



Sustainably
Inspired

First Quarter 2022 Financial Results

April 27, 2022



CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT

Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of the federal securities laws that involve risks and uncertainties. Forward-looking statements include statements we make concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs and other information that is not historical information. All forward-looking statements are based upon information available to us on the date of this presentation. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from the results discussed or implied in the forward-looking statements, including, among other things: the risks and uncertainties associated with our previously announced transaction with Elkay Manufacturing Company; our competitive environment; the broader economic and business conditions, and our exposure to customers in cyclical industries; increases in cost of our raw materials, including as a result of tariffs, trade wars and other trade protection matters; the effects of the Covid-19 pandemic; and the other factors described under "Cautionary Notice Regarding Forward-Looking Statements" and "Risk Factors" in our 2021 Annual Report on Form 10-K filed with the Securities and Exchange Commission and subsequent reports filed with the SEC on Forms 10-Q and 8-K, all of which are available on our website at zurnwatersolutions.com.

Certain of the financial measures included in this presentation, including core growth, adjusted EBITDA, and free cash flow, have not been prepared in accordance with generally accepted accounting principles, or "GAAP", and constitute "non-GAAP financial measures" as defined by the rules of the Securities and Exchange Commission. We have included these non-GAAP measures because we believe they provide an additional tool for investors to use in evaluating the financial performance and prospects of Zurn. These non-GAAP measures should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. In addition, these non-GAAP financial measures may differ from non-GAAP financial measures with comparable names used by other companies. Our earnings release and SEC filings contain additional information about these non-GAAP measures, why we use them and why we believe they are helpful to investors and also contain reconciliations to GAAP data.

Except as required by law, we do not undertake any obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Performance Update

Strategic Developments

- Announced planned merger with Elkay Manufacturing Company on February 14
 - Special shareholder meeting scheduled for May 26, 2022
 - Closing is on track for early 3Q
 - Integration planning efforts are progressing as planned
- Published our 2021 Sustainability Report

Q1 Results

- Continued strong demand during the quarter
- 1Q net sales increased +17% year over year
 - Core sales⁽¹⁾ +15% ... M&A +2%
- Adjusted EPS ⁽¹⁾ of \$0.24 compared with \$0.13 in the year-ago quarter
- Adjusted EBITDA⁽¹⁾ margin of 24.5% (excluding corporate expenses)
- Net debt leverage of 2.1x as of March 31, 2022, proforma for normalized corporate costs

(1) Non-GAAP measure defined, reconciled, and discussed in the earnings release included in the Form 8-K filed with the Securities and Exchange Commission April 26, 2022.

Innovation & specification driving sustainable share gains



2-500XL3



3-500XL3F



3-500XL3



Superior Flow Rates



Unrivaled reliability



Low cost install

Connect your
500XL3



ZCSM-RP
(Remote Pressure)
Monitor

Establish trends, identify pressure issues and use advanced analytics to optimize system performance

A Powerful, Highly Complementary Combination



*Market leader in
sustainable water solutions and products*

ELKAY®

*Market leader in highly attractive
commercial drinking water category*



Creates a North American Leader in Commercial Water Solutions

Leading specified brands with loyal
customer relationships

Adds Drinking Water to Zurn's Portfolio of Sustainable Solutions

Premier commercial drinking water
solutions business with attractive retrofit
opportunity

Offers Substantial Synergy Potential

\$50M+ of synergy opportunity with
enhanced growth potential and best-
in-class margins

Recent Company Recognition



2022 Awards

America's Most Responsible Company 2022

Top Workplace 2022 USA



2021 Awards

Recognized by Women on Boards for Board Gender Diversity

Recognized by Milwaukee Women Inc for our Gender-Diverse Leadership

Awarded Employer of the Year by STEM Forward

Awarded America's Most Responsible Company 2021

1Q 2022 Results

Consolidated Results:

