UL SOLUTIONS INC.

Earnings Presentation

Q1 2025

May 6, 2025



Safety. Science. Transformation.™

© 2025 UL LLC. All Rights Reserved.

Forward looking statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation may be forward-looking statements. These include statements regarding UL Solutions Inc.’s (the “Company”) future financial results and estimates and business prospects that involve substantial risks and uncertainties. In some cases, you can identify these statements by terms such as “may,” “will,” “should,” “would,” “likely,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “continue” and variations of these terms and similar expressions, or the negative of these terms or similar expressions (although not all forward-looking statements may contain such words). There are or will be important factors that could cause the Company’s actual results to differ materially from those expressed or implied by the forward-looking statements made in this presentation, including, but not limited to, the following: any failure on the Company’s part to protect and maintain its brand and reputation, or the impact on its brand or reputation of third-party events or actions outside of its control; risks associated with the Company’s information technology and software, including those relating to any future data breach or other cybersecurity incident; the potential disruption of the TIC or S&A industries by technological advances in artificial intelligence; the Company’s ability to innovate, adapt to changing customer needs and successfully introduce new products and services in response to changes in the Company’s industries and technological advances; the Company’s ability to compete in its industries and the effects of increased competition from its competitors; risks associated with conducting business outside the United States, including those relating to fluctuations in foreign currency exchange rates; the imposition of tariffs and enhanced trade, import or export restrictions or changes in U.S. trade policy or similar government actions; and global, regional or political instability and geopolitical tension; risks associated with the Company’s operations in China, which subject the Company and UL-CCIC Company Limited, the Company’s joint venture with the China Certification & Inspection (Group) Co., Ltd. (“CCIC”), to China’s complex and rapidly evolving laws, which may be interpreted, applied or enforced inconsistently or in ways inconsistent with its current operations, as well as risks associated with the fact that the Chinese government has the power to exercise significant oversight and discretion over, and intervene in and influence, its business operations in China; the relationship between the United States and China and between the Company and CCIC, as well as changes in U.S. and Chinese regulations affecting the Company’s business operations in China; any failure on the Company’s part to attract, hire or retain its key employees, including its senior leadership and its skilled and trained engineering, technical and professional personnel; the level of the Company’s customers’ satisfaction and any failure on its part to properly and timely perform its services, meet its contractual obligations or fulfil its customers’ needs; changes to the relevant regulatory frameworks or private sector requirements, including any requirement that the Company accept third-party test results or certifications of components, end products, processes or systems or any changes that result in a reduction in required inspections, tests or certifications or harmonized international or cross-industry benchmarks and standards; the Company’s ability to adequately maintain, protect and enhance its intellectual property, including its registered UL-in-a-circle certification mark and other certification marks; the Company’s ability to implement its growth strategies and initiatives successfully; the Company’s reliance on third parties, including subcontractors and outside laboratories; the Company’s ability to obtain and maintain the requisite licenses, approvals, accreditations and delegations of authority necessary to conduct its business; the outcomes of current and future legal proceedings; the Company’s level of indebtedness and future cash needs; failure to generate sufficient cash to service the Company’s indebtedness; a change in the assumptions the Company uses to value its goodwill or intangible assets, or the impairment of its goodwill or intangible assets; constraints imposed on the Company’s ability to operate its business or make necessary capital investments due to the Company’s outstanding indebtedness; the increased expenses and responsibilities associated with being a public company; the significant influence that ULSE Inc., our parent and controlling stockholder, has over the Company, including pursuant to its rights under the Company’s amended and restated certificate of incorporation and the Stockholder Agreement with ULSE Inc.; natural disasters and other catastrophic events, including pandemics and the rapid spread of contagious illnesses; changes in tax laws in jurisdictions in which we operate or adverse outcomes resulting from examination of our or our affiliates tax returns; and other factors discussed in our filings with the Securities and Exchange Commission (the “SEC”), including those set forth under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part I, Item 2 of the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 and under “Risk Factors” in Part I, Item 1A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, as well as other factors described from time to time in our filings with the SEC. Changes in such assumptions or factors could produce materially different results. The information contained in this presentation is as of the date indicated. Except as otherwise required by law, the Company assumes no obligation to publicly update or review any forward-looking statements contained in this presentation, whether as a result of new information, future developments or otherwise.

