



Q2 2025 Earnings Call

July 31, 2025

Forward Looking Statements and Disclaimers

Please note that in this presentation the Company may discuss events or results that have not yet occurred or been realized, commonly referred to as forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of APi Group Corporation (“APi” or the “Company”). Such discussion and statements may contain words such as “expect,” “anticipate,” “will,” “should,” “believe,” “intend,” “plan,” “estimate,” “predict,” “seek,” “continue,” “pro forma” “outlook,” “may,” “might,” “should,” “can have,” “have,” “likely,” “potential,” “target,” “indicative,” “illustrative,” and variations of such words and similar expressions, and relate in this presentation, without limitation, to statements, beliefs, projections and expectations about future events. Such statements are based on the Company’s expectations, intentions and projections regarding the Company’s future performance, anticipated events or trends and other matters that are not historical facts.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including: (i) economic conditions, competition, political risks, and other risks that may affect the Company’s future performance, including the impacts of inflationary pressures and other macroeconomic factors on the Company’s business, markets, supply chain, customers and workforce, on the credit and financial markets, on the alignment of expenses and revenues and on the global economy generally; (ii) supply chain constraints and interruptions, and the resulting increases in the cost, or reductions in the supply, of the materials and commodities the Company uses in its business and for which the Company bears the risk of such increases; (iii) risks associated with the Company’s expanded international operations; (iv) failure to realize the anticipated benefits of our acquisitions and restructuring program, and our ability to successfully execute the Company’s bolt-on acquisition strategy to acquire other businesses and successfully integrate them into its operations; (v) failure to fully execute the Company’s inspection first strategy or to realize the expected service revenue from such inspections; (vi) failure to realize expected benefits from the Company’s other business strategies, including the Company’s disciplined approach to customer and project selection, the Company’s asset-light, services-focused business model and its expected impact on future capital expenditures, and the expected efficiencies from the realignment of the Company’s Safety Services segment; (vii) risks associated with the Company’s decentralized business model and participation in joint ventures; (viii) improperly managed projects or project delays; (ix) adverse developments in the credit markets which could impact the Company’s ability to secure financing in the future; (x) the Company’s substantial level of indebtedness; (xi) risks associated with the Company’s contract portfolio; (xii) changes in applicable laws or regulations; (xiii) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; (xiv) the impact of a global armed conflict; (xv) the trading price of the Company’s common stock, which may be positively or negatively impacted by market and economic conditions, the availability of the Company’s common stock, the Company’s financial performance or determinations following the date of this presentation to use the Company’s funds for other purposes; (xvi) geopolitical risks; and (xvii) other risks and uncertainties, including those discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 under the heading “Risk Factors.” Given these risks and uncertainties, you are cautioned not to place undue reliance on forward-looking statements. Additional information concerning these risks, uncertainties and other factors that could cause actual results to vary is, or will be, included in the periodic and other reports filed by the Company with the Securities and Exchange Commission. Forward-looking statements included in this presentation speak only as of the date hereof and, except as required by applicable law, the Company does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this presentation.

Non-GAAP Financial Measures

This presentation contains non-U.S. GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The Company uses certain non-U.S. GAAP financial measures that are included in this presentation and the additional financial information both in explaining its results to shareholders and the investment community and in its internal evaluation and management of its businesses. The Company's management believes that these non-U.S. GAAP financial measures and the information they provide are useful to investors since these measures (a) permit investors to view the Company's performance using the same tools that management uses to evaluate the Company's past performance, reportable business segments and prospects for future performance, (b) permit investors to compare the Company with its peers, (c) in the case of adjusted EBITDA, determines certain elements of management's incentive compensation, and (d) provide consistent period-to-period comparisons of the results. Specifically:

- The Company's management believes that adjusted gross profit, adjusted selling, general and administrative ("SG&A") expenses, adjusted net income, and adjusted earnings per share, which are non-GAAP financial measures that exclude systems and business enablement expenses, business process transformation expenses, the impact and results of businesses classified as assets held-for-sale and businesses divested, and one-time and other events such as impairment charges, restructuring costs, transaction and other costs related to acquisitions and divestitures, amortization of intangible assets, and non-service pension cost are useful because they provide investors with a meaningful perspective on the current underlying performance of the Company's core ongoing operations.*
- The Company supplements the reporting of its consolidated financial information with certain financial measures, including adjusted EBITDA, a non-GAAP financial measure, which is defined as earnings before interest, taxes, depreciation and amortization, excluding the impact of certain non-cash and other specifically identified items, and segment earnings. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by net revenues. Segment earnings, which is defined as earnings before interest, taxes, depreciation and amortization, excluding the impact of certain non-cash and other specifically identified items, is the measure of profitability used by management to manage its segments and, accordingly, in its segment reporting. Segment earnings margin is calculated as segment earnings divided by net revenue. The Company believes these measures provide meaningful information and help investors understand the Company's financial results and assess its prospects for future performance. The Company uses adjusted EBITDA and segment earnings to evaluate its performance, both internally and as compared with its peers, because these measures exclude certain items that may not be indicative of the Company's core operating results.*
- The Company discloses fixed currency net revenues and adjusted EBITDA on a consolidated basis and segment earnings on a segment specific basis to provide a more complete understanding of underlying revenue, adjusted EBITDA, and segment earnings trends by providing net revenues, adjusted EBITDA, and segment earnings on a consistent basis. Under U.S. GAAP, income statement results are translated in U.S. Dollars at the average exchange rates for the period presented. Management believes that the fixed currency non-GAAP measures are useful in providing period-to-period comparisons of the results of the Company's operational performance, as it excludes the translation impact of exchange rate fluctuations on our international results. Fixed currency amounts included in this release are based on translation into U.S. dollars at the fixed foreign currency exchange rates established by management at the beginning of 2025.*
- The Company also presents organic changes in net revenues on a consolidated basis or segment specific basis to provide a more complete understanding of underlying revenue trends by providing net revenues on a consistent basis as it excludes the impacts of material acquisitions, completed divestitures, and changes in foreign currency from year-over-year comparisons on reported net revenues, calculated as the difference between the reported net revenues for the current period and reported net revenues for the current period converted at fixed foreign currency exchange rates (excluding material acquisitions and divestitures). The remainder is divided by prior year fixed currency net revenues, excluding the impacts of completed divestitures.*

