



Investor Presentation

May–June 2024



ENPRO

Statements in this presentation that express a belief, expectation or intention, including the 2024 guidance and other statements that are not historical fact, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: economic conditions in the markets served by the company's businesses and the businesses of its customers, some of which are cyclical and experience periodic downturns; the impact of geopolitical activity on those markets, including instabilities associated with the armed conflicts in Ukraine and in the Middle East region and any conflict or threat of conflict that may affect Taiwan; uncertainties with respect to the imposition of government embargoes, tariffs and trade protection measures, such as "anti-dumping" duties applicable to classes of products, and import or export licensing requirements, as well as the imposition of trade sanctions against a class of products imported from or sold and exported to, or the loss of "normal trade relations" status with, countries in which the company conducts business, could significantly increase the company's cost of products or otherwise reduce its sales and harm its business; uncertainties with respect to prices and availability of raw materials, including as a result of instabilities from geopolitical conflicts; uncertainties with respect to the company's ability to achieve anticipated growth within the semiconductor, life sciences, and other technology-enabled markets, including uncertainties with respect to receipt of CHIPS Act support and the timing of completion of the new Arizona facility; the impact of fluctuations in relevant foreign currency exchange rates or unanticipated increases in applicable interest rates; unanticipated delays or problems in introducing new products; the impact of any labor disputes; announcements by competitors of new products, services or technological innovations; changes in the company's pricing policies or the pricing policies of its competitors; risks related to the reliance of the AST segment on a small number of significant customers; uncertainties with respect to the company's ability to identify and complete business acquisitions consistent with its strategy and to successfully integrate any businesses that it acquires; and uncertainties with respect to the amount of any payments required to satisfy contingent liabilities, including those related to discontinued operations, other divested businesses and discontinued operations of the company's predecessors, including liabilities for certain products, environmental matters, employee benefit and statutory severance obligations and other matters. Enpro's filings with the Securities and Exchange Commission, including its most recent Form 10-K report, describe these and other risks and uncertainties in more detail. Enpro does not undertake to update any forward-looking statements made in this presentation to reflect any change in management's expectations or any change in the assumptions or circumstances on which such statements are based.

Full-year guidance is subject to the risks and uncertainties discussed above and specifically excludes changes in the number of shares outstanding, changes in long-term compensation expense due to changes in the company's common stock price, impacts from future acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs, and the impact of changes in foreign exchange rates, in each case subsequent to March 31, 2024.

This presentation also contains certain non-GAAP financial measures (*) as defined by the Securities and Exchange Commission. A reconciliation of historical non-GAAP measures to the most directly comparable GAAP equivalents is included as an appendix to this presentation.

Positioned to Deliver Significant Shareholder Value

1

Transformed portfolio to accelerate growth in leading-edge, industrial technology-related businesses with high margins and strong cash flow, both organically and through strategic acquisitions

2

Strong aftermarket exposure with critical applications, serving faster growth end markets

3

Increasing cash flow return on investment through portfolio reshaping actions, a focus on high-margin top line growth and continuous improvement initiatives

