



Execute. Elevate.

**HELIOS TECHNOLOGIES
(NYSE: HLIO)**

Baird Global Industrial Conference

SEAN BAGAN, INTERIM PRESIDENT, CEO & CFO | TANIA ALMOND, VP OF IR & CORPORATE COMMUNICATION

November 13, 2024



SAFE HARBOR STATEMENT



This presentation and oral statements made by management in connection herewith that are not historical facts are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such statements. They include statements regarding current expectations, estimates, forecasts, projections, our beliefs, and assumptions made by Helios Technologies, Inc. (“Helios” or the “Company”), its directors or its officers about the Company and the industry in which it operates, and assumptions made by management, and include among other items, (i) risks related to the Company’s previous investigation of its former CEO and the related management transition that is in process; (ii) the Company’s strategies regarding growth, including its intention to develop new products and make acquisitions; (iii) the effectiveness of creating the Centers of Excellence; (iv) trends affecting the Company’s financial condition or results of operations; (v) the Company’s ability to continue to control costs and to meet its liquidity and other financing needs; (vi) the Company’s ability to declare and pay dividends; and (vii) the Company’s ability to respond to changes in customer demand domestically and internationally, including as a result of the cyclical nature of our business and the standardization. In addition, we may make other written or oral statements, which constitute forward-looking statements, from time to time. Words such as “may,” “expects,” “projects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” variations of such words, and similar expressions are intended to identify such forward-looking statements. Similarly, statements that describe our future plans, objectives or goals also are forward-looking statements. These statements are not guaranteeing future performance and are subject to a number of risks and uncertainties. Our actual results may differ materially from what is expressed or forecasted in such forward-looking statements, and undue reliance should not be placed on such statements. All forward-looking statements are made as of the date hereof, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Factors that could cause the actual results to differ materially from what is expressed or forecasted in such forward-looking statements include, but are not limited to, (i) risks related to the Company’s previous investigation of its former CEO and the related management transition that is in process (ii) the Company’s ability to respond to global economic trends and changes in customer demand domestically and internationally, including as a result of standardization and the cyclical nature of our business, which can adversely affect the demand for capital goods; (iii) supply chain disruption and the potential inability to procure goods; (iv) conditions in the capital markets, including the interest rate environment and the availability of capital on terms acceptable to us, or at all; (v) global and regional economic and political conditions, including inflation (or hyperinflation) exchange rates, changes in the cost or availability of energy, transportation, the availability of other necessary supplies and services and recession; (vi) changes in the competitive marketplace that could affect the Company’s revenue and/or cost bases, such as increased competition, lack of qualified engineering, marketing, management or other personnel, and increased labor and raw materials costs; (vii) risks related to health epidemics, pandemics and similar outbreaks, which may among other things, adversely affect our supply chain, material costs, and work force and may have material adverse effects on our business, financial position, results of operations and/or cash flows; (viii) risks from acute events like hurricanes, floods, tornadoes, and wildfires, as well as chronic risks from longer-term weather patterns like drought, sea level rise, and higher temperatures; (ix) risks related to our international operations, including the potential impact of the ongoing conflict in Ukraine and the Middle East; (x) new product introductions, product sales mix and the geographic mix of sales nationally and internationally; and (xi) stakeholders, including regulators, views regarding our environmental, social and governance goals and initiatives, and the impact of factors outside of our control on such goals and initiatives. Further information relating to additional factors that could cause actual results to differ from those anticipated is included but not limited to information under the heading Item 1. “Business” and Item 1A. “Risk Factors” in the Company’s Form 10-K for the year ended December 30, 2023 filed with the Securities and Exchange Commission (SEC) on February 27, 2024 as well as any subsequent filings with the SEC.