Non-GAAP Financial Measures

- *The Company presents free cash flow, adjusted free cash flow and adjusted free cash flow conversion, which are liquidity measures used by management as factors in determining the amount of cash that is available for working capital needs or other uses of cash, however, it does not represent residual cash flows available for discretionary expenditures. Free cash flow is defined as cash provided by (used in) operating activities less capital expenditures. Adjusted free cash flow is defined as cash provided by (used in) operating activities plus or minus events including, but not limited to, transaction and other costs related to acquisitions and divestitures, systems and business enablement expenses, business process transformation expenses, payments on acquired liabilities, payments made for restructuring programs, impacts of businesses classified as assets held-for-sale and businesses divested, one-time and other events such as post-measurement period purchase accounting adjustments for acquisitions, debt repricing fees, and public offerings. Adjusted free cash flow conversion is defined as adjusted free cash flow as a percentage of adjusted EBITDA.*
- *The Company calculates its leverage ratio in accordance with its debt agreements which include different adjustments to EBITDA from those included in the adjusted EBITDA numbers reported externally.*

While the Company believes these non-U.S. GAAP measures are useful in evaluating the Company's performance, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with U.S. GAAP. Additionally, these non-U.S. GAAP financial measures may differ from similar measures presented by other companies. A reconciliation of these non-U.S. GAAP financial measures is included later in this presentation.

The Company does not provide reconciliations of forward-looking non-U.S. GAAP adjusted EBITDA and growth in organic net revenues to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that could be made for acquisitions and divestitures, systems and business enablement expenses, business process transformation expenses, one-time and other events such as impairment charges, transaction and other costs related to acquisitions and divestitures, restructuring costs, amortization of intangible assets, and other charges reflected in the Company's reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.

Additional Information

Following the realignment of our segments in 2025, we have recast all historical segment information in this presentation to reflect the move of the HVAC business to the Specialty Services segment.

In addition, following the three-for-two stock split executed on June 30, 2025, all references to the number of shares outstanding, issued shares, and per share amounts of the Company's common shares have been restated to reflect the effect of the stock split for all periods presented in this presentation.

APi's "10/16/60+" Long-term Financial Targets



We aspire to be the **#1** people-first company and **#1** in business performance in our industry

1. Through 2028E.

What We Believe – Culture Drives Results

OUR PURPOSE

Building Great Leaders®

I Am A Leader
eLearning Course



Building Great
Leaders® Podcast

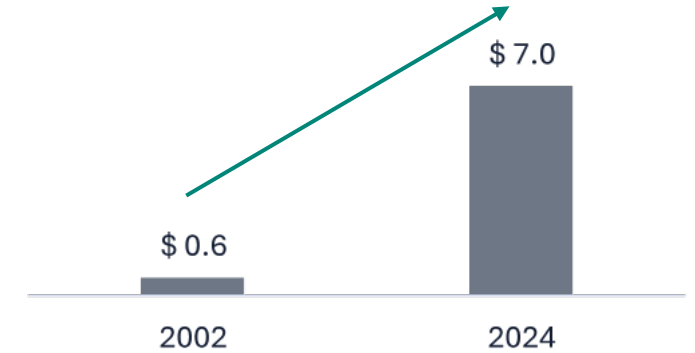


OUR VALUES

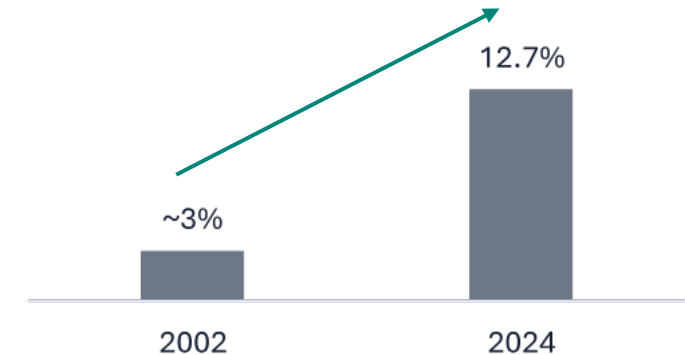
- Safety, health, and well-being of all our leaders
- Caring and enduring relationships with others
- Honesty and integrity
- Excellence, nothing less
- Joy in our work and in each other
- Combining individual company agilities with large company advantages

OUR RESULTS

Net Revenues (\$B)



Adjusted EBITDA Margin (%)



Second Quarter 2025 Performance Highlights

- ✓ Second quarter net revenues of **\$2.0 billion**, an increase of **15.0%** vs. Q2 2024, **8.3%** on an organic basis
- ✓ Second quarter adjusted EBITDA of **\$272 million**, up **17.7%** vs. Q2 2024, and adjusted EBITDA margin increase of **30 basis points** vs. Q2 2024 to **13.7%** adjusted EBITDA margin
- ✓ Adjusted diluted earnings per share in the second quarter of **\$0.39**, up **18.2%** vs. Q2 2024
- ✓ Year-to-date adjusted free cash flow of **\$186 million**, up **38.8%** vs last year, representing **40.0%** conversion
- ✓ Added to **S&P 400 Mid-Cap Index** and completed **three-for-two** stock split

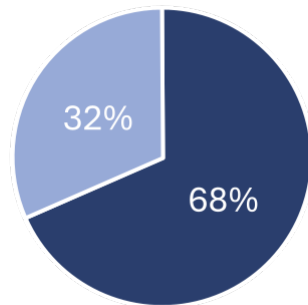
Note: Refer to Appendix for a reconciliation of non-GAAP measures to most directly comparable GAAP measures.