4

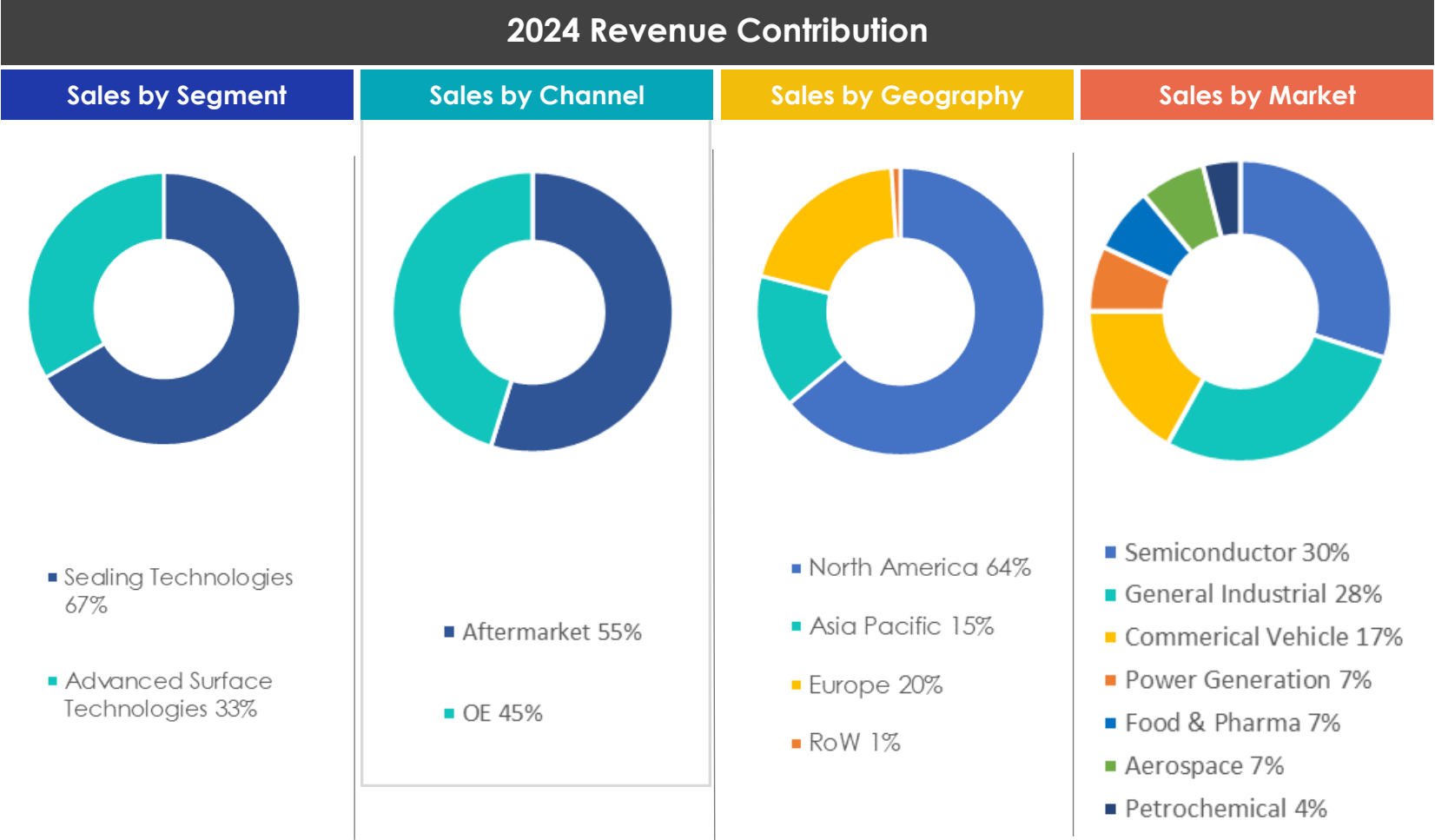
Maximizing long-term shareholder returns through a commitment to disciplined capital allocation, sustainability, diversity, and community involvement

5

Empowering our colleagues with a mindful, collaborative culture that values safety, inclusion, authenticity and respect

Company Overview	
Headquarters	Charlotte, NC
Principal Manufacturing Facilities	13
Global Employees	~3,400

Financial Overview	
Market-Cap ¹	\$3.2B
LTM Revenue ³	\$1.0B
LTM Adj. EBITDA (Margin) ^{2,3}	\$228M (22.0%)
2024 Aftermarket Rev. %	55%
Dividend Yield ¹	0.8%



Leading Provider of Highly-Engineered Solutions for Critical Applications That Touch Our Lives Everyday

¹ As of 5/2/24; ² Refer to appendix for Non-GAAP reconciliation; ³ As of 3/31/2024

Sealing Technologies

Profile

- Composed of Garlock, STEMCO, and Technetics divisions
- Enduring, applied engineering expertise using leading-edge technologies and processes
- Strong aftermarket in critical applications that safeguard environments
- Extensive proprietary knowledge
- Deep, meaningful customer relationships
- Innovative critical process solutions complemented by value-added systems integration

