

nVent Third Quarter 2022

Earnings Presentation

October 28, 2022



Forward-Looking Statement and Key Definitions

Caution Concerning Forward-Looking Statements

This presentation contains statements that we believe to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact are forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets," "plans," "believes," "expects," "intends," "will," "likely," "may," "anticipates," "estimates," "projects," "forecasts," "should," "would," "positioned," "strategy," "future," "are confident," or words, phrases or terms of similar substance or the negative thereof, are forward-looking statements. All projections in this presentation are also forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond our control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include the adverse effects on our business operations or financial results, including due to the overall global economic and business conditions impacting our business; the impact of the novel coronavirus 2019 ("COVID-19") pandemic and potential impairment of goodwill and trade names; the ability to achieve the benefits of our restructuring plans; the ability to successfully identify, finance, complete and integrate acquisitions; competition and pricing pressures in the markets we serve, including the impacts of tariffs; volatility in currency exchange rates, interest rates and commodity prices; inability to generate savings from excellence in operations initiatives consisting of lean enterprise, supply management and cash flow practices; inability to mitigate material and other cost inflation; risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, commodities, packaging and transportation; increased risks associated with operating foreign businesses including risks associated with the conflict between Russia and Ukraine and related sanctions; the ability to deliver backlog and win future project work; failure of markets to accept new product introductions and enhancements; the impact of changes in laws and regulations, including those that limit U.S. tax benefits; the outcome of litigation and governmental proceedings; and the ability to achieve our long-term strategic operating goals. Additional information concerning these and other factors is contained in our filings with the Securities and Exchange Commission, including nVent's Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. All forward-looking statements speak only as of the date of this presentation. nVent Electric plc assumes no obligation, and disclaims any obligation, to update the information contained in this presentation.

Key Definitions and Notes

Except as otherwise noted all references to 2022 and 2021 represent our results for the period indicated, presented on an adjusted basis. "Organic Sales" refers to GAAP revenue excluding (1) the impact of currency translation and (2) the impact of revenue from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to divested product lines not considered discontinued operations. "Segment Income" represents Operating Income exclusive of non-cash intangible amortization, certain acquisition related costs, costs of restructuring activities, impairments and other unusual non-operating items. Return on Sales ("ROS") equals Segment Income divided by Sales.

Key Messages

- **Record Q3 sales of \$745M, up 16%; strong adjusted EPS of \$0.66, up 25%**
- **Sixth consecutive quarter of 20% or more organic sales growth**
- **Double-digit organic sales growth across all segments with volume and price contribution**
- **Another quarter of solid execution with sequential and year-over-year ROS expansion**
- **Raising full-year 2022 sales and adjusted EPS guidance**

Outstanding quarter; raising full-year guidance

Q3 2022 Summary

Q3 2022

- Sales of \$745 million, up 16% and 20% organically
- Segment income of \$144 million, up 22%; ROS of 19.3%, up 90 bps year-over-year
- Adjusted EPS of \$0.66, up 25%
- Free cash flow generation of \$126 million, up 17% year-over-year

Q3 Highlights

- Organic sales up double-digits across all verticals and segments
- Strong volume up 5 points and price contribution of 15 points
- New product sales contributed ~3 points to growth
- Orders up high single-digits; backlog up strong double-digits year-over-year