Second Quarter 2025 Financial Results Overview

Three Months Ended June 30, 2025

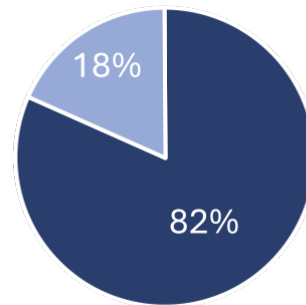
NET REVENUES

Total: \$1,990 billion



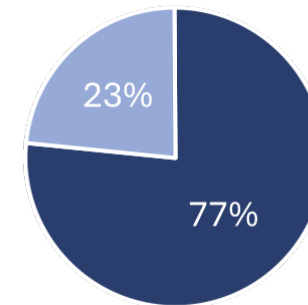
ADJUSTED GROSS PROFIT

Total: \$620 million



ADJUSTED EBITDA

Total: \$272 million



● Safety Services

● Specialty Services

Note: Refer to Appendix for a reconciliation of non-GAAP measures to most directly comparable GAAP measures.

Key Financial and Operating Metrics

	Three Months Ended June 30,		
(\$ in millions, except per share figures)	2025	2024	Y/Y
Net revenues	\$1,990	\$1,730	15.0 %
<i>Organic net revenue growth ^(a)</i>			8.3 %
Adjusted gross profit	\$620	\$549	12.9 %
<i>Adjusted gross margin</i>	31.2 %	31.7 %	(50) bps
Adjusted EBITDA	\$272	\$231	17.7 %
<i>Adjusted EBITDA Margin</i>	13.7 %	13.4 %	+30 bps
Adjusted net income	\$164	\$136	20.6 %
Adjusted diluted EPS ^(b)	\$0.39	\$0.33	18.2 %
Operating Cash Flow	\$83	\$110	(24.5)%
Adjusted free cash flow	\$100	\$122	(18.0)%
<i>Adjusted Free Cash Flow Conversion</i>	36.8 %	52.8 %	(1,600) bps

NM = Not Meaningful.

Notes: Refer to non-GAAP reconciliations to the most comparable GAAP measures.

- Organic change in net revenues provides a consistent basis for a year-over-year comparison in net revenues as it excludes the impacts of material acquisitions and divestitures, and the impact of changes due to foreign currency translation.
- Per share data has been adjusted to reflect the three-for-two stock split executed June 30, 2025.

Key Segment Financial and Operating Metrics

	Three Months Ended June 30,					
	Safety Services			Specialty Services		
(\$ in millions)	2025	2024	Y/Y	2025	2024	Y/Y
Net revenues	\$1,362	\$1,176	15.8 %	\$629	\$555	13.3 %
<i>Organic net revenue growth ^(a)</i>			5.6 %			13.3 %
Adjusted gross profit	\$506	\$429	17.9 %	\$114	\$120	(5.0)%
<i>Adjusted gross margin</i>	37.2 %	36.5 %	+70 bps	18.1 %	21.6 %	(350) bps
Segment earnings	\$232	\$190	22.1 %	\$71	\$73	(2.7)%
<i>Segment earnings margin</i>	17.0 %	16.2 %	+80 bps	11.3 %	13.2 %	(190) bps

Notes: Refer to non-GAAP reconciliations to the most comparable GAAP measures.

- a. Organic change in net revenues provides a consistent basis for a year-over-year comparison in net revenues as it excludes the impacts of material acquisitions and divestitures, and the impact of changes due to foreign currency translation.

2025 Guidance as of July 31, 2025

NET REVENUES

\$7,650 to \$7,850 million

ADJUSTED EBITDA

\$1,005 to \$1,045 million

Note: Based on current foreign exchange rates.

Q3 and Full Year 2025 Guidance

	Q3 2025	FY 2025
Net Revenues	\$1,985 to \$2,035 million	\$7,650 to \$7,850 million
<i>Reported Net Revenues versus Last Year</i>	9% - 11%	9% - 12%
<i>Net Revenue Organic Growth</i>	5% - 7%	4% - 7%
Adjusted EBITDA	\$270 to \$280 million	\$1,005 to \$1,045 million
<i>Adjusted EBITDA versus Last Year</i>	10% - 14%	13% - 17%
<i>Adjusted EBITDA Growth at Fixed Currencies</i>	9% - 13%	11% - 16%
Adjusted Free Cash Flow Conversion		Approximately 75%

Notes: Based on current foreign exchange rates.

Capitalization Highlights

- ✓ As of the end of the second quarter, our net leverage ratio⁽¹⁾ was approximately **2.2x**, enhancing our flexibility for value-enhancing capital deployment
- ✓ Increased revolving credit facility from **\$500 million to \$750 million** and extended maturity to **2030**
- ✓ Term loan and senior unsecured notes **mature 2029**
- ✓ Executed **7 bolt-on** acquisitions through July 2025 with several additional under LOI

(1) As calculated pursuant to terms of existing debt agreements.