Select Products



Metallic
Seals



Soft
Gaskets

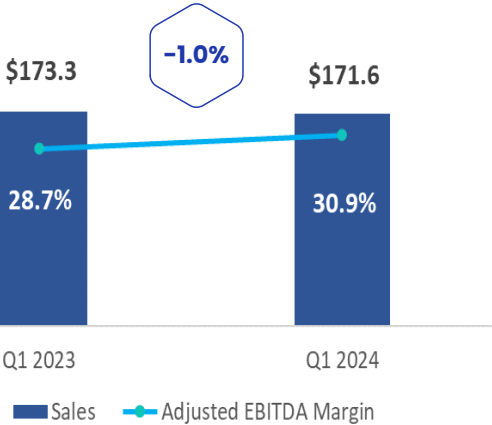


Wheel-end
Products



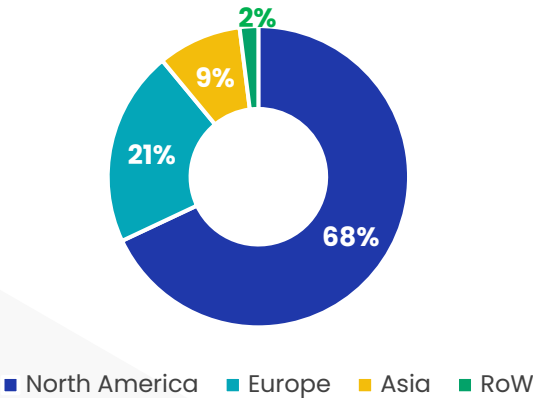
Gas Analyzers
and Sensors

Sales & Adj. Segment EBITDA Margin

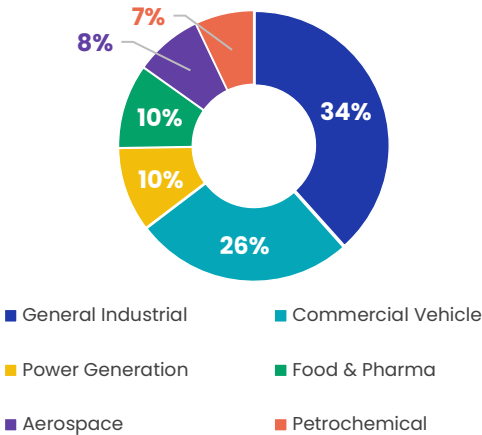


March 2024 YTD Revenue Contribution

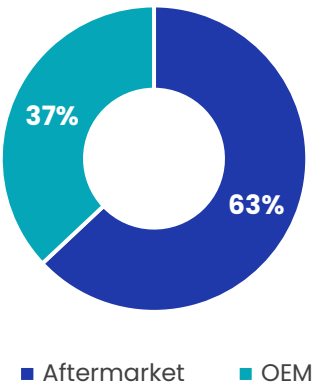
By Geography



By Market



By Channel



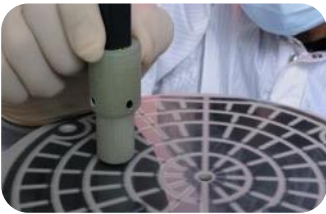
Applied Engineering Expertise with Products and Solutions that Safeguard Critical Environments

Advanced Surface Technologies

Profile

- Composed of our semiconductor – NxEdge – Technetics Semi – LeanTeq – and innovative optical filter – Alluxa – businesses
- Utilizes proprietary technologies and processes with highly differentiated products and solutions
- Vertical integration strategy solves challenging applications for semiconductor production and process reliability with leading-edge technologies