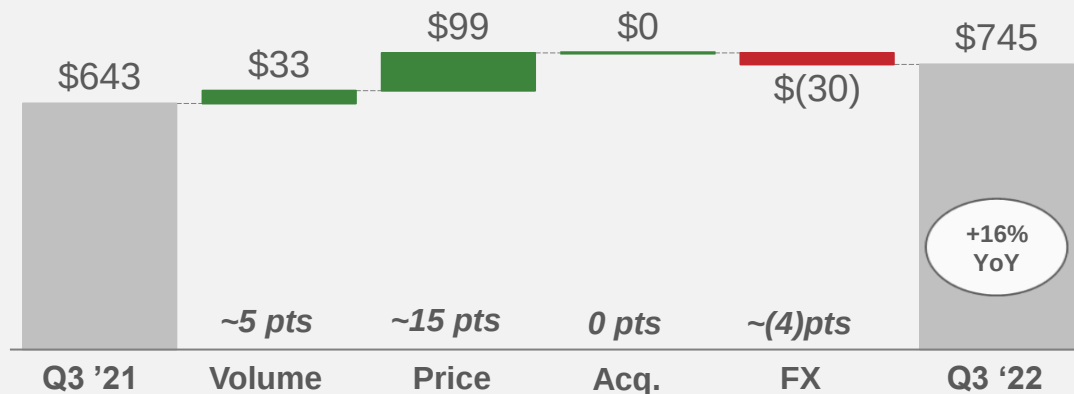
2022 Outlook

- Raising full-year sales and adjusted EPS guidance
- Solid orders and robust backlog provide confidence
- Managing price/cost to help offset inflation
- Growth strategy and megatrends in sustainability and electrification driving strong performance

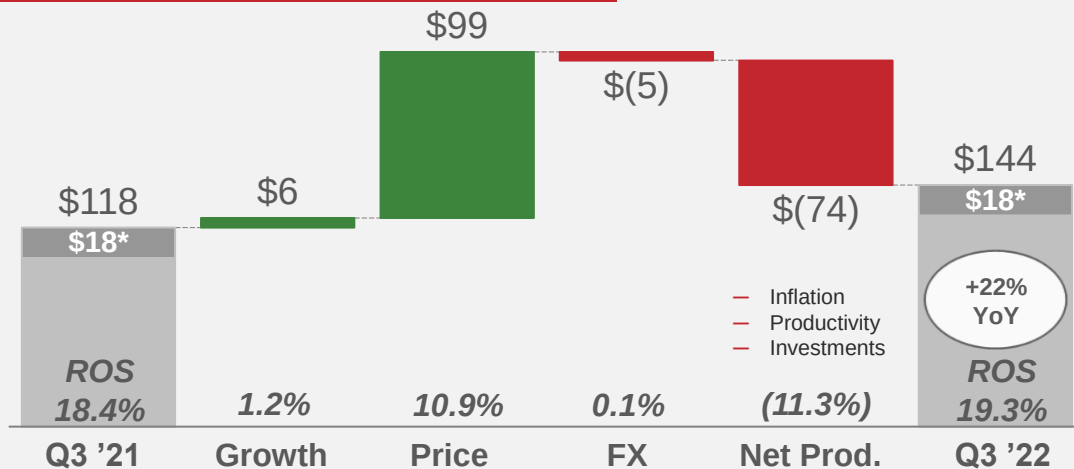
Continued strong performance

Q3 2022 nVent Performance

Sales (\$M)



Segment Income (\$M)



Financial Highlights (YoY)

- **Sales up 16%, organically up 20%**
 - Volume added 5 points and price added 15 points to growth
 - FX headwind of 4 points
- **Price offset total inflation**
- **Segment income up 22%**
 - Year-over-year ROS expansion of 90 basis points
 - Inflation and supply chain challenges impacting net productivity
- **Adjusted EPS of \$0.66, up 25%**
- **Free cash flow of \$126M, up 17%**
- **Other items**
 - Adjusted tax rate of ~17.5%
 - Net interest expense of ~\$8M
 - Shares of ~168M

