |

## NET LEVERAGE RATIO[3]




**Strong Balance Sheet Enabling Disciplined Capital Allocation Choices**

[1] Balances as of periods ending March 31, 2025, and December 28, 2025
[2] Periods ending December 29, 2024, and December 28, 2025
[3] Net Debt includes finance lease obligations and letters of credit, net of cash and cash equivalents. Net leverage ratio = Net Debt / Adj EBITDA (per credit agreement).
[4] Primary Operating Capital (POC) is a key performance indicator. Free Cash Flow is a non-GAAP measure. Please refer to appendix for reconciliations.

# Looking Ahead: Q4’26 Guidance

## FULL YEAR EARNINGS GROWTH OUTPACING REVENUE GROWTH

| Q4’26 GUIDANCE[1] | | Y/Y CHANGE (AT MIDPOINT OF GUIDANCE) |
|---|---|---|
| Net Sales | $960M – $1,000M | *+1%* |
| IRC 45X Benefit to Cost of Sales | $37M – $42M | *(11%)* |
| Adj. EPS[2] | $2.95 – $3.05 | *+4%* |
| Adj. EPS[2] ex 45X (base business) | $1.91 - $2.01 | *+10%* |

| FY’26 GUIDANCE | |
|---|---|
| Adj Tax Rate ex 45X | 20% - 22% |
| CapEx | ~$80M |

### ASSUMPTIONS

**Q4’26**

- ES: Healthy Data Center demand and steady Communications growth with normalized margin improvement trajectory
- MP: Q4 seasonal volume lift with customer enthusiasm for maintenance-free solutions, tempered by continued market softness and margin math of tariff realization
- SP: Robust A&D demand, Transportation aftermarket growth and manufacturing cost improvements offsetting soft Class 8 OEM market conditions
- Disciplined OpEx and CapEx across the business

**Committed to Ongoing Shareholder Value Creation**

[1] Q4’26 guidance assumes tariff rates as of February 4, 2026.
[2] EnerSys does not provide a quantitative reconciliation for forward-looking statements. Please see our latest Form 8-K which includes our press release dated February 4, 2026, for more details.

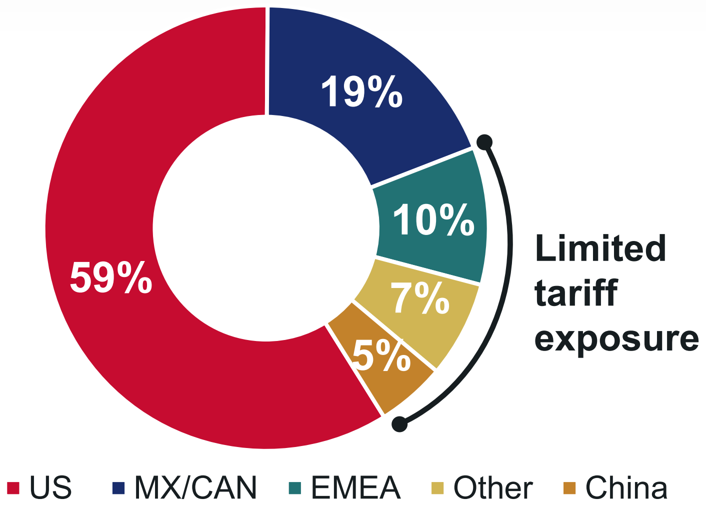
# Tariff Landscape & Mitigation

## TARIFF EXPOSURE[1]

### ORIGIN OF US SUPPLY SOURCES

**~$70M Current Annualized Tariff Exposure**

- ~65% global revenue in US
- US supply sourced from:
  - 78% US or USMCA compliant
  - 22% limited tariff exposure
    - EMEA exposure primarily EU and UK
    - Other exposure primarily Southeast Asia




## MITIGATION & ACTIONS

- Dedicated Tariff Task Force in place
- Proactively assessing and mitigating:
  - Direct tariff and inflation pressures
  - Market dynamics, including headwinds and opportunities
- Actioning supply chain and pricing mitigations
- Structural buffers in place from our longstanding practices
  - Producing in region for region
  - Onshoring from China
  - Dual sourcing
  - Footprint rationalization

**Committed to Fully Mitigating Financial Impact of Tariffs**

[1] Tariff exposure as of February 4, 2026. Annualized amount for FY'26.