Appendix

What We Do

SAFETY SERVICES

Life Safety & Security

-  1 Backflow Preventers
-  2 Fire Pumps
-  3 Exit & Emergency Lights
-  4 Kitchen Hood Fire Suppression Systems
-  5 Fire Extinguishers
-  6 Automatic Wet & Dry Sprinkler Systems
-  7 Flame Detection Unit
-  8 Special Hazards / Clean Agent Systems
-  9 Security Cameras (CCTV)
-  10 Access Control & Intrusion Detection Systems
-  11 Fire Alarm Panel
-  12 Fire Alarm Annunciator Panel
-  13 Fire Protection Systems Inspections
-  14 Garage Door

Remote Services

-  1 Remote Monitoring & Servicing
-  2 Chubb vision+

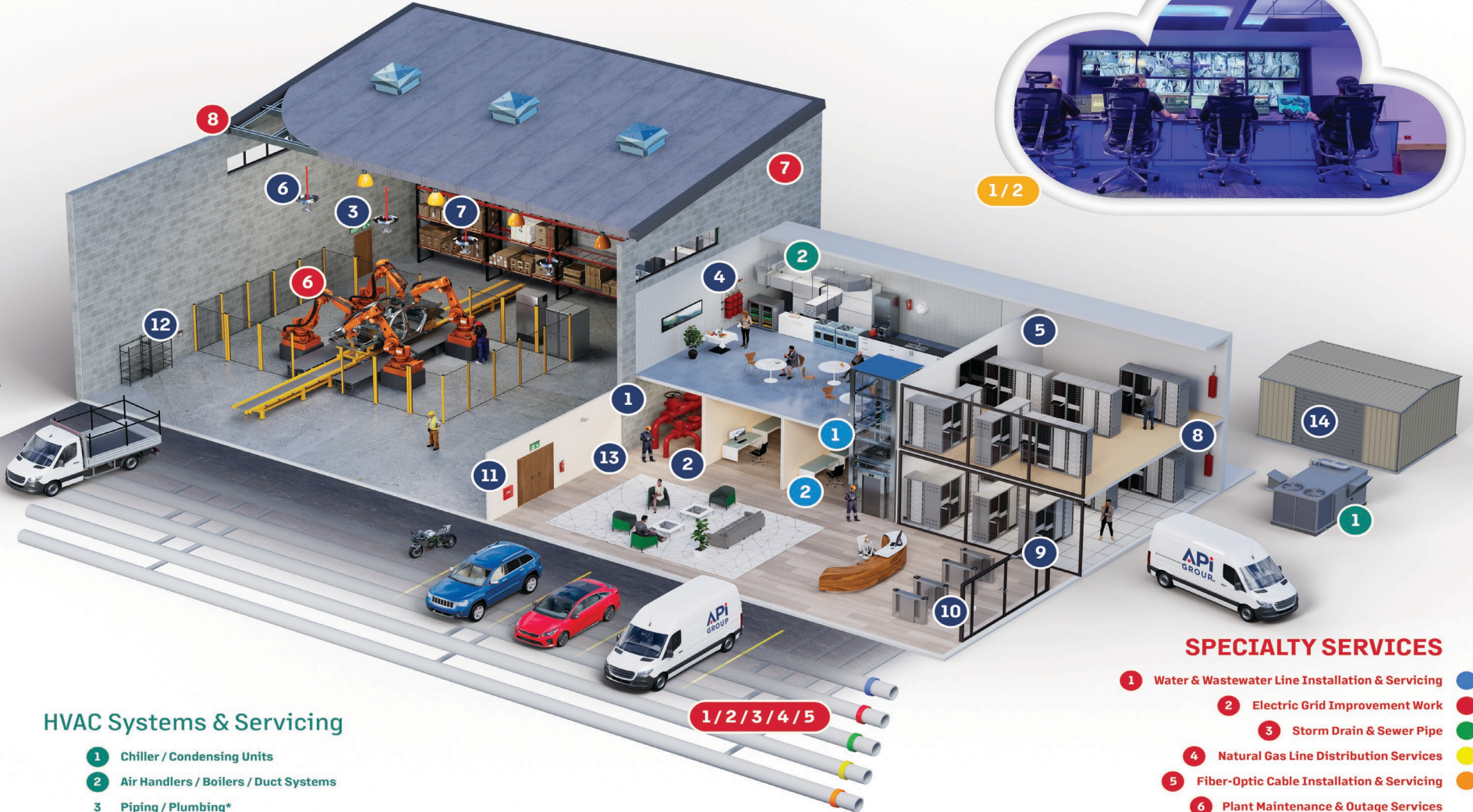
Elevator & Escalator Services

-  1 Contractual Maintenance Services
-  2 Inspections and Testing Services
-  3 On-Demand Repair and Upgrades*
-  4 Modernization*

*= service not visualized

HVAC Systems & Servicing

-  1 Chiller / Condensing Units
-  2 Air Handlers / Boilers / Duct Systems
-  3 Piping / Plumbing*
-  4 Temperature Control*
-  5 Systems Repairs / Servicing*



1/2

1/2/3/4/5

SPECIALTY SERVICES

-  1 Water & Wastewater Line Installation & Servicing
-  2 Electric Grid Improvement Work
-  3 Storm Drain & Sewer Pipe
-  4 Natural Gas Line Distribution Services
-  5 Fiber-Optic Cable Installation & Servicing
-  6 Plant Maintenance & Outage Services
-  7 Siding, Roofing & Insulation Systems
-  8 Structural Fabrication & Erection

Reconciliation of Non-GAAP Financial Measures

Organic Change in Net Revenues (non-GAAP)