Solutions



Precision-Engineered Tools

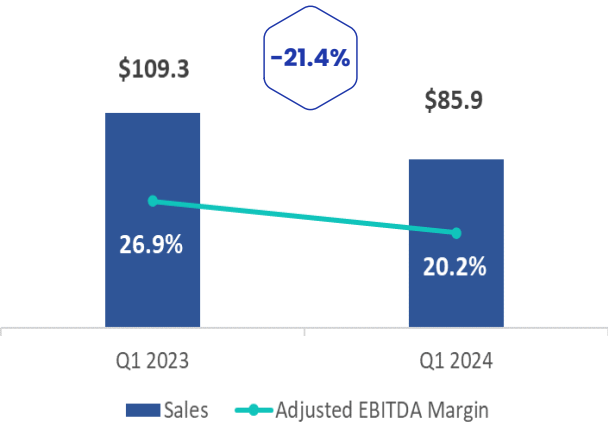


Cleaning, Coating and Refurbishment Solutions



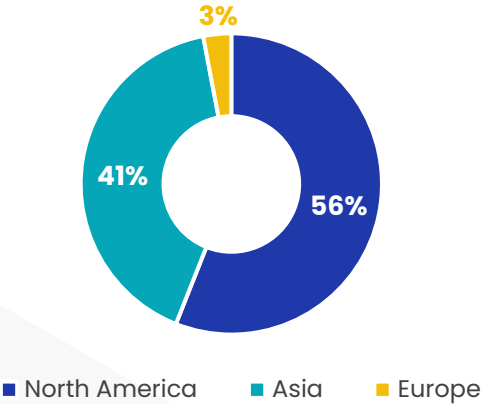
Optical Filters

Sales & Adj. Segment EBITDA Margin

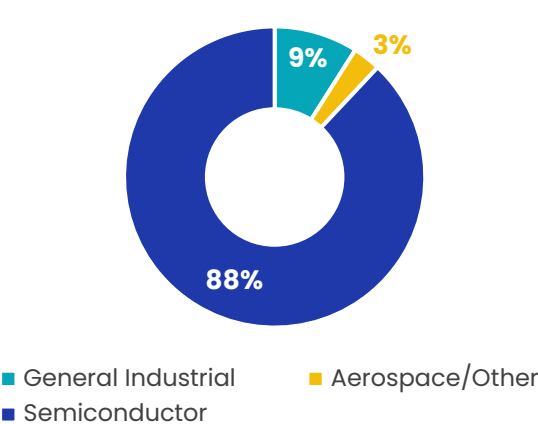


March 2024 YTD Revenue Contribution

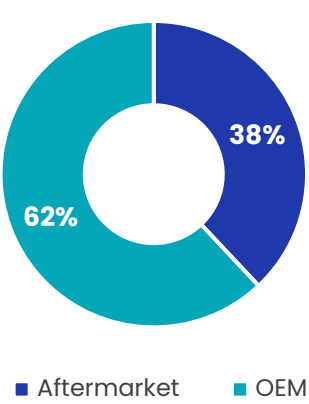
By Geography



By Market



By Channel



Precision Manufacturing, Cleaning, Coating & Refurbishment Solutions & Optical Filters

Semiconductor Market Widely Expected to Double Over The Next Decade

Semiconductor Industry Trends



Chip Architectures Evolving
and Increasing in Complexity



Advanced Processing Nodes Enable
Artificial Intelligence and Data Storage
while Accelerating Computing Power



Fab Capacity Expansions Globally
Drive Regionalization of Semiconductor
Equipment Supply Chains



**Process Yield Efficiency and
Contamination Control** Driving Life
Cycle Management of Critical Tools



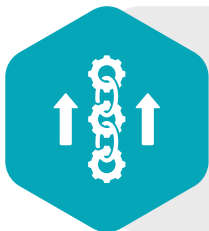
**Internet of Things, Industrial
and Automotive Electronics**
Increasing Chip Consumption

AST Semiconductor Strategy

NxEdge – Technetics Semi – LeanTeq



**Technology
Differentiation**



**Vertical
Integration**



**Regional
Expansion**

**Building on a
Foundation**

Developing
New Technologies

Infrastructure &
Capacity **Investments**

Disciplined, Value-Enhancing Capital Allocation Strategy



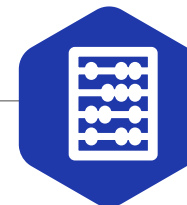
Strong Balance Sheet Supports Optionality