Non-GAAP Measures

In addition to financial measures based on generally accepted accounting principles in the United States ("GAAP"), this presentation includes supplemental non-GAAP financial information. Management uses non-GAAP measures in addition to GAAP measures to understand and compare operating results across periods and for forecasting and other purposes, including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Income, Adjusted Net Income margin, Adjusted Diluted Earnings Per Share, Free Cash Flow and Free Cash Flow margin. Management believes these non-GAAP measures reflect results in a manner that enables, in some instances, more meaningful analysis of trends and facilitates comparison of results across periods. These non-GAAP financial measures have no standardized meaning presented in GAAP and may not be comparable to other similarly titled measures used by other companies due to potential differences between the companies in calculations. The use of these non-GAAP measures has limitations and they should not be considered as substitutes for measures of financial performance and financial position as prepared in accordance with GAAP. Reconciliations and definitions of each non-GAAP measure are included in the appendix to this presentation.

Q1 2025 Highlights

Strong execution and momentum drives Q1 performance

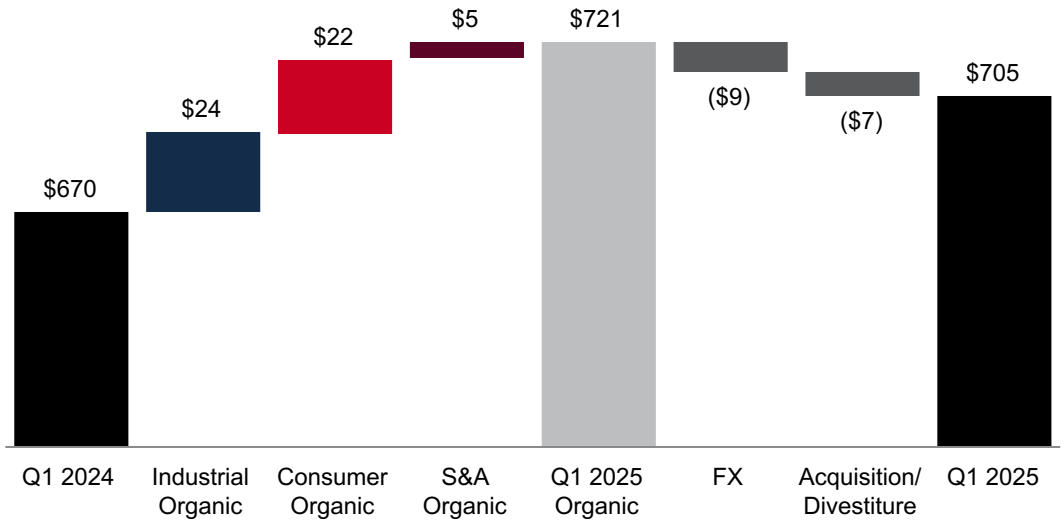
- 5.2% Revenue growth, 7.6% Organic[1]
- 31.1% Adjusted Net Income[2] increase
- Adjusted EBITDA[2] up 22.9% / Adjusted EBITDA margin[2] up 320 bps
- Generated Free Cash Flow[2] of $306M for the last twelve months ended March 31, 2025



1. Organic, Acquisition / Divestiture and FX are used throughout this presentation to explain the change in revenue and certain other metrics for a given period. Refer to definitions in the Appendix.
2. Adjusted Net Income, Adjusted Net Income margin, Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow and Free Cash Flow margin are non-GAAP measures that are used throughout this presentation. Refer to the Appendix for definitions and reconciliations to the most directly comparable GAAP financial measures.