Three Months Ended June 30, 2025					
	Net revenues change (as reported)	Foreign currency translation (a)	Net revenues change (fixed currency) (b)	Acquisitions and divestitures, net (c)	Organic change in net revenues (d)
Safety Services	15.8%	1.4%	14.4%	8.8%	5.6%
Specialty Services	13.3%	—%	13.3%	—%	13.3%
Consolidated	15.0%	0.8%	14.2%	5.9%	8.3%

Six Months Ended June 30, 2025					
	Net revenues change (as reported)	Foreign currency translation (a)	Net revenues change (fixed currency) (b)	Acquisitions and divestitures, net (c)	Organic change in net revenues (d)
Safety Services	14.7%	(0.3)%	15.0%	9.3 %	5.7%
Specialty Services	3.9%	—%	3.9%	(0.2) %	4.1%
Consolidated	11.3%	(0.2)%	11.5%	6.3 %	5.2%

- a. Represents the effect of foreign currency on reported net revenues, calculated as the difference between reported net revenues and net revenues at fixed currencies for both periods. Fixed currency amounts are based on translation into U.S. Dollars at fixed foreign currency exchange rates established by management at the beginning of 2025.
- b. Amount represents the year-over-year change when comparing both years after eliminating the impact of fluctuations in foreign exchange rates by translating foreign currency denominated results at fixed foreign currency rates for both periods.
- c. Adjustment to exclude net revenues from material acquisitions from their respective dates of acquisition until the first year anniversary from date of acquisition and net revenues from divestitures for all periods for businesses divested as of June 30, 2025.
- d. Organic change in net revenues provides a consistent basis for a year-over-year comparison in net revenues as it excludes the impacts of material acquisitions, divestitures, and the impact of changes due to foreign currency translation.

Reconciliation of Non-GAAP Financial Measures

Adjusted Gross Profit (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Gross profit (as reported)	\$ 615	\$ 544	\$ 1,157	\$ 1,036
Adjustments to reconcile gross profit to adjusted gross profit:				
Backlog amortization	(a) 4	3	7	3
Restructuring program related costs	1	2	1	2
Adjusted gross profit	<u>\$ 620</u>	<u>\$ 549</u>	<u>\$ 1,165</u>	<u>\$ 1,041</u>
<i>Net revenues</i>	\$ 1,990	\$ 1,730	\$ 3,709	\$ 3,331
<i>Adjusted gross margin</i>	31.2 %	31.7 %	31.4 %	31.3 %

Adjusted SG&A (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Selling, general, and administrative expenses ("SG&A") (as reported)	\$ 472	\$ 418	\$ 930	\$ 810
Adjustments to reconcile SG&A to adjusted SG&A:				
Amortization of intangible assets	(b) (55)	(52)	(112)	(102)
Contingent consideration and compensation	(c) —	(2)	(1)	(4)
Systems and business enablement	(d) (18)	—	(30)	—
Business process transformation expenses	(e) —	(7)	(4)	(13)
Acquisition and divestiture related expenses	(f) (11)	(8)	(14)	(9)
Restructuring program related costs	(g) (11)	(6)	(14)	(11)
Other	(h) (1)	(1)	(3)	8
Adjusted SG&A expenses	<u>\$ 376</u>	<u>\$ 342</u>	<u>\$ 752</u>	<u>\$ 679</u>
<i>Net revenues</i>	\$ 1,990	\$ 1,730	\$ 3,709	\$ 3,331
<i>Adjusted SG&A as a % of net revenues</i>	18.9 %	19.8 %	20.3 %	20.4 %

a. Adjustment to reflect the addback of amortization expense related to backlog intangible assets.

b. Adjustment to reflect the addback of amortization expense.

c. Adjustment to reflect the elimination of the expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.

d. Adjustment to reflect the elimination of non-recurring expenses related to new systems implementations, information technologies, and other new capabilities.

e. Adjustment to reflect the elimination of expenses associated with the integration and reorganization of newly acquired businesses and non-operational costs related to technology and business enhancements, including systems and process development costs.

f. Adjustment to reflect the elimination of transaction and integration costs related to potential and completed acquisitions and expenses associated with the transition of newly acquired businesses from prior ownership into API Group, as well as transaction and disposal costs associated with potential and completed divestitures.

g. Adjustment to reflect the elimination of expenses associated with restructuring programs and related costs.

h. Adjustment includes various miscellaneous non-recurring items, such as the gain on the sale of a building, costs associated with the Series B Preferred Stock conversion, elimination of changes in fair value estimates to acquired liabilities, and impairment recorded on disposed assets.

Reconciliation of Non-GAAP Financial Measures

Adjusted EBITDA (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (as reported)	\$ 77	\$ 69	\$ 112	\$ 114
Adjustments to reconcile net income to EBITDA:				
Interest expense, net	37	35	75	69
Income tax provision	31	20	42	38
Depreciation and amortization	81	75	161	144
EBITDA	\$ 226	\$ 199	\$ 390	\$ 365
Adjustments to reconcile EBITDA to adjusted EBITDA:				
Contingent consideration and compensation	(a) —	2	1	4
Non-service pension cost	(b) 5	6	9	10
Systems and business enablement	(c) 18	—	30	—
Business process transformation expenses	(d) —	7	4	13
Acquisition and divestiture related expenses	(e) 11	8	14	9
Restructuring program related costs	(f) 11	8	14	13
Other	(g) 1	1	3	(8)
Adjusted EBITDA	\$ 272	\$ 231	\$ 465	\$ 406
<i>Net revenues</i>	\$ 1,990	\$ 1,730	\$ 3,709	\$ 3,331
<i>Adjusted EBITDA margin</i>	13.7 %	13.4 %	12.5 %	12.2 %

