

Citi 2024 Global Industrial Tech and Mobility Conference



Sara Zawoyski, Chief Financial Officer

February 21, 2024

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,” “could,” “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 adverse effects on our business operations or financial results, including due to the overall global economic and business conditions impacting our business; the ability to achieve the benefits of our restructuring plans; the ability to successfully identify, finance, complete and integrate acquisitions, including the ECM Industries and other recent 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 military conflicts, such as that 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 U.S. Securities and Exchange Commission, including our 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 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 2023 and 2022 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.

nVent Overview

Company Characteristics

- Leader in **connection and protection**
- Industry **leading positions and strong brands**
- Well positioned with **electrification, sustainability and digitalization** trends
- Attractive **margin profile**

Full-year 2023 Financials

\$3.3B

Net Sales

↑ 12%

22.1%

ROS

↑ 410bps

\$3.06

Adj. EPS

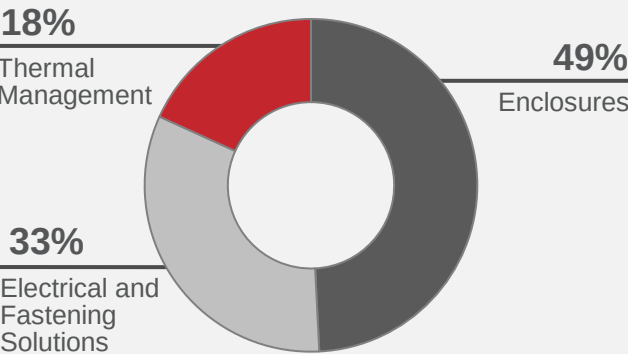
↑ 28%

\$465M

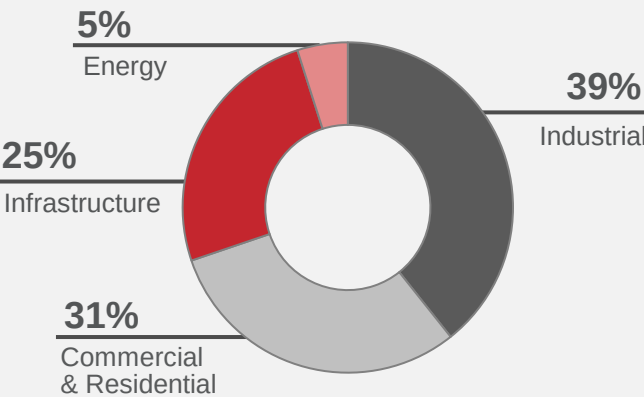
Free Cash Flow

↑ 32%

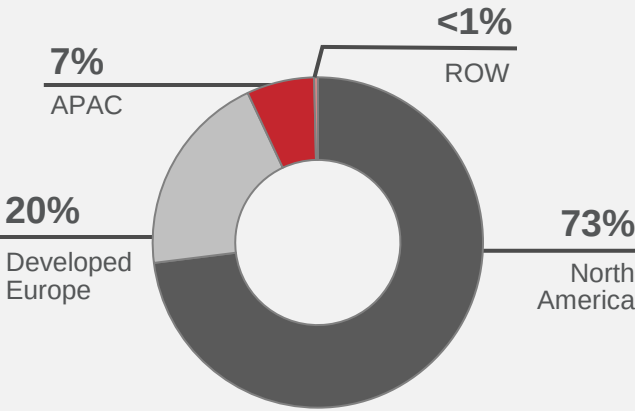
Segments



Verticals



Geographies



High performance electrical company focused on Connection and Protection

Our Strategy



Executing on our strategy to drive performance and value

Strong Value Creation



Building Strong Track Record

- Strong growth with focus on high-growth verticals, new products and acquisitions
- Strong margins and robust cash flows



Industry Leading Products and Solutions

- Strong brands with leadership positions
- Mission-critical and essential products and solutions



Strong Secular Tailwinds

- Electrification, sustainability and digitalization trends
- Government funding to drive infrastructure and energy transition



Tremendous Growth Opportunities

- Growth acceleration via AI, energy transition, and acquisition synergies
- Expect >2 pts in growth from new products



Creating Value through Capital Allocation

- Ample room to grow including via acquisitions with \$90B addressable opportunity*
- Competitive dividend; 9% increase to quarterly dividend