Q1 2025 Revenue +7.6% Organic

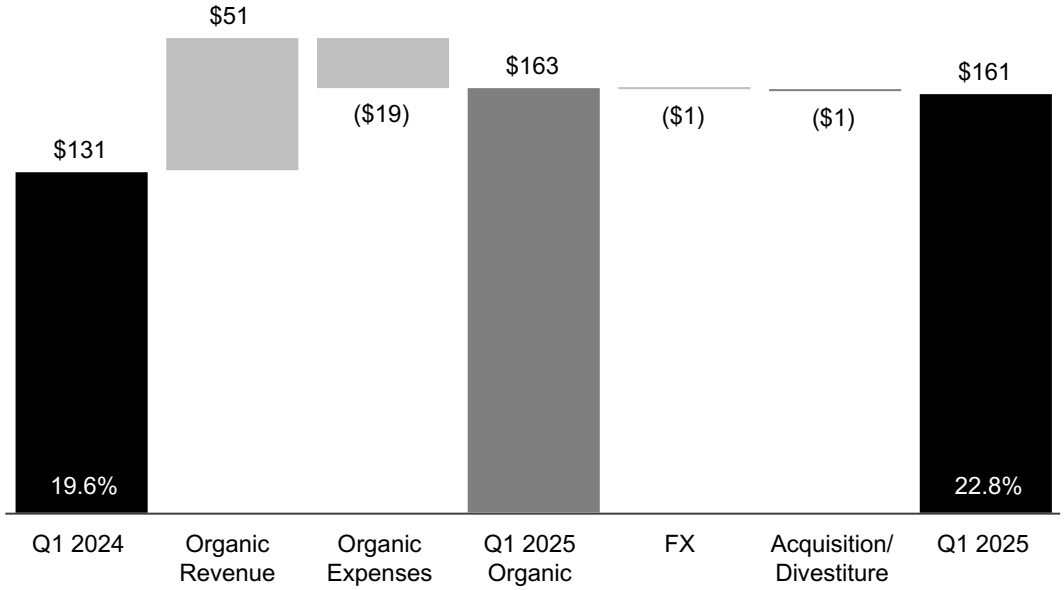
$ in millions





Q1 Adjusted EBITDA +22.9%

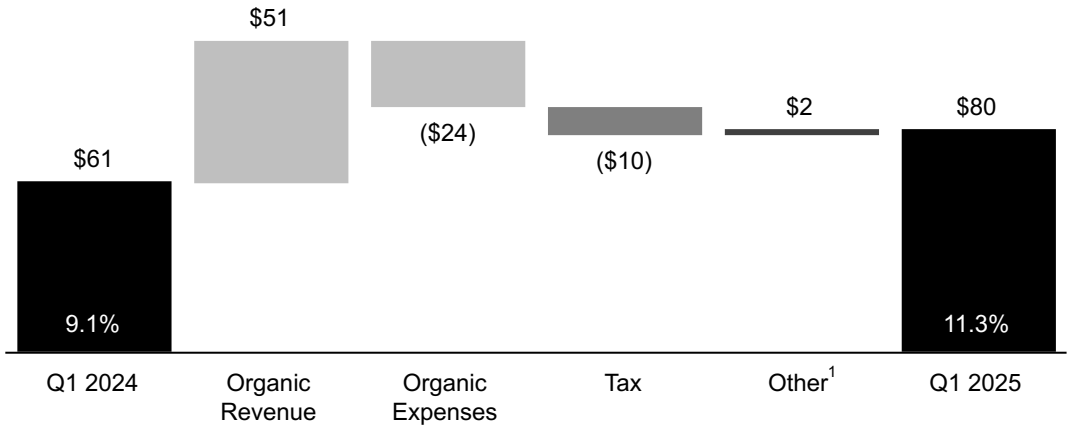
$ in millions
% Adjusted EBITDA margin





Q1 Adjusted Net Income +31.1%

$ in millions
% Adjusted Net Income margin





1. Other includes FX, Acquisition / Divestiture and interest expense.

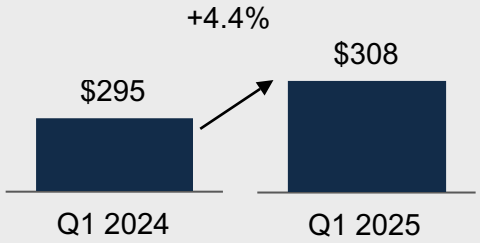
Industrial

Q1 2025 results

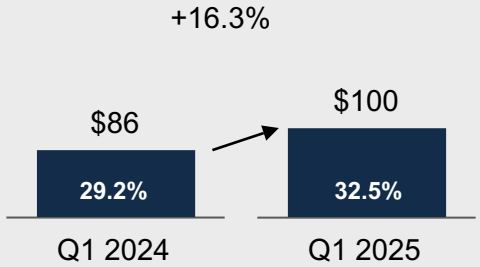
- **4.4% Revenue Growth (+8.1% Organic)**
  - Strength across most industries, including energy and automation and materials
  - Increased lab capacity
  - Growth across ongoing certification services and certification testing
  - Revenue impacted by FX and divestiture of payments testing business
- **Adjusted EBITDA increased $14M; Adjusted EBITDA margin increased 330 bps**
  - Margin improvement driven by strong revenue growth and cost management across employee compensation and services and materials

$ in millions

Revenue



Adjusted EBITDA and margin %





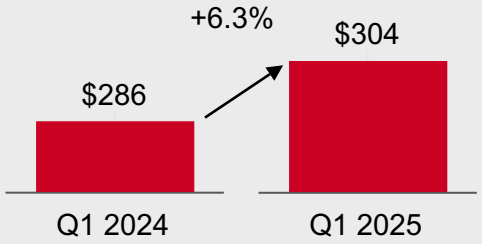