- a. Adjustment to reflect the elimination of the expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- b. Adjustment to reflect the elimination of non-service pension cost, which consists of interest cost, expected return on plan assets and amortization of actuarial gains/losses of the pension programs assumed as part of the Chubb acquisition.
- c. Adjustment to reflect the elimination of non-recurring expenses related to new systems implementations, information technologies, and other new capabilities.
- d. Adjustment to reflect the elimination of expenses associated with the integration and reorganization of newly acquired businesses and non-operational costs related to technology and business enhancements, including systems and process development costs.
- e. Adjustment to reflect the elimination of transaction and integration costs related to potential and completed acquisitions and expenses associated with the transition of newly acquired businesses from prior ownership into API Group, as well as transaction and disposal costs associated with potential and completed divestitures.
- f. Adjustment to reflect the elimination of expenses associated with restructuring programs and related costs.
- g. Adjustment includes various miscellaneous non-recurring items, such as the gain on the sale of a building, costs associated with the Series B Preferred Stock conversion, elimination of changes in fair value estimates to acquired liabilities, and impairment recorded on disposed assets.

Reconciliation of Non-GAAP Financial Measures

Adjusted income before income tax, net income (loss), and EPS (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Income before income tax provision (as reported)	\$ 108	\$ 89	\$ 154	\$ 152
Adjustments to reconcile income before income tax provision to adjusted income before income tax provision:				
Amortization of intangible assets (a)	59	55	119	105
Contingent consideration and compensation (b)	—	2	1	4
Non-service pension cost (c)	5	6	9	10
Systems and business enablement (d)	18	—	30	—
Business process transformation expenses (e)	—	7	4	13
Acquisition and divestiture related expenses (f)	11	8	14	9
Restructuring program related costs (g)	11	8	14	13
Other (h)	1	1	3	(8)
Adjusted income before income tax provision	<u>\$ 213</u>	<u>\$ 176</u>	<u>\$ 348</u>	<u>\$ 298</u>
Income tax provision (as reported)	\$ 31	\$ 20	\$ 42	\$ 38
Adjustments to reconcile income tax provision to adjusted income tax provision:				
Income tax provision adjustment (i)	18	20	38	30
Adjusted income tax provision	<u>\$ 49</u>	<u>\$ 40</u>	<u>\$ 80</u>	<u>\$ 68</u>
Adjusted income before income tax provision	\$ 213	\$ 176	\$ 348	\$ 298
Adjusted income tax provision	49	40	80	68
Adjusted net income	<u>\$ 164</u>	<u>\$ 136</u>	<u>\$ 268</u>	<u>\$ 230</u>
Diluted weighted average shares outstanding (as reported)	428	414	422	391
Adjustments to reconcile diluted weighted average shares outstanding to adjusted diluted weighted average shares outstanding:				
Dilutive impact of shares from GAAP net loss (j)	—	—	—	2
Dilutive impact of Series A Preferred Stock (k)	(5)	2	—	6
Dilutive impact of conversion of Series B Preferred Stock (l)	—	—	—	17
Adjusted diluted weighted average shares outstanding	<u>423</u>	<u>416</u>	<u>422</u>	<u>416</u>
Adjusted diluted EPS	\$ 0.39	\$ 0.33	\$ 0.64	\$ 0.55

- a. Adjustment to reflect the addback of pre-tax amortization expense related to intangible assets.
- b. Adjustment to reflect the elimination of the expense attributable to deferred consideration to prior owners of acquired businesses not expected to continue or recur.
- c. Adjustment to reflect the elimination of non-service pension cost (benefit), which consists of interest cost, expected return on plan assets and amortization of actuarial gains/losses of the pension programs assumed as part of the Chubb acquisition.
- d. Adjustment to reflect the elimination of non-recurring expenses related to new systems implementations, information technologies, and other new capabilities.
- e. Adjustment to reflect the elimination of expenses associated with the integration and reorganization of newly acquired businesses and non-operational costs related to technology and business enhancements, including systems and process development costs.
- f. Adjustment to reflect the elimination of transaction and integration costs related to potential and completed acquisitions and expenses associated with the transition of newly acquired businesses from prior ownership into API Group, as well as transaction and disposal costs associated with potential and completed divestitures.
- g. Adjustment to reflect the elimination of expenses associated with restructuring programs and related costs.
- h. Adjustment includes various miscellaneous non-recurring items, such as the gain on the sale of a building, costs associated with the Series B Preferred Stock conversion, elimination of changes in fair value estimates to acquired liabilities, and impairment recorded on disposed assets.
- i. Adjustment to reflect an adjusted effective tax rate of 23% which reflects the Company's estimated expectations for taxes to be paid on its adjusted non-GAAP earnings.
- j. Adjustment to add the dilutive impact of options and RSUs which were anti-dilutive and excluded from the diluted weighted average shares outstanding (as reported).
- k. Adjustment reflects the addition of the dilutive impact of 6 million shares associated with the deemed conversion of Series A Preferred Stock, when adjusted for the stock split, offset by the adjustment of the assumed dividend payable to the Series A Preferred Stock holders at year-end.
- l. Adjustment for the weighted average impact of the Series B Preferred Stock that were convertible into approximately 49 million common shares and were outstanding for two months of the year, when adjusted for the stock split. On February 28, 2024, all Series B Preferred Stock was converted to common stock and there is no longer any dilutive impact from the Series B Preferred Stock.