# Non-GAAP Reconciliations

# Non-GAAP Reconciliation

## QUARTERLY ADJUSTED OPERATING EARNINGS

| ($ in millions) | Quarter ended December 28, 2025 | | | | |
|---|---|---|---|---|---|
| | Energy Systems | Motive Power | Specialty | Corporate Other | Total |
| **Net Sales** | $ 399.5 | $ 352.1 | $ 167.5 | $ — | $ 919.1 |
| | | | | | |
| **Operating Earnings** | $ 33.3 | $ 47.0 | $ 16.0 | $ 27.9 | $ 124.2 |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | — | 1.2 | — | — | $ 1.2 |
| Restructuring and other exit charges | 0.9 | 3.2 | 0.2 | — | 4.3 |
| Amortization of intangible assets | 5.9 | 0.1 | 2.4 | — | 8.4 |
| Other | 2.0 | 1.1 | 1.1 | — | 4.2 |
| **Adjusted Operating Earnings** | $ 42.1 | $ 52.6 | $ 19.7 | $ 27.9 | $ 142.3 |
| | | | | | |
| Operating Margin | 8.3 % | 13.3 % | 9.6 % | 3.0 % | 13.5 % |
| Adjusted Operating Margin | 10.5 % | 14.9 % | 11.8 % | NM | 15.5 % |

| | Quarter ended December 29, 2024 | | | | |
|---|---|---|---|---|---|
| | Energy Systems | Motive Power | Specialty | Corporate Other | Total |
| **Net Sales** | $ 389.2 | $ 358.9 | $ 155.2 | $ 2.90 | $ 906.2 |
| | | | | | |
| **Operating Earnings** | $ 19.2 | $ 51.5 | $ 4.2 | $ 67.8 | $ 142.7 |
| Inventory step up to fair value relating to recent acquisitions | — | — | 1.1 | — | 1.1 |
| Restructuring and other exit charges | 0.1 | 1.0 | 0.1 | — | 1.2 |
| Amortization of intangible assets | 5.8 | 0.2 | 2.4 | — | 8.4 |
| Other | 0.2 | — | 1.7 | — | 1.9 |
| **Adjusted Operating Earnings** | $ 25.3 | $ 52.7 | $ 9.5 | $ 67.8 | $ 155.3 |
| | | | | | |
| Operating Margin | 4.9 % | 14.3 % | 2.7 % | NM | 15.7 % |
| Adjusted Operating Margin | 6.5 % | 14.7 % | 6.1 % | NM | 17.1 % |

| **Increase (Decrease) as a % from prior year quarter** | Energy Systems | Motive Power | Specialty | Corporate and other | Total |
|---|---|---|---|---|---|
| Net Sales | 2.6 % | (1.9)% | 8.0 % | (98.6)% | 1.4 % |
| Operating Earnings | 73.8 | (8.8) | NM | (58.8) | (12.9) |
| Adjusted Operating Earnings | 66.9 | (0.3) | NM | (58.8) | (8.4) |

*NM = Not Meaningful*

# Non-GAAP Reconciliation

## FULL YEAR ADJUSTED OPERATING EARNINGS

| *($ in millions)* | Twelve months ended March 31, 2025 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Energy Systems | | Motive Power | | Specialty | | Corporate and other | | Total | |
| **Net Sales** | $ | 1,531.1 | $ | 1,484.1 | $ | 593.6 | $ | 8.8 | $ | 3,617.6 |
| **Operating Earnings** | $ | 72.7 | $ | 220.1 | $ | 16.8 | $ | 155.1 | $ | 464.7 |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | | 0.3 | | — | | 3.3 | | — | $ | 3.6 |
| Restructuring and other exit charges | | 6.0 | | 5.7 | | 2.7 | | — | | 14.4 |
| Loss on assets held for sale | | — | | 4.6 | | — | | — | | 4.6 |
| Amortization of intangible assets | | 23.6 | | 0.7 | | 7.5 | | — | | 31.8 |
| Integration costs | | (0.1) | | — | | 4.1 | | — | | 4.0 |
| Acquisition activity expense | | — | | — | | 2.5 | | — | | 2.5 |
| Other | | 0.7 | | 1.7 | | 0.1 | | — | | 2.5 |
| **Adjusted Operating Earnings** | $ | 103.2 | $ | 232.8 | $ | 37.0 | $ | 155.1 | $ | 528.1 |
| Operating Margin | | 4.7 % | | 14.8 % | | 2.8 % | | NM | | 12.8 % |
| Adjusted Operating Margin | | 6.7 % | | 15.7 % | | 6.2 % | | NM | | 14.6 % |