Q3 2022 Segment Performance

(\$M)	Sales	Segment Income	Commentary
Enclosures	\$388 Up 16% Up 20% organic	\$72 Up 27% ROS 18.5% (+170bps)	+ Strong double-digit sales growth across all verticals, led by Infrastructure + Volume and price contributed to sales growth + Orders up double digits + Sequential and year-over-year ROS expansion from strong execution
Electrical & Fastening	\$209 Up 24% Up 28% organic	\$61 Up 26% ROS 29.1% (+50bps)	+ Strong double-digit sales growth across all verticals, led by Infrastructure + Volume and price contributed to sales growth + Orders up double digits + ROS expansion from strong execution
Thermal Management	\$148 Up 7% Up 13% organic	\$36 Up 14% ROS 24.2% (+140bps)	+ Double-digit organic sales growth across all verticals, led by Industrial + MRO demand continued to be robust + Volume and price contributed to sales growth + Orders flat, solid project and quote activity

Double-digit organic growth and ROS expansion across all segments

Balance Sheet and Cash Flow

Cash Flow (\$M)

	Q3 2022	YTD 2022
Net Income	\$ 93	\$ 241
Amortization	18	53
Subtotal	\$ 111	\$ 294
Depreciation	11	33
Capital Expenditures	(10)	(31)
Working Capital	9	(144)
Other	5	19
Free Cash Flow - Total	\$ 126	\$ 171

- Cash balance of \$194M
- Q3 2022 D&A of \$29M
- \$600M available on revolver
- Exercised delayed draw option on \$200M term loan

Debt Summary (\$M)



Note: Does not include \$194 of cash on hand at quarter-end and \$6 of unamortized debt issuance costs

Debt Roll forward (\$M)

	Q3 2022	YTD 2022
Use of Cash:		
Beginning Debt	\$ 1,054	\$ 1,006
Used (Generated) Cash	(126)	(171)
Share Repurchases	-	9
Dividends	29	87
Debt Borrowings (Repayments)	39	87
Change in Cash / Other	97	75
Ending Debt	\$ 1,093	\$ 1,093

Healthy balance sheet and ample capacity

Capital Allocation Update

Manage Leverage

- Net debt to adjusted EBITDA ratio at 1.7X
- Target of 2.0X to 2.5X
- Maintain investment grade metrics
- Strong liquidity position

Reinvest in the Business

- Expect full-year capex of ~\$50M
- Investments in new products and digital
- Launched 42 new products YTD; on track to deliver 50 in FY22

M&A

- Acquisitions remain a top priority
- Target ROIC > WACC in 2 to 3 years

Return Cash to Shareholders

- Returned \$96 million in cash to shareholders Q3 year-to-date
- Maintain a competitive dividend

Deploying capital to drive growth and deliver attractive returns

2022 nVent Outlook

Total nVent

Guidance as of
07/29/2022

Sales

Up 14% to 16%
Up 15% to 17% organic

Adjusted EPS

\$2.17 to \$2.23
Up 11% to 14%

Cash

90% to 100% of
adjusted net income

Other Items

Net int. exp.: \$30M to \$35M
Tax rate: 17% to 18%
Shares: ~170M

Updated Guidance

Up 16% to 17%
Up 18% to 19% organic

\$2.30 to \$2.32
Up 17% to 18%

~90% of adjusted net
income

No change

Expected Drivers

- Strong order trends and backlog
- Supply chain challenges persist
- Strong price realization to help offset inflation
- Investments in new products, digital and capacity

Modeling Assumptions

- FX headwind ~4 points vs. ~3 points previously
- Corporate costs ~\$85M vs. ~\$80M previously
- Capex ~\$50M vs. \$50M to \$55M previously
- Depreciation and amortization ~\$115M

Raised full-year sales and earnings outlook

Q4 2022 nVent Outlook

	Q4 '22	Q4 '21
Reported sales	Up 4% to 6%	\$669M
Organic sales	Up 9% to 11%	24%
EPS (reported)	\$0.47 to \$0.49	\$0.39
EPS (adjusted)	\$0.56 to \$0.58	\$0.50

Other Items	
Net interest expense	~\$9M
Tax rate	17% to 18%
Shares	~169M

Expected Drivers

- Robust backlog and orders
- Continued strong price realization offsetting inflation
- Expected FX headwind ~5 points