- ✓ Net debt to TTM adjusted EBITDA ratio healthy at 2.3x after the \$210M AMI acquisition in January 2024.
- ✓ \$355 million of availability under our revolving credit facility and continued future free cash flow generation provide ample financial flexibility to execute on long-term strategic growth initiatives



Investing in Long-Term Organic Growth while Pursuing Strategic Acquisitions

- ✓ Investing in multiple sources of long-term organic growth across the company, while encouraging innovation and market development
- ✓ Pursuing businesses in secular growth markets with high cash flow return on operating capital and recurring revenue
- ✓ Concentrating on critical products and solutions with high barriers to entry, transferable intellectual property, high switching costs and stringent customer qualifications



Disciplined and Balanced Capital Allocation

- ✓ Prudent allocation of capital for growth opportunities and selective acquisitions that fit our strategic and financial criteria
- ✓ 2024 increase in quarterly dividend marks the 9th consecutive year of dividend increases
- ✓ \$50 million share repurchase authorization

Balance Sheet, Cash Flow & Capital Allocation

\$ in millions

Net Leverage			Commentary
Reported March 31, 2024			
	Credit Facility	\$ 35	<ul style="list-style-type: none"> Strong balance sheet; ample liquidity consisting of \$163.9M in cash and \$355.0M³ available under revolver Free cash flow* for the three months ended March 31, 2024 was \$(1.9)M, compared to \$21.4M last year Paid \$6.4M in dividends for the three months ended March 31, 2024
	Term Loans ^(1,2)	\$ 297	
	Senior Notes ⁽¹⁾	\$ 350	
	Capital Lease Obligations/Other	\$ 1	
A	Debt Components	\$ 683	
B	Cash and Equivalents	\$ 164	
C = (A – B)	Net Debt	\$ 519	

¹ Outstanding balance of debt instrument.

² Includes Term Loan A-2 Facility, with an outstanding balance at March 31, 2024 of \$297.3 million. The Term Loan A-1 Facility was fully paid down on July 26, 2023. The Term Loan A-2 Facility will amortize on a quarterly basis in an annual amount equal to 2.5% of the original principal amount of the Term Loan A-2 Facility in each of years one through three, 5.0% of such original principal amount in year four and 1.25% of such original principal amount in each of the first three quarters of year five, with the remaining outstanding principal amount payable at maturity.

³ The \$355.0M available for borrowing under revolver is net of \$10.0M in letters of credit

* Non-GAAP measure; refer to appendix for reconciliation to GAAP.

	2024 Guidance* (as of May 7, 2024)	Assumptions
Revenue Growth	Low – Mid Single Digit Growth	<div>~\$98-101M</div> <div>Depreciation and Amortization***</div>
Adjusted EBITDA**	\$260M – \$280M	<div>~\$60M</div> <div>Capital Expenditures</div>
Adjusted Diluted EPS**	\$7.00 – \$7.80	<div>~\$31-33M</div> <div>Net Interest Expense</div> <div>25%</div> <div>Normalized Tax Rate</div>

* Full-year guidance is subject to risks and uncertainties referred to above and specifically excludes changes in the number of shares outstanding, changes in long-term compensation expense due to changes in our common stock price, impacts from future acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs subsequent, and the impact of foreign exchange rate changes, in each case subsequent to March 31, 2024.

** Non-GAAP financial measure. Because of the forward-looking nature of guidance, it is impractical to provide a quantitative reconciliation of such measures to the comparable GAAP measures.

Amortization of acquisition-related intangible assets of \$73 million excluded from the calculation of adjusted diluted EPS

***Depreciation and amortization updated from February 20, 2024 guidance to include incremental intangible amortization to result from the acquisition of AML, which is estimated as part of the preliminary purchase price allocation process that was completed in Q1 2024.