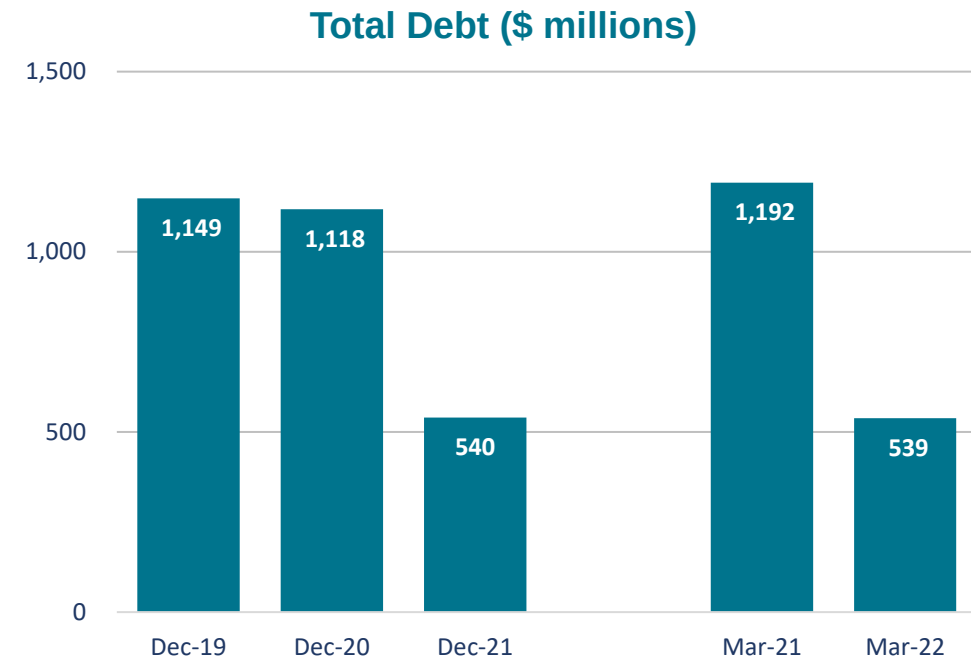
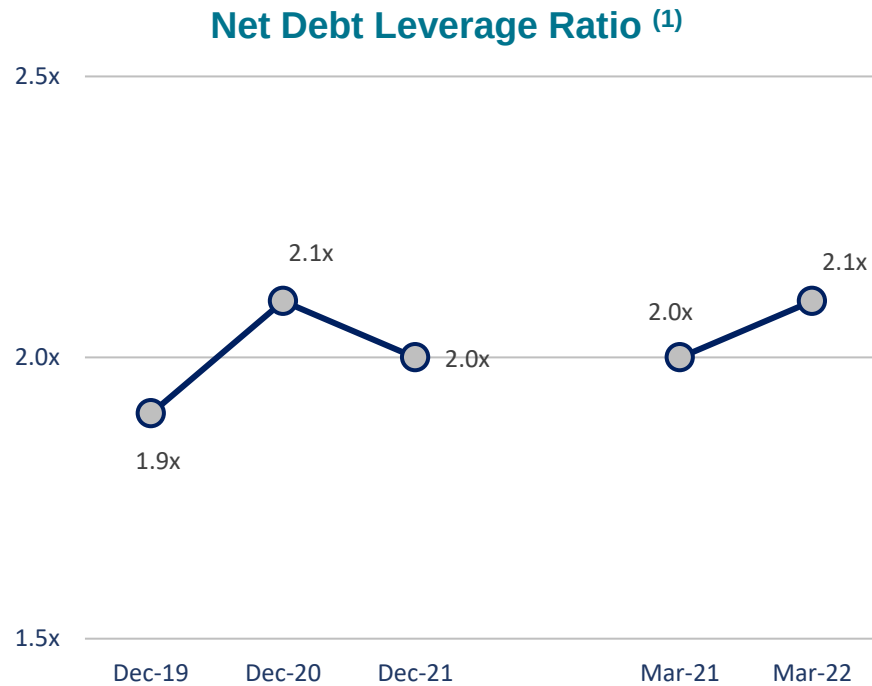
\$ in millions	1Q 2022	1Q 2021	Change
Net Sales	\$240	\$205	17%
<i>Growth from:</i>			
Core ⁽¹⁾			15%
Acquisitions			2%
Adjusted EBITDA ⁽¹⁾	\$52	\$44	17%
% of Sales	21.7%	21.6%	10 bps

Excluding Corporate Costs:

\$ in millions	1Q 2022	1Q 2021	Change
Net Sales	\$240	\$205	17%
<i>Growth from:</i>			
Core ⁽¹⁾			15%
Acquisitions			2%
Adjusted EBITDA ⁽¹⁾	\$59	\$53	10%
% of Sales	24.5%	26.0%	-150 bps

(1) Non-GAAP measure defined, reconciled, and discussed in the earnings release included in the Form 8-K filed with the Securities and Exchange Commission on April 26, 2022.

Balance Sheet



(1) Net Debt Leverage is defined as the ratio of total debt less cash to pro forma LTM Adjusted EBITDA. LTM adjusted EBITDA in 2021 and March 2022 shown proforma for \$27M of annual corporate costs.

Zurn Outlook

June Quarter (2Q)

- Total sales to increase by a low to mid-teens percentage year over year
- Adjusted EBITDA⁽¹⁾ margin in the 24.5% – 25.0% range (excludes corporate expenses)⁽²⁾
- Corporate expense of ~\$7 million
- Interest expense of ~\$5 million
- Stock compensation expense of ~\$4 million
- Depreciation & amortization of ~\$5 million
- Adjusted tax rate ~26.5 – 27.5%

(1) Non-GAAP measure defined, reconciled, and discussed in the earnings release included in the Form 8-K filed with the Securities and Exchange Commission on April 26, 2022.

(2) Forward-looking information and a non-GAAP measure. Although Zurn can quantify certain elements, it is not able to quantify all variances from GAAP without unreasonable efforts because certain factors are unknown at this time and out of Zurn's control.



Thank You