| *($ in millions)* | Twelve months ended March 31, 2024 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Energy Systems | | Motive Power | | Specialty | | Corporate and other | | Total | |
| **Net Sales** | $ | 1,590.0 | $ | 1,456.2 | $ | 535.6 | $ | — | $ | 3,581.8 |
| **Operating Earnings** | $ | 15.5 | $ | 201.2 | $ | 17.6 | $ | 117.2 | $ | 351.5 |
| Inventory adjustment relating to exit activities | | 17.1 | | — | | 3.1 | | — | | 20.2 |
| Restructuring and other exit charges | | 8.9 | | 11.6 | | 7.6 | | — | | 28.1 |
| Impairment of indefinite-lived intangibles | | 13.6 | | — | | — | | — | | 13.6 |
| Amortization of intangible assets | | 24.5 | | 0.7 | | 2.8 | | — | | 28.0 |
| Legal proceeding charge, net | | 3.7 | | — | | — | | — | | 3.7 |
| Other | | 3.7 | | 1.1 | | 0.3 | | — | | 5.1 |
| **Adjusted Operating Earnings** | $ | 87.0 | $ | 214.6 | $ | 31.4 | $ | 117.2 | $ | 450.2 |
| **Operating Margin** | | 1.0 % | | 13.8 % | | 3.3 % | | NM | | 9.8 % |
| **Adjusted Operating Margin** | | 5.5 % | | 14.7 % | | 5.9 % | | NM | | 12.6 % |

| **Increase (Decrease) as a % from prior year quarter** | Energy Systems | Motive Power | Specialty | Corporate and other | Total |
|---|---|---|---|---|---|
| Net Sales | (3.7)% | 1.9 % | 10.8 % | — % | 1.0 % |
| Operating Earnings | NM | 9.4 | (4.9) | 32.3 | 32.2 |
| Adjusted Operating Earnings | 18.7 | 8.4 | 17.8 | 32.3 | 17.3 |

*NM = Not Meaningful*

# Non-GAAP Reconciliation

## ADJUSTED EBITDA

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Net Earnings | 90.4 | $ 114.8 |
| Depreciation | 21.3 | 17.2 |
| Amortization | 8.4 | 8.4 |
| Interest | 14.1 | 14.9 |
| Income Taxes | 15.8 | 11.9 |
| EBITDA | 150.0 | 167.2 |
| Non-GAAP adjustments | 9.7 | 4.2 |
| Adjusted EBITDA | $ 159.7 | $ 171.4 |

The following table provides the non-GAAP adjustments shown in the reconciliation above:

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | 1.2 | 1.1 |
| Restructuring and other exit charges | 4.3 | 1.2 |
| Other | 4.2 | 1.9 |
| Non-GAAP adjustments | $ 9.7 | $ 4.2 |

# Non-GAAP Reconciliation

## FULL YEAR ADJUSTED EBITDA

| *($ in millions)* | Twelve months ended | | | |
|---|---|---|---|---|
| | | March 31, 2025 | | March 31, 2024 |
| Net Earnings | | 363.7 | $ | 269.1 |
| Depreciation | | 69.1 | | 64.0 |
| Amortization | | 31.8 | | 28.0 |
| Interest | | 51.2 | | 49.9 |
| Income Taxes | | 42.8 | | 23.1 |
| EBITDA | | 558.6 | | 434.1 |
| Non-GAAP adjustments | | 30.0 | | 72.7 |
| Adjusted EBITDA | $ | 588.6 | $ | 506.8 |