Reconciliation of Non-GAAP Financial Measures

Adjusted Segment Financial Information (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025 (a)	2024 (a)	2025 (a)	2024 (a)
Safety Services				
Net revenues	\$ 1,362	\$ 1,176	\$ 2,629	\$ 2,293
Adjusted gross profit	506	429	975	832
Segment earnings	232	190	431	355
<i>Adjusted gross margin</i>	<i>37.2%</i>	<i>36.5%</i>	<i>37.1%</i>	<i>36.3%</i>
<i>Segment earnings margin</i>	<i>17.0%</i>	<i>16.2%</i>	<i>16.4%</i>	<i>15.5%</i>
Specialty Services				
Net revenues	\$ 629	\$ 555	\$ 1,082	\$ 1,041
Adjusted gross profit	114	120	190	209
Segment earnings	71	73	100	116
<i>Adjusted gross margin</i>	<i>18.1%</i>	<i>21.6%</i>	<i>17.6%</i>	<i>20.1%</i>
<i>Segment earnings margin</i>	<i>11.3%</i>	<i>13.2%</i>	<i>9.2%</i>	<i>11.1%</i>
<i>Total net revenues before corporate and eliminations</i>	(b) \$ 1,991	\$ 1,731	\$ 3,711	\$ 3,334
<i>Total segment earnings before corporate and eliminations</i>	(b) 303	263	531	471
<i>Segment earnings margin before corporate and eliminations</i>	(b) 15.2%	15.2%	14.3%	14.1%
Corporate and Eliminations				
Net revenues	\$ (1)	\$ (1)	\$ (2)	\$ (3)
Adjusted EBITDA	(31)	(32)	(66)	(65)
Total Consolidated				
Net revenues	\$ 1,990	\$ 1,730	\$ 3,709	\$ 3,331
Adjusted gross profit	620	549	1,165	1,041
Adjusted EBITDA	272	231	465	406
<i>Adjusted gross margin</i>	<i>31.2%</i>	<i>31.7%</i>	<i>31.4%</i>	<i>31.3%</i>
<i>Adjusted EBITDA margin</i>	<i>13.7%</i>	<i>13.4%</i>	<i>12.5%</i>	<i>12.2%</i>

Notes:

- Information derived from non-GAAP reconciliations included elsewhere in this presentation.
- Calculated from results of the Company's reportable segments shown above, excluding Corporate and Eliminations.

Reconciliation of Non-GAAP Financial Measures

Adjusted Segment Financial Information (non-GAAP)

	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
	<i>As Reported</i>	<i>Adjustments</i>	<i>As Adjusted</i>	<i>As Reported</i>	<i>Adjustments</i>	<i>As Adjusted</i>
Safety Services						
Net revenues	\$ 1,362	\$ —	\$ 1,362	\$ 1,176	\$ —	\$ 1,176
Cost of revenues	861	(4) (a)	856	752	(3) (a)	747
		(1) (b)			(2) (b)	
Gross profit	<u>\$ 501</u>	<u>\$ 5</u>	<u>\$ 506</u>	<u>\$ 424</u>	<u>\$ 5</u>	<u>\$ 429</u>
Gross margin	36.8%		37.2%	36.1%		36.5%
Specialty Services						
Net revenues	\$ 629	\$ —	\$ 629	\$ 555	\$ —	\$ 555
Cost of revenues	515	—	515	435	—	435
Gross profit	<u>\$ 114</u>	<u>\$ —</u>	<u>\$ 114</u>	<u>\$ 120</u>	<u>\$ —</u>	<u>\$ 120</u>
Gross margin	18.1%		18.1%	21.6%		21.6%
Corporate and Eliminations						
Net revenues	\$ (1)	\$ —	\$ (1)	\$ (1)	\$ —	\$ (1)
Cost of revenues	(1)	—	(1)	(1)	—	(1)
Total Consolidated						
Net revenues	\$ 1,990	\$ —	\$ 1,990	\$ 1,730	\$ —	\$ 1,730
Cost of revenues	1,375	(4) (a)	1,370	1,186	(3) (a)	1,181
		(1) (b)			(2) (b)	
Gross profit	<u>\$ 615</u>	<u>\$ 5</u>	<u>\$ 620</u>	<u>\$ 544</u>	<u>\$ 5</u>	<u>\$ 549</u>
Gross margin	30.9%		31.2%	31.4%		31.7%

Notes:

- a. Adjustment to reflect the addback of amortization expense related to backlog intangible assets.
- b. Adjustment to reflect the elimination of expenses associated with restructuring programs and related costs.

Reconciliation of Non-GAAP Financial Measures

Adjusted Segment Financial Information (non-GAAP)

	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	<i>As Reported</i>	<i>Adjustments</i>	<i>As Adjusted</i>	<i>As Reported</i>	<i>Adjustments</i>	<i>As Adjusted</i>
Safety Services						
Net revenues	\$ 2,629	\$ —	\$ 2,629	\$ 2,293	\$ —	\$ 2,293
Cost of revenues	1,662	(7) (a)	1,654	1,466	(3) (a)	1,461
		(1) (b)			(2) (b)	
Gross profit	<u>\$ 967</u>	<u>\$ 8</u>	<u>\$ 975</u>	<u>\$ 827</u>	<u>\$ 5</u>	<u>\$ 832</u>
Gross margin	<u>36.8%</u>		<u>37.1%</u>	<u>36.1%</u>		<u>36.3%</u>
Specialty Services						
Net revenues	\$ 1,082	\$ —	\$ 1,082	\$ 1,041	\$ —	\$ 1,041
Cost of revenues	892	—	892	832	—	832
Gross profit	<u>\$ 190</u>	<u>\$ —</u>	<u>\$ 190</u>	<u>\$ 209</u>	<u>\$ —</u>	<u>\$ 209</u>
Gross margin	<u>17.6%</u>		<u>17.6%</u>	<u>20.1%</u>		<u>20.1%</u>
Corporate and Eliminations						
Net revenues	\$ (2)	\$ —	\$ (2)	\$ (3)	\$ —	\$ (3)
Cost of revenues	(2)	—	(2)	(3)	—	(3)
Total Consolidated						
Net revenues	\$ 3,709	\$ —	\$ 3,709	\$ 3,331	\$ —	\$ 3,331
Cost of revenues	2,552	(7) (a)	2,544	2,295	(3) (a)	2,290
		(1) (b)			(2) (b)	
Gross profit	<u>\$ 1,157</u>	<u>\$ 8</u>	<u>\$ 1,165</u>	<u>\$ 1,036</u>	<u>\$ 5</u>	<u>\$ 1,041</u>
Gross margin	<u>31.2%</u>		<u>31.4%</u>	<u>31.1%</u>		<u>31.3%</u>

Notes:

- Adjustment to reflect the addback of amortization expense related to backlog intangible assets.
- Adjustment to reflect the elimination of expenses associated with restructuring programs and related costs.