Expecting a strong close to the year

Building a More and Sustainable and Electrified World

We're building a more **sustainable** and **electrified** world





Macro Trends



Strong Value Propositions



Investing in Sustainability and Electrification

- Electrification of Everything
- Importance of Sustainability
- Infrastructure Investments

50%
Total Energy consumption in Industry and Buildings by 2050*

~\$800B
EU Recovery Plan and "Next Generation" stimulus

~\$900B
US Infrastructure Bill and Inflation Reduction Act investment

- Energy efficiency
- Resiliency and protection
- Time savings and labor savings
- Safety
- Product lifespan and serviceability

Liquid Cooling



~30% greater PUE than typical air-cooled installations*

Electrical Connections



50% faster installation**
20% reduction in total installed cost**

New Product Sustainability

By 2025, **>90%** of New Product Introductions expected to use eco-friendly materials, designed with lower environmental impact, and/or improve end-user safety and experience

Acquisitions

\$200M+ added in annual revenue

CISGLOBAL

ELDON

Wynckier
ENCLOSURE SYSTEMS INC.

WBT

Sustainability and electrification are core to our business strategy

Summary

- Outstanding quarter with sales and adjusted EPS exceeding guidance
- Expect another year of double-digit sales and EPS growth
- Well positioned with sustainability and the electrification of everything



Our future is bright

Appendix and GAAP to Non-GAAP Measurements & Reconciliations



Reported to Adjusted 2022 Reconciliation

nVent Electric plc
Reconciliation of GAAP to non-GAAP financial measures for the year ending December 31, 2022
excluding the effect of adjustments (Unaudited)

	Actual			Forecast ⁽¹⁾	
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
<i>In millions, except per-share data</i>					
Net sales	\$ 694.7	\$ 727.5	\$ 745.2		
Net income	67.8	79.9	93.4		
Provision for income taxes	14.5	16.1	18.5		
Income before income taxes	82.3	96.0	111.9		
Other expense	0.6	1.2	0.5		
Net interest expense	7.2	7.5	8.1		
Operating income	90.1	104.7	120.5		
% of net sales	13.0%	14.4%	16.2%		
Adjustments:					
Restructuring and other	\$ 2.0	\$ 2.3	\$ 5.9		
Acquisition transaction and integration costs	0.3	0.5	-		
Intangible amortization	17.8	17.7	17.6		
Segment income	\$ 110.2	\$ 125.2	\$ 144.0		
Return on sales	15.9%	17.2%	19.3%		
Segment income	\$ 110.2	\$ 125.2	\$ 144.0		
Depreciation	10.7	10.9	11.2		
EBITDA - as adjusted	\$ 120.9	\$ 136.1	\$ 155.2		
Net income - as reported	\$ 67.8	\$ 79.9	\$ 93.4	\$ 82	\$ 323
Adjustments to operating income	20.1	20.5	23.5	18	82
Income tax adjustments	(3.4)	(4.3)	(5.2)	(3)	(16)
Net income - as adjusted	\$ 84.5	\$ 96.1	\$ 111.7	\$ 97	\$ 389
Diluted earnings per ordinary share					
Diluted earnings per ordinary share - as reported	\$ 0.40	\$ 0.48	\$ 0.55	\$ 0.47 - 0.49	\$ 1.91 - 1.93
Adjustments	0.10	0.09	0.11	0.09	0.39
Diluted earnings per ordinary share - as adjusted	\$ 0.50	\$ 0.57	\$ 0.66	\$ 0.56 - 0.58	\$ 2.30 - 2.32