The following table provides the non-GAAP adjustments shown in the reconciliation above:

| *($ in millions)* | Twelve months ended | | | |
|---|---|---|---|---|
| | | March 31, 2025 | | March 31, 2024 |
| Inventory adjustment relating to exit activities | $ | 0.6 | $ | 20.2 |
| Inventory step up to fair value relating to recent acquisitions | | 3.0 | | — |
| Restructuring and other exit charges | | 14.4 | | 28.1 |
| Impairment of indefinite-lived intangibles | | — | | 13.6 |
| Loss on assets held for sale | | 4.6 | | — |
| Legal proceedings charge, net | | — | | 3.7 |
| Integration Costs | | 4.0 | | — |
| Gain on Pension Settlement | | (1.6) | | — |
| Acquisition expense | | 2.5 | | — |
| Other | | 2.5 | | 7.1 |
| Non-GAAP adjustments | $ | 30.0 | $ | 72.7 |

# Non-GAAP Reconciliation

## QUARTERLY ADJUSTED DILUTED EPS

| *(in millions, except share and per share amounts)* | Quarter ended | | | | | |
|---|---|---|---|---|---|---|
| | December 28, 2025 | | | December 29, 2024 | | |
| **Net earnings reconciliation** | | | | | | |
| As reported Net Earnings | $ | 90.4 | | $ | 114.8 | |
| Non-GAAP adjustments: | | | | | | |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | | 1.2 | (1) | | 1.1 | (1) |
| Restructuring and other exit charges | | 4.3 | (2) | | 1.2 | (2) |
| Amortization of identified intangible assets | | 8.4 | (3) | | 8.4 | (3) |
| Other | | 4.2 | | | 1.9 | |
| Income tax adjustment of benefit from tax law changes and litigation | | — | | | — | |
| Income tax effect of above non-GAAP adjustments | | (4.3) | | | (3.1) | |
| **Non-GAAP adjusted Net earnings** | $ | 104.2 | | $ | 124.3 | |
| **Net Earnings excluding (ex) IRC 45X benefit** | | | | | | |
| As Reported Net Earnings | | 90.4 | | | 114.8 | |
| IRC 45X Benefit | | 34.7 | | | 75.2 | |
| **Reported Net Earnings excluding (ex) IRC 45X benefit** | $ | 55.7 | | $ | 39.6 | |
| **Non-GAAP adjusted Net Earnings excluding (ex) IRC 45X benefit** | | | | | | |
| Non-GAAP Adjusted Net Earnings | | 104.2 | | | 124.3 | |
| IRC 45X Benefit | | 34.7 | | | 75.2 | |
| **Non-GAAP adjusted Net Earnings excluding (ex) IRC 45X benefit** | $ | 69.5 | | $ | 49.1 | |
| **Outstanding shares used in per share calculations** | | | | | | |
| Basic | | 36,864,078 | | | 39,305,035 | |
| Diluted | | 37,660,696 | | | 39,922,913 | |

| | | | | |
|---|---|---|---|---|
| **Reported Net earnings (Loss) per share:** | | | | |
| Basic | $ | 2.45 | $ | 2.92 |
| Diluted | $ | 2.40 | $ | 2.88 |
| **Dividends per common share** | $ | 0.2625 | $ | 0.24 |
| **Non-GAAP adjusted Net earnings per share:** | | | | |
| Basic | $ | 2.83 | $ | 3.16 |
| Diluted | $ | 2.77 | $ | 3.12 |
| **Reported Net Earnings (Loss) per share excluding (ex) IRC 45X benefit** | | | | |
| Basic | $ | 1.51 | $ | 1.01 |
| Diluted | $ | 1.48 | $ | 0.99 |
| **Non-GAAP adjusted Net Earnings (Loss) per share excluding (ex) IRC 45X benefit** | | | | |
| Basic | $ | 1.88 | $ | 1.25 |
| Diluted | $ | 1.84 | $ | 1.23 |