Helios has presented non-GAAP measures including adjusted operating income, adjusted operating margin, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, net debt-to-adjusted EBITDA, adjusted net income, adjusted net income per diluted share and sales in constant currency. Helios believes that providing these specific Non-GAAP figures are important for investors and other readers of Helios financial statements, as they are used as analytical indicators by Helios management to better understand operating performance. The determination of the amounts that are excluded from these Non-GAAP measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income recognized in a given period. You should not consider the inclusion of this additional information in isolation or as a substitute for results prepared in accordance with GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and the related additional information provided throughout. Because these metrics are Non-GAAP measures and are thus susceptible to varying calculations, these figures, as presented, may not be directly comparable to other similarly titled measures used by other companies.

This presentation also presents forward-looking statements regarding Non-GAAP measures, including adjusted EBITDA, adjusted EBITDA margin, and adjusted net income per diluted share. The Company is unable to present a quantitative reconciliation of these forward-looking Non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures because such information is not available, and management cannot reliably predict the necessary components of such GAAP measures without unreasonable effort or expense. In addition, the Company believes that such reconciliations would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on the Company’s 2024 financial results. These Non-GAAP financial measures are preliminary estimates and are subject to risks and uncertainties, including, among others, changes in connection with quarter-end and year-end adjustments. Any variation between the Company’s actual results and preliminary financial data set forth above may be material.



GROWING GLOBAL INDUSTRIAL TECHNOLOGY LEADER



Helios Technologies (NYSE: HLIO)

Global leader in highly engineered motion control and electronic controls technology for diverse end markets

- Outsized growth driven by diversification and innovation
- Strong financials with pathway to grow
- Paid consistent quarterly dividends over 27 years

Financial & Market Data^(1,2)

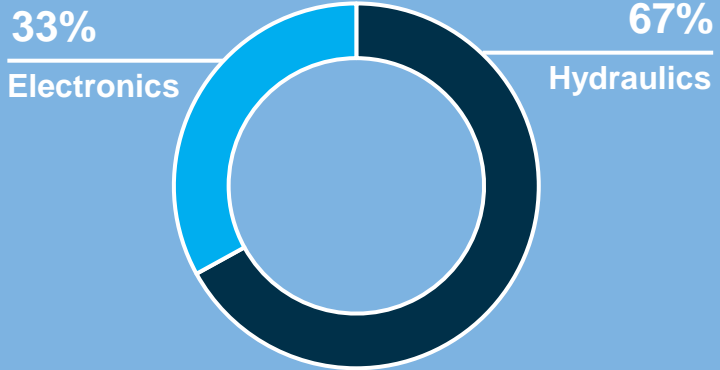
\$820M

Revenue

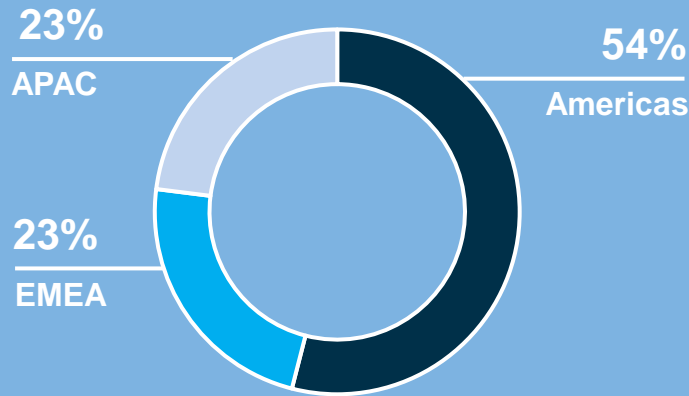
\$1.8B

Market Cap.