We are confident in our plans and ability to deliver for customers and shareholders

Summary

- 2023 was another year of double-digit sales and earnings growth
- Expect strong sales and profit growth with robust cash flow in 2024
- Well positioned with electrification, sustainability and digitalization trends



Our future is bright

Appendix and GAAP to Non-GAAP Measurements & Reconciliations



Reported to Adjusted 2023 Reconciliation

nVent Electric plc
Reconciliation of GAAP to non-GAAP financial measures for the year ended December 31, 2023
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	\$ 740.6	\$ 803.0	\$ 858.8	\$ 861.2	\$ 3,263.6
Net income	93.8	112.9	105.5	254.9	567.1
Provision (benefit) for income taxes	21.3	21.2	23.8	(133.9)	(67.6)
Income before income taxes	115.1	134.1	129.3	121.0	499.5
Other expense	1.2	1.1	1.4	15.1	18.8
Gain on sale of investment	-	(10.2)	-	(0.1)	(10.3)
Net interest expense	7.8	21.7	25.5	24.4	79.4
Operating income	124.1	146.7	156.2	160.4	587.4
% of net sales	16.8%	18.3%	18.2%	18.6%	18.0%
Adjustments:					
Restructuring and other	\$ 4.0	\$ 2.5	\$ 5.4	\$ 0.9	\$ 12.8
Acquisition transaction and integration costs	2.3	4.9	3.0	2.8	13.0
Intangible amortization	17.6	21.3	25.6	25.2	89.7
Inventory step-up amortization	-	5.9	11.8	-	17.7
Segment income	\$ 148.0	\$ 181.3	\$ 202.0	\$ 189.3	\$ 720.6
Return on sales	20.0%	22.6%	23.5%	22.0%	22.1%
Segment income	\$ 148.0	\$ 181.3	\$ 202.0	\$ 189.3	\$ 720.6
Depreciation	11.1	11.9	13.1	15.6	51.7
EBITDA - as adjusted	\$ 159.1	\$ 193.2	\$ 215.1	\$ 204.9	\$ 772.3
Net income - as reported	\$ 93.8	\$ 112.9	\$ 105.5	\$ 254.9	\$ 567.1
Adjustments to operating income	23.9	34.6	45.8	28.9	133.2
Gain on sale of investment	-	(10.2)	-	(0.1)	(10.3)
Amortization of bridge financing debt issuance costs	-	3.6	-	-	3.6
Pension and other post-retirement mark-to-market loss	-	-	-	13.9	13.9
Income tax adjustments ⁽¹⁾	(4.4)	(12.0)	(10.3)	(165.8)	(192.6)
Net income - as adjusted	\$ 113.3	\$ 128.9	\$ 141.0	\$ 131.8	\$ 514.9
Diluted earnings per ordinary share					
Diluted earnings per ordinary share - as reported	\$ 0.56	\$ 0.67	\$ 0.63	\$ 1.51	\$ 3.37
Adjustments	0.11	0.10	0.21	(0.73)	(0.31)
Diluted earnings per ordinary share - as adjusted	\$ 0.67	\$ 0.77	\$ 0.84	\$ 0.78	\$ 3.06

⁽¹⁾ Income tax adjustments in the fourth quarter include \$157.5 million resulting from favorable discrete items, primarily related to the initial recognition of tax basis in intangible assets in foreign jurisdictions and the related valuation allowance, and the tax benefit of statutory losses at a foreign holding company.

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)