# Non-GAAP Reconciliation

## QUARTERLY ADJUSTED DILUTED EPS CONTINUED

The following table provides the line of business allocation of the non-GAAP adjustments of items relating to operating earnings (that are allocated to lines of business) shown in the reconciliation prior:

| *($ millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| | Pre-tax | Pre-tax |
| (1) Inventory adjustment relating to exit activities - Motive Power | 1.2 | $ — |
| (1) Inventory step up to fair value relating to recent acquisitions - Specialty | — | 1.1 |
| (2) Restructuring and other exit charges - Energy Systems | 0.9 | 0.1 |
| (2) Restructuring and other exit charges - Motive Power | 3.2 | 1.0 |
| (2) Restructuring and other exit charges - Specialty | 0.2 | 0.1 |
| (3) Amortization of identified intangible assets - Energy Systems | 5.9 | 5.8 |
| (3) Amortization of identified intangible assets - Motive Power | 0.1 | 0.2 |
| (3) Amortization of identified intangible assets - Specialty | 2.4 | 2.4 |
| Total Non-GAAP adjustments | $ 13.9 | $ 10.7 |

# Non-GAAP Reconciliation

## FULL YEAR ADJUSTED DILUTED EPS

| *(in millions, except share and per share amounts)* | Twelve months ended | | | | | |
|---|---|---|---|---|---|---|
| | March 31, 2025 | | | March 31, 2024 | | |
| **Net Earnings reconciliation** | | | | | | |
| As reported Net Earnings | $ | 363.7 | | $ | 269.1 | |
| Non-GAAP adjustments: | | | | | | |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | | 3.6 | (1) | | 20.2 | (1) |
| Restructuring and other exit charges | | 14.4 | (2) | | 28.1 | (2) |
| Impairment of indefinite-lived intangibles | | — | | | 13.6 | (3) |
| Loss on assets held for sale | | 4.6 | (4) | | — | |
| Amortization of identified intangible assets | | 31.8 | (5) | | 28.0 | (2) |
| Acquisition activity expense | | 2.5 | -6 | | — | |
| Legal proceedings charge, net | | — | | | 3.7 | (7) |
| Integration costs | | 4.0 | (8) | | — | |
| Other | | 2.5 | (9) | | 7.8 | (9) |
| Gain on pension settlement | | (1.6) | | | — | |
| Income tax benefit from tax law changes and litigation | | (4.6) | | | — | |
| Swiss income tax goodwill expiration | | 2.2 | | | — | |
| Income tax expense on intercompany sale of IP | | 2.5 | | | — | |
| Income tax effect of above non-GAAP adjustments | | (15.2) | | | (25.2) | |
| **Non-GAAP adjusted Net Earnings** | $ | 410.4 | | $ | 345.3 | |
| **Net Earnings without IRC 45X** | | | | | | |
| As Reported Net Earnings | $ | 363.7 | | $ | 269.1 | |
| IRC 45X Benefit | | 184.6 | | | 136.4 | |
| **Reported Net Earnings without IRC 45X Benefit** | $ | 179.1 | | $ | 132.7 | |
| **Non-GAAP adjusted Net Earnings without IRC 45X** | | | | | | |
| Non-GAAP Adjusted Net Earnings | $ | 410.4 | | $ | 345.3 | |
| IRC 45X Benefit | | 184.6 | | | 136.4 | |
| **Non-GAAP adjusted Net Earnings without IRC 45X Benefit** | $ | 225.8 | | $ | 208.9 | |

| | | | | |
|---|---|---|---|---|
| **Outstanding shares used in per share calculations** | | | | |
| Basic | | 39,760,829 | | 40,669,392 |
| Diluted | | 40,438,579 | | 41,371,439 |
| **Reported Net Earnings (Loss) per share:** | | | | |
| Basic | $ | 9.15 | $ | 6.62 |
| Diluted | $ | 8.99 | $ | 6.50 |
| **Dividends per common share** | $ | 0.945 | $ | 0.850 |
| **Non-GAAP adjusted Net Earnings per share:** | | | | |
| Basic | $ | 10.32 | $ | 8.49 |
| Diluted | $ | 10.15 | $ | 8.35 |
| **Reported Net Earnings (Loss) per share without IRC 45X benefit** | | | | |
| Basic | $ | 4.50 | $ | 3.26 |
| Diluted | $ | 4.43 | $ | 3.21 |
| **Non-GAAP adjusted Net Earnings (Loss) per share without IRC 45X benefit** | | | | |
| Basic | $ | 5.68 | $ | 5.14 |
| Diluted | $ | 5.58 | $ | 5.05 |