Appendix

Reconciliation of LTM Results

Enpro Inc. (\$ in millions)	Revenue	Adjusted EBITDA	Adjusted EBITDA Margin
Three Months Ended March 31, 2024	\$ 257.5	\$ 58.4	22.7%
Plus:			
Year Ended December 31, 2023	1,059.3	238.0	22.5%
Less:			
Three Months Ended March 31, 2023	282.6	68.6	24.3%
LTM Ended March 31, 2024	\$ 1,034.2	\$ 227.8	22.0%

Consolidated Adjusted EBITDA (1/2)

For the Year Ended December 31, 2023
(In Millions)

	2023
Income from continuing operations attributable to Enpro Inc., net of tax	\$ 10.8
Net income attributable to redeemable non-controlling interests	(3.9)
Income from continuing operations	6.9
Adjustments to arrive at earnings before interest, income taxes, depreciation, amortization, and other selected items ("Adjusted EBITDA"):	
Interest expense, net	30.1
Income tax expense	30.8
Depreciation and amortization expense	94.5
Restructuring and impairment expense	5.0
Environmental reserve adjustments	2.9
Costs associated with previously disposed businesses	1.7
Acquisition and divestiture expenses	1.1
Pension income (non-service cost)	1.5
Non-controlling interest compensation allocation ¹	(0.3)
Goodwill impairment	60.8
Foreign exchange losses related to divestiture of GGB ²	2.2
Other	0.8
Adjusted EBITDA	\$ 238.0

¹ Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred. The LeanTeq non-controlling interests were acquired by Enpro in December 2022.

² In connection with the sale of GGB, accounted for as a discontinued operation, in the fourth quarter of 2022, we issued an intercompany note between a domestic and foreign entity that was denominated in a foreign currency. As a result of this note, we recorded a loss due to the change in exchange rate during December 2022. In January 2023, we hedged the outstanding notes and expect future gains or losses to be minimal.

Consolidated Adjusted EBITDA (2/2)

For Three Months Ended March 31, 2024 and 2023
(In Millions)

	Three Months Ended March 31,	
	2024	2023
Income from continuing operations	\$ 12.5	\$ 26.0
Adjustments to arrive at earnings before interest, income taxes, depreciation, amortization, and other selected items ("Adjusted EBITDA"):		
Interest expense, net	8.2	7.9
Income tax expense	1.8	8.1
Depreciation and amortization expense	24.6	23.6
Restructuring expense	0.8	0.8
Environmental reserve adjustments	0.2	0.1
Costs associated with previously disposed businesses	0.3	0.2
Acquisition expenses	3.3	—
Pension expense	—	0.4
Non-controlling interest compensation allocation ¹	—	0.4
Amortization of the fair value adjustment to acquisition date inventory	1.7	—
Foreign exchange losses related to the divestiture of a discontinued operation ²	0.5	0.7
Long-term promissory note reserve adjustment ³	4.5	—
Other	—	0.4
Adjusted EBITDA	\$ 58.4	\$ 68.6

¹Non-controlling interest compensation allocation represents compensation expense adjustment associated with a portion of the rollover equity from the acquisition of Alluxa that was subject to reduction for certain types of employment terminations of the Alluxa sellers and is directly related to the terms of the acquisition. This expense was recognized as compensation expense over the term of the put and call option associated with the acquisition unless certain employment terminations occurred. The Alluxa non-controlling interests were acquired in February 2024.

²In connection with the sale of GGB, accounted for as a discontinued operation, in the fourth quarter of 2022, we issued an intercompany note between a domestic and foreign entity that is denominated in a foreign currency. As a result of this note, we have recorded losses due to the changes in the foreign exchange rate. The outstanding note is hedged in order to minimize related gains or losses.