Consumer

Q1 2025 results

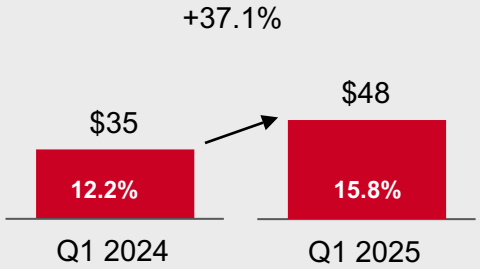
- **6.3% Revenue Growth (+7.7% Organic)**
  - Strong demand from consumer technology and retail customers
  - Growth across non-certification testing and other services and certification testing
- **Adjusted EBITDA increased $13M; Adjusted EBITDA margin increased 360 bps**
  - Strong revenue growth and disciplined cost management across employee compensation and services and materials drove margin improvement

$ in millions

Revenue



Adjusted EBITDA and margin %





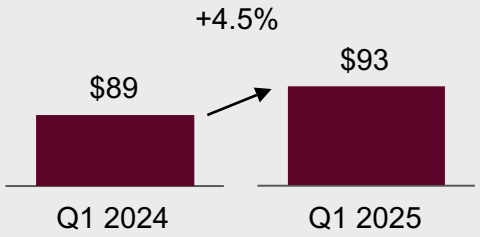
Software and Advisory

Q1 2025 results

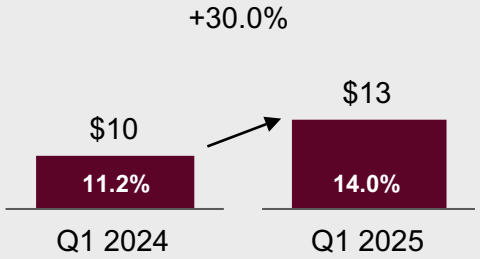
- **4.5% Revenue Growth (+5.6% Organic)**
  - Driven by strong demand for ULTRUS software including retail product compliance and sustainability software solutions
- **Adjusted EBITDA increased $3M; Adjusted EBITDA margin increased 280 bps**
  - Margins driven by strong flow through of software revenue growth and disciplined cost management across employee compensation and services and materials