# Non-GAAP Reconciliation

## FULL YEAR ADJUSTED DILUTED EPS CONTINUED

The following table provides the line of business allocation of the non-GAAP adjustments of items relating to operating earnings (that are allocated to lines of business) shown in the reconciliation prior:

| *($ millions)* | Twelve months ended | | | |
|---|---|---|---|---|
| | March 31, 2025 | | March 31, 2024 | |
| | Pre-tax | | Pre-tax | |
| (1) Inventory adjustment relating to exit activities - Energy Systems | $ | 0.3 | $ | 17.1 |
| (1) Inventory adjustment relating to exit activities step up to fair value relating to recent acquisitions - Specialty | | 3.3 | | 3.1 |
| (2) Restructuring and other exit charges - Energy Systems | | 6.0 | | 8.9 |
| (2) Restructuring and other exit charges - Motive Power | | 5.7 | | 11.6 |
| (2) Restructuring and other exit charges - Specialty | | 2.7 | | 7.6 |
| (3) Impairment of indefinite-lived intangibles - Energy Systems | | — | | 13.6 |
| (4) Loss on assets held for sale - Motive | | 4.6 | | — |
| (5) Amortization of identified intangible assets - Energy Systems | | 23.6 | | 24.5 |
| (5) Amortization of identified intangible assets - Motive Power | | 0.7 | | 0.7 |
| (5) Amortization of identified intangible assets - Specialty | | 7.5 | | 2.8 |
| (6) Acquisition expense - Specialty | | 2.5 | | — |
| (7) Legal proceedings charge, net - Energy Systems | | — | | 3.7 |
| (8) Integration costs - Energy Systems | | (0.1) | | — |
| (8) Integration costs - Specialty | | 4.1 | | — |
| (9) Other - Energy Systems | $ | 0.7 | $ | 3.7 |
| (9) Other - Motive Power | $ | 1.7 | $ | 1.1 |
| (9) Other - Specialty | $ | 0.1 | $ | 0.3 |
| Total Non-GAAP adjustments | $ | 63.4 | $ | 98.7 |

# Non-GAAP Reconciliation

## LEVERAGE RATIO BY YEAR

| | Fiscal year ended March 31, | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *($ in millions, except ratios)* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Net earnings as reported | $363.7 | $269.1 | $175.8 | $143.9 | $143.3 | $137.1 | $160.5 | $119.8 |
| Add back: | | | | | | | | |
| Depreciation and amortization | 100.9 | 92.0 | 91.2 | 95.9 | 94.1 | 87.3 | 63.3 | 54.3 |
| Interest expense | 51.1 | 49.9 | 59.5 | 37.8 | 38.5 | 43.7 | 30.9 | 25 |
| Income tax expense | 42.8 | 23.1 | 34.8 | 30 | 26.8 | 9.9 | 21.6 | 118.5 |
| EBITDA (non GAAP) | $558.5 | $434.1 | $361.3 | $307.5 | $302.7 | $278.0 | $276.3 | $317.6 |
| Adjustments per credit agreement definitions(1) | 56.2 | 85.8 | 51.7 | 51.5 | 56.3 | 123.6 | 139 | 23.2 |
| Adjusted EBITDA (non-GAAP) per credit agreement(1) | $614.7 | $519.9 | $413.0 | $359.1 | $359.0 | $401.6 | $415.3 | $340.8 |
| Total net debt(2) | $781.1 | $511.1 | $736.0 | $905.9 | $615.0 | $905.6 | $835.8 | $234.7 |
| Leverage ratios: | | | | | | | | |
| Total net debt/credit adjusted EBITDA ratio | 1.3 X | 1.0 X | 1.8 X | 2.5 X | 1.7 X | 2.3 X | 2.0 X | 0.7 X |