⁽¹⁾ Forecast information represents an approximation

Reported to Adjusted 2021 Reconciliation

nVent Electric plc
Reconciliation of GAAP to non-GAAP financial measures for the year ended December 31, 2021
excluding the effect of adjustments (Unaudited)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 548.9	\$ 601.3	\$ 642.8	\$ 669.0	\$ 2,462.0
Net income	65.4	66.2	74.3	67.0	272.9
Provision for income taxes	6.3	13.4	14.6	13.5	47.8
Income before income taxes	71.7	79.6	88.9	80.5	320.7
Other expense (income)	0.6	0.6	0.6	(14.6)	(12.8)
Loss on early extinguishment of debt	-	-	-	15.2	15.2
Net interest expense	8.1	8.1	8.2	7.9	32.3
Operating income	80.4	88.3	97.7	89.0	355.4
% of net sales	14.6%	14.7%	15.2%	13.3%	14.4%
Adjustments:					
Restructuring and other	\$ 0.8	\$ 4.3	\$ 1.9	\$ 1.8	\$ 8.8
Acquisition transaction and integration costs	-	1.6	0.8	1.7	4.1
Intangible amortization	15.9	16.0	17.8	17.8	67.5
Segment income	\$ 97.1	\$ 110.2	\$ 118.2	\$ 110.3	\$ 435.8
Return on sales	17.7%	18.3%	18.4%	16.5%	17.7%
Segment income	\$ 97.1	\$ 110.2	\$ 118.2	\$ 110.3	\$ 435.8
Depreciation	9.7	10.3	10.0	10.9	40.9
EBITDA - as adjusted	\$ 106.8	\$ 120.5	\$ 128.2	\$ 121.2	\$ 476.7
Net income - as reported	\$ 65.4	\$ 66.2	\$ 74.3	\$ 67.0	\$ 272.9
Adjustments to operating income	16.7	21.9	20.5	21.3	80.4
Pension and other post-retirement mark-to-market gain	-	-	-	(15.1)	(15.1)
Loss on early extinguishment of debt	-	-	-	15.2	15.2
Income tax adjustments	(8.7)	(3.8)	(4.0)	(3.8)	(20.4)
Net income - as adjusted	\$ 73.4	\$ 84.3	\$ 90.8	\$ 84.6	\$ 333.0
Diluted earnings per ordinary share					
Diluted earnings per ordinary share - as reported	\$ 0.39	\$ 0.39	\$ 0.44	\$ 0.39	\$ 1.61
Adjustments	0.04	0.11	0.09	0.11	0.35
Diluted earnings per ordinary share - as adjusted	\$ 0.43	\$ 0.50	\$ 0.53	\$ 0.50	\$ 1.96

Organic Sales Growth and Free Cash Flow Reconciliation

nVent Electric plc Reconciliation of Net Sales Growth to Organic Net Sales Growth by Segment for the quarter ended September 30, 2022 (Unaudited)

	Q3 Net Sales Growth			
	Organic	Currency	Acq./Div.	Total
nVent	20.5%	(4.6%)	–%	15.9%
Enclosures	20.1%	(4.4%)	–%	15.7%
Electrical & Fastening Solutions	27.6%	(4.0%)	–%	23.6%
Thermal Management	12.7%	(5.5%)	–%	7.2%

Reconciliation of Net Sales Growth to Organic Net Sales Growth for the quarter and year ending December 31, 2022 (Unaudited)

	Forecast ⁽¹⁾							
	Q4 Net Sales Growth				Full Year Net Sales Growth			
	Organic	Currency	Acq./Div.	Total	Organic	Currency	Acq./Div.	Total
nVent	9 - 11%	(5%)	–%	4 - 6%	18 - 19%	(4%)	2%	16 - 17%

⁽¹⁾ Forecast information represents an approximation

Reconciliation of cash from operating activities to free cash flow (Unaudited)

<i>In millions</i>	Three months ended		Nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net cash provided by (used for) operating activities	\$ 135.9	\$ 114.8	\$ 199.8	\$ 258.1
Capital expenditures	(10.0)	(7.3)	(30.8)	(25.2)
Proceeds from sale of property and equipment	-	-	2.0	0.1
Free cash flow	\$ 125.9	\$ 107.5	\$ 171.0	\$ 233.0