

# Fourth Quarter 2025 Financial Results

February 4, 2026

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WATER SOLUTIONS



# 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](http://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 February 3, 2026 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

- ✓ Share repurchases of \$160M (4.4M shares, ~3% of outstanding shares)
- ✓ Sustainability report to be issued mid-February

## 4Q Results

- ✓ Core sales<sup>(1)</sup> +10% YoY
- ✓ Adjusted EBITDA margin<sup>(1)</sup> of 25.6% ... up +100 bps YoY
- ✓ FCF<sup>(1)</sup> of \$83M in the quarter

## CY 2025 Results

- ✓ Core sales<sup>(1)</sup> +8% YoY
- ✓ Adjusted EBITDA<sup>(1)</sup> increased +13% YoY
- ✓ Adjusted EBITDA margin<sup>(1)</sup> of 26.1% ... up +120 bps YoY
- ✓ FCF<sup>(1)</sup> of \$317M for the year
- ✓ Ending net debt leverage<sup>(2)</sup> at 0.4x

# Q4 & CY 2025 Results

## Fourth Quarter

<i>\$ in millions</i>	<b>4Q 2025</b>	<b>4Q 2024</b>	<b>Change</b>
<b>Net Sales</b>	<b>\$407</b>	<b>\$371</b>	<b>10%</b>
Growth from:			
Core <sup>(1)</sup>			10%
<b>Adjusted EBITDA<sup>(1)</sup></b>			
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$104</b>	<b>\$91</b>	<b>14%</b>
% of Sales	25.6%	24.6%	+100 bps

## CY 2025

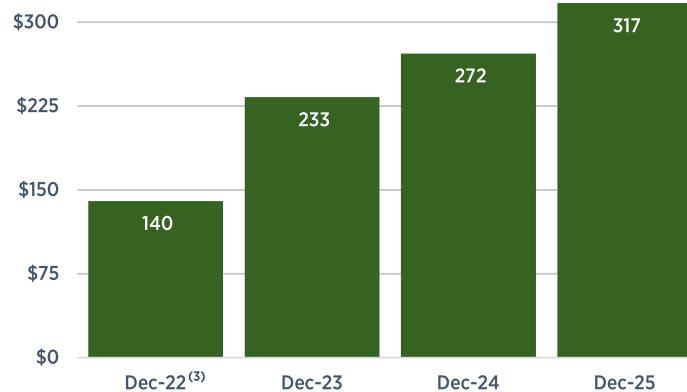
<i>\$ in millions</i>	<b>CY 2025</b>	<b>CY 2024</b>	<b>Change</b>
<b>Net Sales</b>	<b>\$1,696</b>	<b>\$1,567</b>	<b>8%</b>
Growth from:			
Core <sup>(1)</sup>			8%
<b>Adjusted EBITDA<sup>(1)</sup></b>			
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$442</b>	<b>\$390</b>	<b>13%</b>
% of Sales	26.1%	24.9%	+120 bps

# Leverage and Free Cash Flow

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



## Free Cash Flow<sup>(2)</sup> (\$ millions)



# 2025 Zurn Elkay Sustainability Report

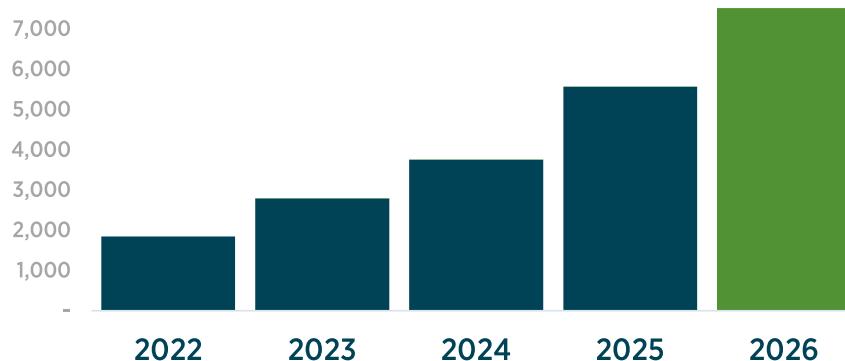
## Current Report Enhancement:

- ✓ New “Innovation in Sustainability” section to highlight new product launches with sustainable attributes
- ✓ 3 years of data in the Performance Index
- ✓ Continued reporting on IFRS (incorporating TCFD), GRI, SASB
- ✓ More than 20 external goals including new goals focused on:
  - Water withdrawn reduction
  - Single use plastic bottles avoided
  - R&D investment
  - Filtered drinking water delivered
  - Increased spend on professional development
  - Supply chain



# Continuous Improvement

#CI Submissions by Associates



Adjusted EBITDA Margin<sup>(1)</sup> %



# Zurn Elkay Guidance Framework

## 2026 Framework

- Core sales growth<sup>(1)</sup> +MSD
  - Institutional market +LSD
  - Waterworks market +LSD
  - Commercial market flat
  - Residential market down -LSD
- Incremental adjusted EBITDA margins<sup>(1)</sup> approximately 35%<sup>(2)</sup>
- Free cash flow<sup>(1)</sup> of ~\$335 million
- Below the line assumptions:
  - Interest expense of ~\$27 million
  - Stock compensation expense of ~\$42 million
  - Depreciation & amortization of ~\$87 million
  - Adjusted tax rate ~25.0% - 27.0%
  - Diluted shares outstanding of ~171 million (assumption with no additional share repurchases)

## Q1 2026 Framework

- Core sales growth<sup>(1)</sup> of +7% to +8%
- Incremental adjusted EBITDA margins<sup>(1)</sup> approximately 35%<sup>(2)</sup>
- Below the line assumptions:
  - Interest expense of ~\$7 million
  - Stock compensation expense of ~\$11 million
  - Depreciation & amortization of ~\$22 million
  - Adjusted tax rate ~26.0% - 27.0%
  - Diluted shares outstanding of ~171 million (assumption with no additional share repurchases)

# Thank You

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