The background of the slide features a close-up, high-magnification photograph of water bubbles. The bubbles are of various sizes, creating a textured, shimmering effect. On the left side of the slide, there is a large, solid dark blue circle that partially overlaps the bubble image.

# Second Quarter 2025 Financial Results

July 30, 2025

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# 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: 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; and the other factors described under "Cautionary Notice Regarding Forward-Looking Statements" and "Risk Factors" in our 2024 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 [ZurnElkay.com](https://www.ZurnElkay.com).

Certain of the financial measures included in this presentation, including core sales, adjusted EBITDA, adjusted EBITDA margin, 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 Elkay. 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 filed with the SEC under Form 8-K on July 29, 2025 and other 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.

# Zurn Elkay Performance Update

## Strategic Developments

- ✓ Launched Elkay Pro Filtration
- ✓ Navigating the tariff environment well
- ✓ Share repurchases:
  - Q2: \$33M, or ~1.0M shares
  - H1: \$110M, or ~3.2M shares

## 2Q Results

- ✓ Core sales<sup>(1)</sup> +8% YoY
- ✓ Adjusted EBITDA<sup>(1)</sup> margin of 26.5% ... up +120 bps YoY
- ✓ FCF<sup>(1)</sup> of \$102M in the quarter
- ✓ Ending net debt leverage of 0.7x

(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 July 29, 2025.

# Q2 & YTD 2025 Results

## Second Quarter

<i>\$ in millions</i>	2Q 2025	2Q 2024	Change
<b>Net Sales</b>	<b>\$445</b>	<b>\$412</b>	<b>8%</b>
Growth from:			
Core <sup>(1)</sup>			8%
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$118</b>	<b>\$104</b>	<b>13%</b>
% of Sales	26.5%	25.3%	+120 bps

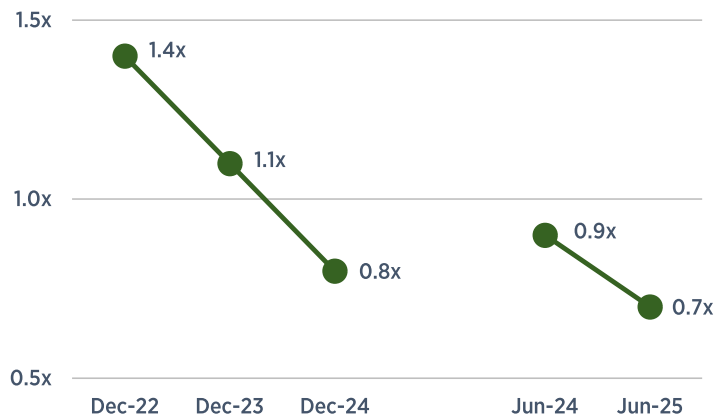
## Year to Date

<i>\$ in millions</i>	H1 2025	H1 2024	Change
<b>Net Sales</b>	<b>\$833</b>	<b>\$786</b>	<b>6%</b>
Growth from:			
Core <sup>(1)</sup>			7%
FX Translation			(1%)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$216</b>	<b>\$194</b>	<b>11%</b>
% of Sales	25.9%	24.7%	+120 bps

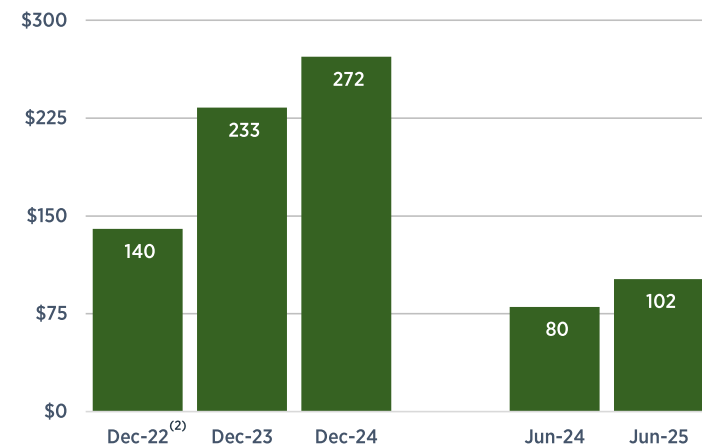
<sup>(1)</sup> Non-GAAP measure defined, reconciled, and discussed in the earnings release included in the Form 8-K filed with the Securities and Exchange Commission on July 29, 2025.