³We issued a long-term promissory note in connection to the sale of a divested business. As part of our regular review of the note, in the first quarter of 2024 we concluded a reserve was needed for expected credit losses. We will continue to monitor the note regularly and make adjustments to the reserve as needed based on known facts and circumstances

Segment Information (1/2)

For the Three Months Ended March 31, 2024 and 2023
(In Millions)

Sales		
	2024	2023
Sealing Technologies	\$ 171.6	\$ 173.3
Advanced Surface Technologies	86.0	109.4
	257.6	282.7
Less: intersegment sales	(0.1)	(0.1)
	<u>\$ 257.5</u>	<u>\$ 282.6</u>

Income from continuing operations attributable to EnPro Industries, Inc.	\$ 12.5	\$ 26.0
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Earnings before interest, income taxes, depreciation, amortization and other selected items (Adjusted Segment EBITDA)		
	2024	2023
Sealing Technologies	\$ 53.0	\$ 49.7
Advanced Surface Technologies	17.3	29.4
	<u>\$ 70.3</u>	<u>\$ 79.1</u>

Adjusted Segment EBITDA Margin		
	2024	2023
Sealing Technologies	30.9 %	28.7 %
Advanced Surface Technologies	20.1 %	26.9 %
	<u>27.3 %</u>	<u>28.0 %</u>

Reconciliation of Adjusted Segment EBITDA to Income from Continuing Operations Attributable to EnPro Industries, Inc.

	2024	2023
Income from continuing operations	\$ 12.5	\$ 26.0
Income tax expense	(1.8)	(8.1)
Income from continuing operations before income taxes	14.3	34.1
Acquisition expenses	3.3	—
Non-controlling interest compensation allocation ¹	—	0.4
Amortization of the fair value adjustment to acquisition date inventory	1.7	—
Restructuring expense	0.5	0.4
Depreciation and amortization expense	24.6	23.5
Corporate expenses	12.2	11.0
Interest expense, net	8.2	7.9
Other expense	5.5	1.8
Adjusted Segment EBITDA	<u>\$ 70.3</u>	<u>\$ 79.1</u>

Adjusted Segment EBITDA is total segment revenue reduced by operating expenses and other costs identifiable with the segment, excluding acquisition and divestiture expenses, restructuring and impairment expense, non-controlling interest compensation, amortization of the fair value adjustment to acquisition date inventory, and depreciation and amortization.

Corporate expenses include general corporate administrative costs. Non-operating expenses not directly attributable to the segments, corporate expenses, net interest expense, and income taxes are not included in the computation of Adjusted Segment EBITDA. The accounting policies of the reportable segments are the same as those for the Company.

In 2024, we refined our definition of Adjusted Segment EBITDA and corporate expenses to include certain other income or expenses previously reported in other expense, net. These items were primarily comprised of bank fees and certain foreign exchange transaction gains and losses. As a result of this change, for the quarter ended March 31, 2023, we decreased Advanced Surface Technologies adjusted segment EBITDA by \$0.1 million and increased corporate expenses by \$0.3 million.

¹Non-controlling interest compensation allocation represents compensation expense adjustment associated with a portion of the rollover equity from the acquisition of Alluxa that was subject to reduction for certain types of employment terminations of the Alluxa sellers and is directly related to the terms of the acquisition. This expense was recognized as compensation expense over the term of the put and call option associated with the acquisition unless certain employment terminations occurred. The Alluxa non-controlling interests were acquired in February 2024.

Segment Information (2/2)



For the Three Months Ended March 31, 2024 and 2023
(In Millions)

	Three Months Ended March 31, 2024		
	Sealing Technologies	Advanced Surface Technologies	Total Segments
Acquisition expenses	\$ 3.3	\$ —	\$ 3.3
Amortization of the fair value adjustment to acquisition date inventory	\$ 1.7	\$ —	\$ 1.7
Restructuring expense	\$ 0.5	\$ —	\$ 0.5
Depreciation and amortization expense	\$ 7.7	\$ 16.9	\$ 24.6

	Three Months Ended March 31, 2023		
	Sealing Technologies	Advanced Surface Technologies	Total Segments
Non-controlling interest compensation allocation ¹	\$ —	\$ 0.4	\$ 0.4
Restructuring expense	\$ —	\$ 0.4	\$ 0.4
Depreciation and amortization expense	\$ 6.3	\$ 17.2	\$ 23.5

¹Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred. The LeanTeq non-controlling interests were acquired by Enpro in December 2022. The Alluxa non-controlling interests were acquired in February 2024.