(1) The $56.2 million adjustment to EBITDA in the last twelve months ending March 31, 2025 primarily related to $27.8 million of non-cash stock compensation, $22.0 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $5.5 million. The $85.8 million adjustment to EBITDA in the last twelve months ending March 31, 2024 primarily related to $30.6 million of non-cash stock compensation, $40.7 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $13.6 million. The $51.7 million adjustment to EBITDA in fiscal 2023 primarily related to $26.4 million of non-cash stock compensation, $22.4 million of restructuring and other exit charges, impairment of indefinite-lived intangibles of $0.5 million, and $1.4 million for swap termination fees. The $51.5 million adjustment to EBITDA in fiscal 2022 primarily related to $24.3 million of non-cash stock compensation, $26.0 million of restructuring and other exit charges, indefinite-lived intangibles of $1.2 million. The $56.3 million adjustment to EBITDA in fiscal 2021 primarily related to $19.8 million of non-cash stock compensation, $33.2 million of restructuring and other exit charges, business integration costs of $7.3 million, partially offset by $3.9 million of gain ($4.4 million gain less insurance deductibles) relating to the final settlement of the Richmond, KY fire claim. The $123.6 million adjustment to EBITDA in fiscal 2020 primarily related to impairment of goodwill and other intangible assets of $44.2 million, $20.8 million of non-cash stock compensation, inclusion of $18.5 million of six months of pro forma earnings of NorthStar, $20.8 million of restructuring and other exit charges and $1.9 million of inventory adjustments (fair value step up relating to the NorthStar transaction), $14.3 million for insurance reimbursement for business interruption due to the Richmond, KY fire and other charges of $3.1 million. The $139.0 million adjustment to EBITDA in fiscal 2019 primarily related to the inclusion of $69.3 million of nine months of pro forma earnings of Alpha, $13.6 million for fees and expenses related to the Alpha transaction, $22.6 million of non-cash stock compensation, $23.2 million of non-cash restructuring and other exit charges and $10.3 million of inventory adjustments (including a fair value step up relating to the Alpha transaction of $7.2 million). The $23.2 million adjustment to EBITDA in fiscal 2018 primarily related to $19.5 million of non-cash stock compensation and $3.7 million of non-cash restructuring and other exit charges.

(2) Debt includes finance lease obligations and letters of credit and is net of all U.S. cash and cash equivalents and foreign cash and investments, as defined in the Fourth Amended Credit Facility. In fiscal 2025, the amounts deducted in the calculation of net debt were U.S. cash and cash equivalents and foreign cash investments of $343.1 million; in fiscal 2024, were 333.3 million, in fiscal 2023, were $347.0 million, in fiscal 2022, were $402.5 million, in fiscal 2021, were $399 million, in fiscal 2020, were $262 million, in fiscal 2019, were $200 million, and in fiscal 2018, were $372 million.

# Non-GAAP Reconciliation

## LEVERAGE RATIO BY QUARTER

| *($ in millions, except ratios)* | Last twelve months ended December 28, 2025 | Last twelve months ended December 29, 2024 |
|---|---|---|
| Net earnings as reported | $312.8 | $328.1 |
| Add back: | | |
| Depreciation and amortization | 111.4 | 98.1 |
| Interest expense | 46.4 | 46.4 |
| Income tax expense | 55.9 | 31.4 |
| EBITDA (non-GAAP) | $526.5 | $504.0 |
| Adjustments per credit agreement definitions[1] | 84.7 | 52.6 |
| Adjusted EBITDA (non-GAAP) per credit agreement[1] | $611.2 | $556.6 |
| Total net debt[2] | $743.3 | $852.1 |
| Leverage ratios: | | |
| Total net debt/credit adjusted EBITDA ratio | 1.2 X | 1.5 X |

1. The $84.7 million adjustment to EBITDA in the last twelve months ending December 28, 2025 primarily related to $37.0 million of non-cash stock compensation, $40.6 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $5.5 million. The $52.6 million adjustment to EBITDA in the last twelve months ending December 29, 2024 primarily related to $28.0 million of non-cash stock compensation, $19.8 million of restructuring and other exit charges, impairment of indefinite-lived intangibles and write-down of other current assets of $4.5 million.
2. Debt includes finance lease obligations and letters of credit and is net of all U.S. cash and cash equivalents and foreign cash and investments, as defined in the Fourth Amended Credit Facility. In the last twelve months ending December 28, 2025 and December 29, 2024, the amounts deducted in the calculation of net debt were U.S. cash and cash equivalents and foreign cash investments of $450.1 million, and in fiscal 2024, were $463.2 million.