# Leverage and Free Cash Flow

## Net Debt Leverage Ratio<sup>(1)</sup>



## Free Cash Flow (\$ millions)



(1) Net Debt Leverage is defined as the ratio of total debt less cash to pro forma LTM Adjusted EBITDA.

(2) Excludes transaction costs related to Elkay merger

# 2025 YTD Sustainability Impact

## SUSTAINABLE PRODUCTS

86%

revenue from products with sustainable attributes<sup>(1)</sup>

## ENERGY & EMISSIONS

570K

kWh of annual electricity savings from projects completed in 2025<sup>(4)</sup>

## SUSTAINABLE PRODUCTS

16.6 billion

gallons of water saved from our products<sup>(2)</sup>

## COMMUNITY

\$1.4M

total philanthropic giving in 2025<sup>(5)</sup>

## SUSTAINABLE PRODUCTS

1.2 billion

gallons of safer, cleaner filtered water delivered by our filters<sup>(3)</sup>

## WASTE REDUCTION

9.6 billion

single-use plastic water bottles prevented<sup>(6)</sup>

## METRIC METHODOLOGY

<sup>(1)</sup> Products must meet at least one of the EU Taxonomy's six environmental objectives, do no significant harm to the environment and respect basic human rights and labor statements. Typical sustainable attributes include water savings, waste reduction or recycled content. The percentage is based on sales of any product with one or more of these attributes compared to total sales.

<sup>(2)</sup> Based on water savings by comparing products that reduce water consumption with the amount of water used in typical products and also water savings where certain products are installed and reduce consumption vs. not being installed (ex. pressure reducing valve or, automatic control valve).

<sup>(3)</sup> Based on filter sales and the gallon capacity of each filter sold. Assumes that each filter sold uses its full gallon capacity before being replaced.

<sup>(4)</sup> Energy and greenhouse gas emissions are tracked using utility bills. Reduction projects are determined based on the specifications for each respective project.

<sup>(5)</sup> Total giving includes cash donations, product donations and volunteering.

<sup>(6)</sup> Based on bottle filling station installed base and assumed number of plastic bottles saved each year per bottle filler.

# Next Generation of Drinking Water Innovation



## Reliable, Sustainable Performance

Elevated design, proven reliability and established reputation



## Maintenance Redefined

Top mounted filter results in filter changes in 30 seconds or less. LED filter life status and auto-flush make maintenance effortless



## High-Capacity Filtration

Enhanced filtration system featuring high capacities of up to 10,000 gallons and advanced contaminant reduction ... Total PFAS certified<sup>(1)</sup>



## Connected

Ability for facilities managers to remotely monitor all bottle filling stations in their high traffic building

<sup>(1)</sup> "Total PFAS" as defined by NSF/ANSI 53



**ELKAY**  
PRO FILTRATION



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# Supply Chain Price/Cost Update

- ✓ \$35 to \$45 million expected tariff cost impact in 2025 (based on tariff structure in place today, 7/29/2025)
- ✓ Achieving price in the market to offset tariff costs
- ✓ Reducing China direct material spend on track to be under \$30M (2-3% of COGS) by the end of 2026
- ✓ High confidence in delivering price/cost positive results in near and long-term



# Zurn Elkay Outlook

## Q3 2025 Outlook

- Core sales growth<sup>(1)</sup> and Adjusted EBITDA<sup>(1)</sup> margin similar to Q2
- Below the line assumptions:
  - Interest expense of ~\$7 million
  - Stock compensation expense of ~\$10 million
  - Depreciation & amortization of ~\$22 million
  - Adjusted tax rate ~27.0% - 28.0%
  - Diluted shares outstanding of ~170 million (assumption with no additional share repurchases)

## Full Year 2025 Outlook

- Core sales growth<sup>(1)</sup> at least +5%
- Adjusted EBITDA<sup>(1)</sup> \$420 to \$430 million
- Free Cash Flow of \$300 million
- Below the line assumptions:
  - Interest expense of ~\$29 million
  - Stock compensation expense of ~\$39 million
  - Depreciation & amortization of ~\$89 million
  - Adjusted tax rate ~26.5% - 27.5%
  - Diluted shares outstanding of ~171 million (assumption with no additional share repurchases in H2)

(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 July 29, 2025.

# Thank You

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