Consolidated Adjusted Net Income

(In Millions, Except Per Share Data)

	Three Months Ended March 31,					
	2024			2023		
	\$	Average common shares outstanding, diluted	Per Share	\$	Average common shares outstanding, diluted	Per Share
Income from continuing operations attributable to EnPro Industries, Inc.	\$ 12.5	21.1	\$ 0.60	\$ 26.0	20.9	\$ 1.24
Income tax expense	1.8			8.1		
Income from continuing operations before income taxes	14.3			34.1		
Adjustments from selling, general, and administrative:						
Acquisition expenses	3.3			—		
Non-controlling interest compensation allocations ¹	—			0.3		
Amortization of acquisition-related intangible assets	18.6			17.2		
Adjustments from other operating expense and cost of sales:						
Restructuring expense	0.8			0.8		
Amortization of the fair value adjustment to acquisition date inventory	1.7			—		
Adjustments from other non-operating expense:						
Environmental reserve adjustment	0.2			0.1		
Costs associated with previously disposed businesses	0.3			0.2		
Pension income (non-service cost)	—			0.4		
Foreign exchange losses related to the divestiture of a discontinued operation ²	0.5			0.7		
Long-term promissory note reserve adjustment ³	4.5			—		
Other adjustments:						
Other	—			0.4		
Adjusted income from continuing operations before income taxes	44.2			54.2		
Adjusted income tax expense	(11.1)			(13.5)		
Adjusted income from continuing operations	\$ 33.1	21.1	\$ 1.57 ⁴	\$ 40.7	20.9	\$ 1.95 ⁴

Management of the Company believes that it would be helpful to the readers of the financial statements to understand the impact of certain selected items on the Company's reported income from continuing operations and diluted earnings per share, including items that may recur from time to time. The items adjusted for in this schedule are those that are excluded by management in budgeting or projecting for performance in future periods, as they typically relate to events specific to the period in which they occur. This presentation enables readers to better compare Enpro Inc. to other diversified industrial technology companies that do not incur the sporadic impact of restructuring activities, costs associated with previously disposed of businesses, acquisitions and divestitures, or other selected items. The adjustments in the table above relate solely to expenses attributable to Enpro Inc. and have been adjusted to remove any amounts attributable to non-controlling interests.

Management acknowledges that there are many items that impact a company's reported results and this list is not intended to present all items that may have impacted these results.

Other adjustments are included in selling, general, and administrative, cost of sales, and other operating expenses on the consolidated statements of operations.

The adjusted income tax expense presented above is calculated using a normalized company-wide effective tax rate excluding discrete items of 25.0%. Per share amounts were calculated by dividing by the weighted-average shares of diluted common stock outstanding during the periods.

¹Non-controlling interest compensation allocation represents compensation expense adjustment associated with a portion of the rollover equity from the acquisition of Alluxa that was subject to reduction for certain types of employment terminations of the Alluxa sellers and is directly related to the terms of the acquisition. This expense was recognized as compensation expense over the term of the put and call option associated with the acquisition unless certain employment terminations occurred. The Alluxa non-controlling interests were acquired in February 2024.

²In connection with the sale of GGB, accounted for as a discontinued operation, in the fourth quarter of 2022, we issued an intercompany note between a domestic and foreign entity that is denominated in a foreign currency. As a result of this note, we have recorded losses due to the changes in the foreign exchange rate. The outstanding note is hedged in order to minimize related gains or losses.

³We issued a long-term promissory note in connection to the sale of a divested business. As part of our regular review of the note, in the first quarter of 2024 we concluded a reserve was needed for expected future credit losses. We will continue to monitor the note regularly and make adjustments to the reserve as needed based on known facts and circumstances.

⁴Adjusted diluted earnings per share.

Free Cash Flow

(In Millions)

Free Cash Flow - Three Months Ended March 31, 2024

Net cash provided by operating activities	\$	6.3
Purchases of property, plant, and equipment		(8.2)
	\$	(1.9)

Free Cash Flow - Three Months Ended March 31, 2023

Net cash provided by operating activities	\$	26.4
Purchases of property, plant, and equipment		(5.0)
	\$	21.4



Thank you