$ in millions

Revenue



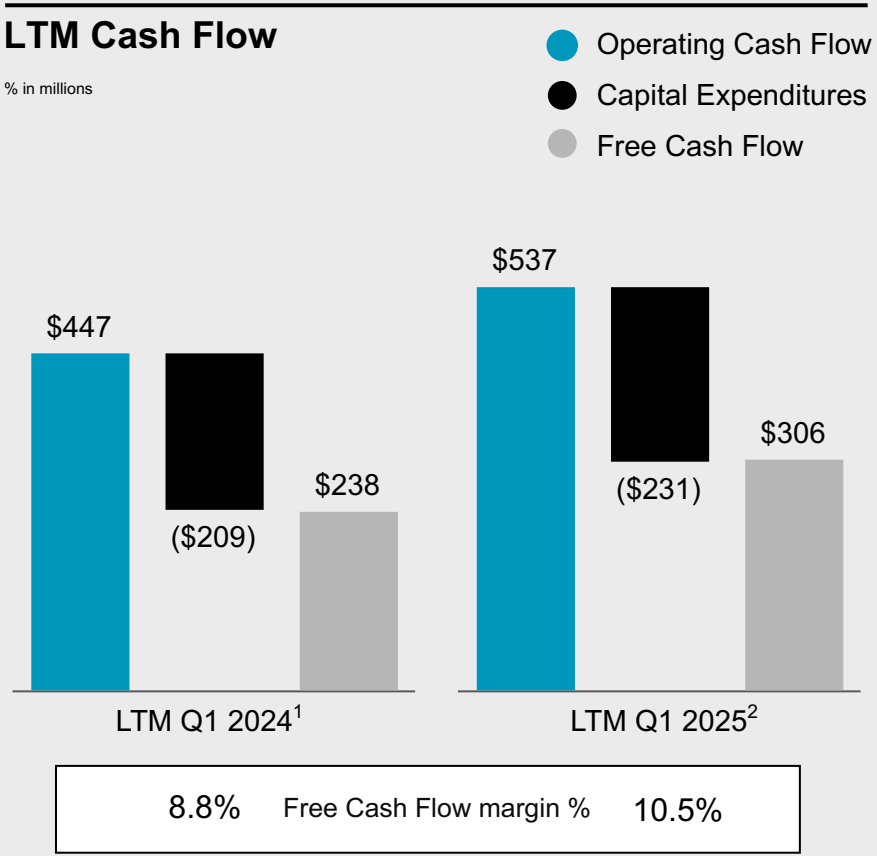
Adjusted EBITDA and margin %





LTM Cash Flow

- Generated **Free Cash Flow** of $306M for the last twelve months ended March 31, 2025, an increase of $68M (28.6%) vs the last twelve months ended March 31, 2024
- YTD Free Cash Flow benefited from strong business performance
- YTD Capital expenditures of $51M reflects **continued organic investment** opportunities



1. Last 12 months as of March 31, 2024.
2. Last 12 months as of March 31, 2025.

Full-year 2025 outlook

Affirming 2025 outlook:

- **Mid single digit** constant currency organic revenue growth
- **Adjusted EBITDA margin organic improvement to approximately 24%**
- Capital expenditures expected to be **7% to 8%** of revenue
- Effective tax rate estimated to be **~26%**
- Continuing to **pursue acquisitions** and portfolio refinements

The Company's 2025 outlook is based on a number of assumptions that are subject to change and many of which are outside the control of the Company. If actual results vary from these assumptions, the Company's expectations may change. There can be no assurance that the Company will achieve the results expressed by this outlook. In addition, the increasingly uncertain and complex near-term macroeconomic and geopolitical environment presents both potential risks and opportunities for the Company. Like many other global businesses, the Company is carefully monitoring the potential impacts.

The Company does not provide guidance for net income margin, the most directly comparable GAAP measure to Adjusted EBITDA margin, and similarly cannot provide a reconciliation between its forecasted Adjusted EBITDA margin and net income margin without unreasonable effort due to the unavailability of reliable estimates for certain components of net income and the respective reconciliations. These forecasted items are not within the Company's control, may vary greatly between periods and could significantly impact future financial results.