<i>In millions, except per-share data</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Net sales	\$ 694.7	\$ 727.5	\$ 745.2	\$ 741.6	\$ 2,909.0
Net income	67.8	79.9	93.4	158.7	399.8
Provision for income taxes	14.5	16.1	18.5	23.7	72.8
Income before income taxes	82.3	96.0	111.9	182.4	472.6
Other expense (income)	0.6	1.2	0.5	(65.7)	(63.4)
Net interest expense	7.2	7.5	8.1	8.4	31.2
Operating income	90.1	104.7	120.5	125.1	440.4
% of net sales	13.0%	14.4%	16.2%	16.9%	15.1%
Adjustments:					
Restructuring and other	\$ 2.0	\$ 2.3	\$ 5.9	\$ 1.5	\$ 11.7
Acquisition transaction and integration costs	0.3	0.5	-	-	0.8
Intangible amortization	17.8	17.7	17.6	17.6	70.7
Segment income	\$ 110.2	\$ 125.2	\$ 144.0	\$ 144.2	\$ 523.6
Return on sales	15.9%	17.2%	19.3%	19.4%	18.0%
Segment income	\$ 110.2	\$ 125.2	\$ 144.0	\$ 144.2	\$ 523.6
Depreciation	10.7	10.9	11.2	10.6	43.4
EBITDA - as adjusted	\$ 120.9	\$ 136.1	\$ 155.2	\$ 154.8	\$ 567.0
Net income - as reported	\$ 67.8	\$ 79.9	\$ 93.4	\$ 158.7	\$ 399.8
Adjustments to operating income	20.1	20.5	23.5	19.1	83.2
Pension and other post-retirement mark-to-market gain	-	-	-	(66.3)	(66.3)
Income tax adjustments	(3.4)	(4.3)	(5.2)	0.1	(12.8)
Net income - as adjusted	\$ 84.5	\$ 96.1	\$ 111.7	\$ 111.6	\$ 403.9
Diluted earnings per ordinary share					
Diluted earnings per ordinary share - as reported	\$ 0.40	\$ 0.48	\$ 0.55	\$ 0.94	\$ 2.38
Adjustments	0.10	0.09	0.11	(0.28)	0.02
Diluted earnings per ordinary share - as adjusted	\$ 0.50	\$ 0.57	\$ 0.66	\$ 0.66	\$ 2.40

Organic Sales Growth and Free Cash Flow Reconciliation 2023

nVent Electric plc Reconciliation of Net Sales Growth to Organic Net Sales Growth by Segment for the quarter and year ended December 31, 2023 (Unaudited)

	Q4 Net Sales Growth				Full Year Net Sales Growth			
	Organic	Currency	Acq./Div.	Total	Organic	Currency	Acq./Div.	Total
nVent	1.8%	1.0%	13.3%	16.1%	3.5%	– %	8.7%	12.2%
Enclosures	4.4%	1.0%	1.6%	7.0%	5.9%	0.1%	0.8%	6.8%
Electrical & Fastening Solutions	– %	1.1%	47.8%	48.9%	3.6%	0.3%	30.4%	34.3%
Thermal Management	(1.9%)	1.1%	– %	(0.8%)	(2.6%)	(0.5%)	– %	(3.1%)

Reconciliation of Net Sales Growth to Organic Net Sales Growth for the quarter ending March 31, 2024 and year ending December 31, 2024 (Unaudited)

	Forecast ⁽¹⁾							
	Q1 Net Sales Growth				Full Year Net Sales Growth			
	Organic	Currency	Acq./Div.	Total	Organic	Currency	Acq./Div.	Total
nVent	2 - 4%	1%	13%	16 - 18%	3 - 5%	– %	5%	8 - 10%

⁽¹⁾ Forecast information represents an approximation

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

<i>In millions</i>	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net cash provided by (used for) operating activities \$	236.5	\$ 194.8	\$ 528.1	\$ 394.6
Capital expenditures	(22.1)	(15.1)	(71.0)	(45.9)
Proceeds from sale of property and equipment	0.2	-	7.5	2.0
Free cash flow	\$ 214.6	\$ 179.7	\$ 464.6	\$ 350.7

2022 Organic Sales Growth Reconciliation

nVent Electric plc
Reconciliation of Net Sales Growth to Organic Net Sales Growth by Segment
for the quarter and year ended December 31, 2022 (Unaudited)

	Q4 Net Sales Growth				Full Year Net Sales Growth			
	Organic	Currency	Acq./Div.	Total	Organic	Currency	Acq./Div.	Total
nVent	14.8%	(3.9%)	– %	10.9%	20.0%	(3.7%)	1.9%	18.2%
Enclosures	17.0%	(3.9%)	– %	13.1%	20.6%	(3.6%)	3.8%	20.8%
Electrical & Fastening Solutions	16.3%	(3.1%)	– %	13.2%	23.5%	(3.1%)	– %	20.4%
Thermal Management	8.9%	(5.1%)	– %	3.8%	14.3%	(4.6%)	– %	9.7%