Reconciliation of Non-GAAP Financial Measures

Adjusted Segment Financial Information (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Corporate and Eliminations				
Income before income taxes	\$ (77)	\$ (74)	\$ (160)	\$ (130)
Interest expense, net	29	26	58	50
Depreciation	1	—	2	1
Amortization	1	1	2	2
Systems and business enablement	(a) 11	—	21	—
Business process transformation expenses	(b) —	6	3	11
Acquisition and divestiture related expenses	(c) 4	8	7	9
Other	(d) —	1	1	(8)
Corporate and Eliminations adjusted EBITDA	<u>\$ (31)</u>	<u>\$ (32)</u>	<u>\$ (66)</u>	<u>\$ (65)</u>

- Adjustment to reflect the elimination of non-recurring expenses related to new systems implementations, information technologies, and other new capabilities.
- Adjustment to reflect the elimination of expenses associated with the integration and reorganization of newly acquired businesses and non-operational costs related to technology and business enhancements, including systems and process development costs.
- Adjustment to reflect the elimination of transaction and integration costs related to potential and completed acquisitions and expenses associated with the transition of newly acquired businesses from prior ownership into APi Group, as well as transaction and disposal costs associated with potential and completed divestitures.
- Adjustment includes various miscellaneous non-recurring items, such as the gain on the sale of a building, costs associated with the Series B Preferred Stock conversion, elimination of changes in fair value estimates to acquired liabilities, and impairment recorded on disposed assets.

Reconciliation of Non-GAAP Financial Measures

Change in Segment Earnings (non-GAAP)

	Three Months Ended June 30, 2025		
	Change in Segment earnings (public rates) (a)	Foreign currency translation (b)	Change in Segment earnings (fixed currency) (c)
Safety Services	22.1%	0.6%	21.5%
Specialty Services	(2.7)%	1.4%	(4.1)%
Consolidated	17.7%	1.0%	16.7%

	Six Months Ended June 30, 2025		
	Change in Segment earnings (public rates) (a)	Foreign currency translation (b)	Change in Segment earnings (fixed currency) (c)
Safety Services	21.4%	(0.1)%	21.5%
Specialty Services	(13.8)%	—%	(13.8)%
Consolidated	14.5%	0.2%	14.3%

- a. Segment earnings derived from reconciliations included elsewhere in this presentation.
- b. Adjusted to eliminate the impact of foreign currency on segment earnings amounts, calculated as the difference between segment earnings at public currency rates and segment earnings at fixed currency rates for both periods. Fixed currency amounts are based on translation into U.S. Dollars at fixed foreign currency exchange rates established by management at the beginning of 2025.
- c. Amount represents the year-over-year change when comparing both years after eliminating the impact of fluctuations in foreign exchange rates by translating foreign currency denominated results at fixed foreign currency rates for both periods.

Reconciliation of Non-GAAP Financial Measures

Adjusted Free Cash Flow and Conversion (non-GAAP)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net cash provided by operating activities (as reported)	\$ 83	\$ 110	\$ 145	\$ 117
Less: Purchases of property and equipment	(27)	(22)	(39)	(44)
Free cash flow	\$ 56	\$ 88	\$ 106	\$ 73
Add: Cash payments related to following items:				
Contingent compensation	(a) —	6	1	11
Systems and business enablement	(b) 26	—	42	—
Business process transformation expenses	(c) —	8	4	14
Acquisition and divestiture related expenses	(d) 7	8	10	9
Restructuring program related payments	(e) 3	9	12	21
Other	(f) 8	3	11	6
Adjusted free cash flow	\$ 100	\$ 122	\$ 186	\$ 134
<i>Adjusted EBITDA</i>	(g) \$ 272	\$ 231	\$ 465	\$ 406
<i>Adjusted free cash flow conversion</i>	36.8 %	52.8 %	40.0 %	33.0 %

- a. Adjustment to reflect the elimination of deferred payments to prior owners of acquired businesses not expected to continue or recur.
- b. Adjustment to reflect the elimination of non-recurring expenses related to new systems implementations, information technologies, and other new capabilities.
- c. Adjustment to reflect the elimination of expenses associated with the integration and reorganization of newly acquired businesses and non-operational costs related to technology and business enhancements, including systems and process development costs.
- d. Adjustment to reflect the elimination of transaction and integration costs related to potential and completed acquisitions and expenses associated with the transition of newly acquired businesses from prior ownership into Api Group, as well as transaction and disposal costs associated with potential and completed divestitures.
- e. Adjustment to reflect payments made for restructuring programs and related costs.
- f. Adjustment includes various miscellaneous non-recurring items, such as elimination of payments made on the Series B Preferred Stock conversion, and payments made related to the debt repricing transaction.
- g. Adjusted EBITDA from non-GAAP reconciliations included elsewhere in this presentation.

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Q2 2025 Earnings Call