Appendix



Components of revenue change

(in millions)	Three Months Ended March 31, 2025					
	Organic[1]	Acquisition / Divestiture[2]	FX[3]	Total	Organic % Change	Total % Change
Revenue change						
Industrial	$ 24	$ (7)	$ (4)	$ 13	8.1 %	4.4 %
Consumer	22	—	(4)	18	7.7 %	6.3 %
Software and Advisory	5	—	(1)	4	5.6 %	4.5 %
Total	$ 51	$ (7)	$ (9)	$ 35	7.6 %	5.2 %

1. Organic reflects revenue change in a given period excluding Acquisition / Divestiture and FX in that same period, expressed in dollars or as a percentage of revenue in the prior period.
2. Acquisition / Divestiture is calculated as revenue change in a given period related to acquisitions or disposals of businesses using prior period exchange rates, expressed in dollars or as a percentage of revenue in the prior period. Revenues from an acquisition or disposal are measured as Acquisition / Divestiture for the initial twelve month period following the acquisition or disposal date. Subsequently, the revenue impact from the acquired or disposed business is measured as Organic.
3. FX reflects the impact that foreign currency exchange rates have on revenue in a given period, expressed in dollars or as a percentage of revenue in the prior period. The Company uses constant currency to calculate the FX impact on revenue in a given period by translating current period revenues at prior period exchange rates, expressed as a percentage of revenue in the prior period.

Adjusted EBITDA and Adjusted EBITDA margin (non-GAAP measures)[1] [2]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	2024
Net income	$ 71	$ 60
Depreciation and amortization expense	45	41
Interest expense	12	15
Other expense, net	3	3
Income tax expense	23	13
Stock-based compensation	8	—
Restructuring	(1)	(1)
Adjusted EBITDA[1]	$ 161	$ 131
Revenue	$ 705	$ 670
Net income margin	10.1 %	9.0 %
Adjusted EBITDA margin[2]	22.8 %	19.6 %

1. The Company defines Adjusted EBITDA as net income adjusted for depreciation and amortization expense, interest expense, other expense, net, income tax expense, as well as stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses, as applicable. The Company believes that the presentation of Adjusted EBITDA provides additional information to investors about certain non-cash items and unusual items that are not expected to continue at the same level in the future. Further, the Company believes Adjusted EBITDA provides a meaningful measure of business performance and provides a basis for comparing its performance to that of other peer companies using similar measures. There are material limitations to using Adjusted EBITDA. Adjusted EBITDA does not take into account certain significant items, including depreciation and amortization, interest expense, other expense, net, income tax expense, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses which directly affect the Company's net income, as applicable. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Adjusted EBITDA in conjunction with net income as calculated in accordance with GAAP.
2. Adjusted EBITDA margin is calculated as Adjusted EBITDA as a percentage of revenue.

Adjusted EBITDA and Adjusted EBITDA margin (non-GAAP measures)[1] [2] by segment

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	2024
Industrial		
Segment operating income	$ 83	$ 75
Depreciation and amortization expense	14	11
Stock-based compensation	3	—
Adjusted EBITDA[1]	$ 100	$ 86
Revenue	$ 308	$ 295
Operating income margin	26.9 %	25.4 %
Adjusted EBITDA margin[2]	32.5 %	29.2 %
Consumer		
Segment operating income	$ 26	$ 17
Depreciation and amortization expense	19	19
Stock-based compensation	4	—
Restructuring	(1)	(1)
Adjusted EBITDA[1]	$ 48	$ 35
Revenue	$ 304	$ 286
Operating income margin	8.6 %	5.9 %
Adjusted EBITDA margin[2]	15.8 %	12.2 %
Software and Advisory		
Segment operating loss	$ —	$ (1)
Depreciation and amortization expense	12	11
Stock-based compensation	1	—
Adjusted EBITDA[1]	$ 13	$ 10
Revenue	$ 93	$ 89
Operating loss margin	0.0 %	(1.1)%
Adjusted EBITDA margin[2]	14.0 %	11.2 %

UL Solutions

1. See definition on previous slide.
2. See definition on previous slide.

Adjusted Net Income and Adjusted Net Income margin (non-GAAP measures)[1] [2]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	2024
Net income	$ 71	$ 60
Other expense, net	3	3
Stock-based compensation	8	—
Restructuring	(1)	(1)
Tax effect of adjustments[3]	(1)	(1)
Adjusted Net Income[1]	$ 80	$ 61
Revenue	$ 705	$ 670
Net income margin	10.1 %	9.0 %
Adjusted Net Income margin[2]	11.3 %	9.1 %