# Non-GAAP Reconciliation

## FREE CASH FLOW

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Net cash provided by (used in) operating activities | $ 184.6 | $ 81.1 |
| Less Capital Expenditures | (13.3) | (24.3) |
| Free Cash Flow | 171.3 | 56.8 |

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Net cash provided by (used in) operating activities | $ 184.6 | $ 81.1 |
| Net earnings | 90.4 | 114.8 |
| Operating cash flow conversion % | 204.2 % | 70.6 % |
| | | |
| Free cash flow | 171.3 | 56.8 |
| Net earnings | 90.4 | 114.8 |
| Free cash flow conversion % | 189.5 % | 49.5 % |

# Non-GAAP Reconciliation

## GROSS PROFIT AND GROSS MARGIN EX 45X

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Gross Profit | $ 276.3 | $ 298.2 |
| IRC 45X Benefit | 34.7 | 75.2 |
| Gross Profit ex 45X | 241.6 | 223.0 |
| | | |
| Gross Margin | 30.1 % | 32.9 % |
| IRC 45X Benefit | 3.8 % | 8.3 % |
| Gross Margin ex 45X | 26.3 % | 24.6 % |

# Non-GAAP Reconciliation

## ADJUSTED GROSS PROFIT AND GROSS MARGIN

| *($ in millions)* | Quarter ended | |
|---|---|---|
| | December 28, 2025 | December 29, 2024 |
| Gross Profit as reported | $ 276.3 | 298.2 |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | 1.2 | 1.1 |
| Adjusted Gross Profit | 277.5 | 299.3 |
| | | |
| Gross Margin | 30.1 % | 32.9 % |
| Inventory adjustment relating to exit activities and step up to fair value relating to recent acquisitions | 0.1 % | 0.1 % |
| Adjusted Gross Margin | 30.2 % | 33.0 % |

# Key Performance Indicator

## PRIMARY OPERATING CAPITAL

As part of managing the performance of our business, we monitor the level of primary operating capital, and its ratio to net sales. We define primary operating capital as accounts receivable, plus inventories, minus accounts payable. The resulting net amount is divided by the trailing three-month net sales (annualized) to derive a primary operating capital percentage. We believe these three elements included in primary operating capital are most operationally driven, and this performance measure provides us with information about the asset intensity and operating efficiency of the business on a company-wide basis that management can monitor and analyze trends over time. Primary operating capital was $933.6 million (yielding a primary operating capital percentage of 25.4%) at December 28, 2025, $932.2 million (yielding a primary operating capital percentage of 23.9%) at March 31, 2025 and $947.4 million at December 29, 2024 (yielding a primary operating capital percentage of 26.1%). The primary operating capital percentage of 25.4% at December 28, 2025 increased by 150 basis points compared to March 31, 2025 and decreased 70 basis points compared to December 29, 2024. The increase in primary operating capital percentage at December 28, 2025 compared to March 31, 2025 was primarily due to increases to inventory for strategic build up and decreases to accounts payable levels due to timing of payments. The increase in primary operating capital percentage at December 28, 2025 compared to March 31, 2025 was due to strategic inventory building and timing of accounts payable payments not fully offset by impacts from additional contributions from the Amended RPA. The decrease in primary operating capital percentage at December 28, 2025 compared to December 29, 2024 was due to impacts from the additional contributions from the Amended RPA in the third quarter of fiscal 2026.

Primary operating capital and primary operating capital percentages at December 28, 2025, March 31, 2025 and December 29, 2024 are computed as follows:

| *($ in Millions)* | December 28, 2025 | March 31, 2025 | December 29, 2024 |
|---|---|---|---|
| Accounts receivable, net | $474.7 | $597.9 | $545.2 |
| Inventory, net | 795.4 | 740.0 | 753.4 |
| Accounts payable | (336.5) | (405.7) | (351.2) |
| Total primary operating capital | 933.6 | 932.2 | 947.4 |
| Trailing 3 months net sales | 919.1 | 974.8 | 906.2 |
| Trailing 3 months net sales annualized | 3,676.4 | 3,899.2 | 3,624.8 |
| Primary operating capital as a % of annualized net sales | 25.4 % | 23.9 % | 26.1 % |

# Thank you.

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