1. The Company defines Adjusted Net Income as net income adjusted for other expense, net, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses, as applicable, each net of tax. The Company believes that the presentation of Adjusted Net Income provides additional information to investors about certain non-cash items and unusual items that are expected to continue at the same level in the future. Further, the Company believes Adjusted Net Income provides a meaningful measure of business performance and provides a basis for comparing its performance to that of other peer companies using similar measures. There are material limitations to using Adjusted Net Income. Adjusted Net Income does not take into account certain significant items, including other expense, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses which directly affect the Company's net income, as applicable. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Adjusted Net Income in conjunction with net income as calculated in accordance with GAAP.
2. Adjusted Net Income margin is calculated as Adjusted Net Income as a percentage of revenue.
3. The Company computed the tax effect of adjustments to net earnings by applying the statutory tax rate in the relevant jurisdictions to the taxable income or expense items that are adjusted in the period presented. If a valuation allowance exists, the rate applied is zero.

Adjusted Diluted Earnings Per Share (non-GAAP measure)[1]

	Three Months Ended March 31,	
	2025	2024
Diluted earnings per share	$ 0.33	$ 0.28
Other expense, net	0.02	0.02
Stock-based compensation	0.04	—
Restructuring	(0.01)	(0.01)
Tax effect of adjustments[2]	(0.01)	(0.01)
Adjusted Diluted Earnings Per Share[1]	$ 0.37	$ 0.28

1. The Company defines Adjusted Diluted Earnings Per Share as diluted earnings per share attributable to stockholders of UL Solutions adjusted for other expense, net, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses, as applicable. The Company believes that the presentation of Adjusted Diluted Earnings Per Share provides additional information to investors about certain non-cash items and unusual items that are expected to continue at the same level in the future. Further, the Company believes Adjusted Diluted Earnings Per Share provides a meaningful measure of business performance and provides a basis for comparing its performance to that of other peer companies using similar measures. There are material limitations to using Adjusted Diluted Earnings Per Share. Adjusted Diluted Earnings Per Share does not take into account certain significant items, including other expense, net, stock-based compensation expense for equity-settled awards, material asset impairment charges and restructuring expenses which directly affect the Company's diluted earnings per share, as applicable. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Adjusted Diluted Earnings Per Share in conjunction with diluted earnings per share as calculated in accordance with GAAP.
2. See definition on previous slide.

Free Cash Flow and Free Cash Flow margin (non-GAAP measures)[1] [3]

(in millions, unless otherwise stated)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	LTM[2] March 31, 2025	LTM[2] March 31, 2024
Net cash provided by operating activities	$ 154	$ 141	$ 537	$ 447
Capital expenditures	(51)	(57)	(231)	(209)
Free Cash Flow[1]	$ 103	$ 84	$ 306	$ 238
Revenue	$ 705	$ 670	$ 2,905	$ 2,719
Net cash provided by operating activities margin	21.8 %	21.0 %	18.5 %	16.4 %
Free Cash Flow margin[3]	14.6 %	12.5 %	10.5 %	8.8 %

1. The Company defines Free Cash Flow as cash from operating activities less cash outlays related to capital expenditures. The Company defines capital expenditures to include purchases of property, plant and equipment and capitalized software. These items are subtracted from cash from operating activities because they represent long-term investments that are required for normal business activities. The Company uses Free Cash Flow as an additional liquidity measure and believes it provides useful information to investors about the cash generated from its core operations that may be available to repay debt, make other investments and return cash to stockholders. There are material limitations to using Free Cash Flow. Free Cash Flow adjusts for cash items that are ultimately within management's discretion to direct, and therefore, may imply that there is less or more cash that is available than the most comparable GAAP measure. Free Cash Flow is not intended to represent residual cash flow for discretionary expenditures since debt repayment requirements and other non-discretionary expenditures are not deducted. These limitations are best addressed by considering the economic effects of the excluded items independently, and by considering Free Cash Flow in conjunction with net cash provided by operating activities as calculated in accordance with GAAP.
2. Last 12 months.
3. Free Cash Flow margin is calculated as Free Cash Flow as a percentage of revenue.