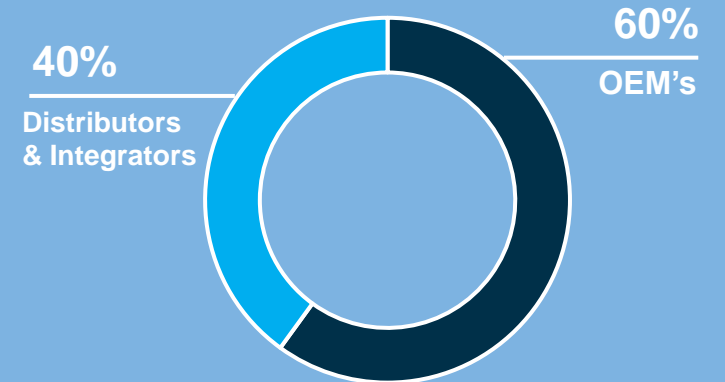
Segments⁽²⁾



Geographies⁽²⁾



Market Channels⁽²⁾



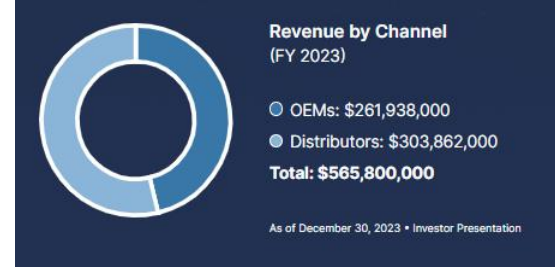
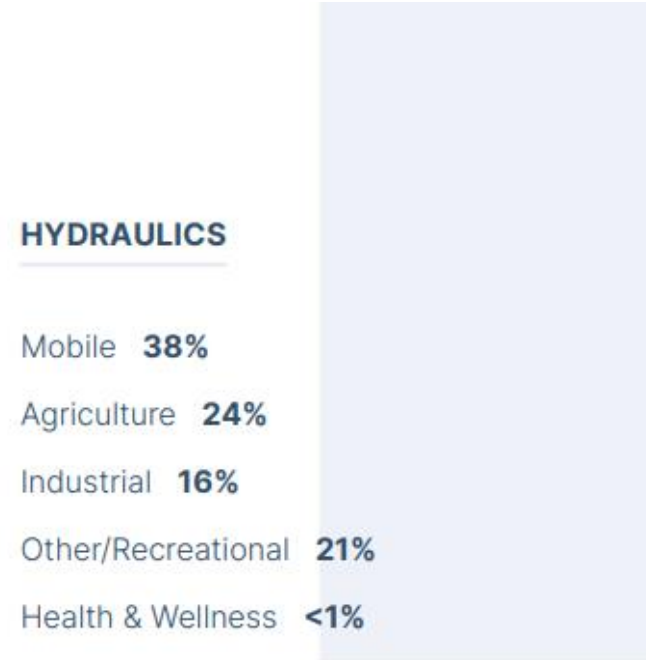
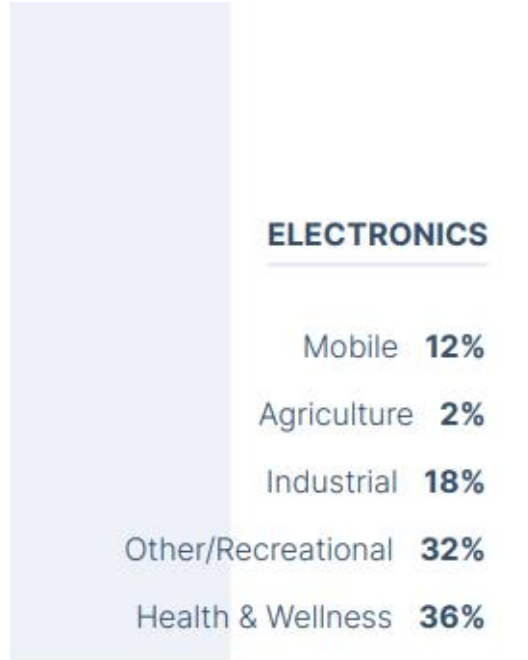
(1) Market Capitalization as of November 8, 2024

(2) Financial data represents TTM Q3 2024



HELIOS EXTERNAL REPORTING SEGMENTS

Strategically target niche markets with sticky solutions

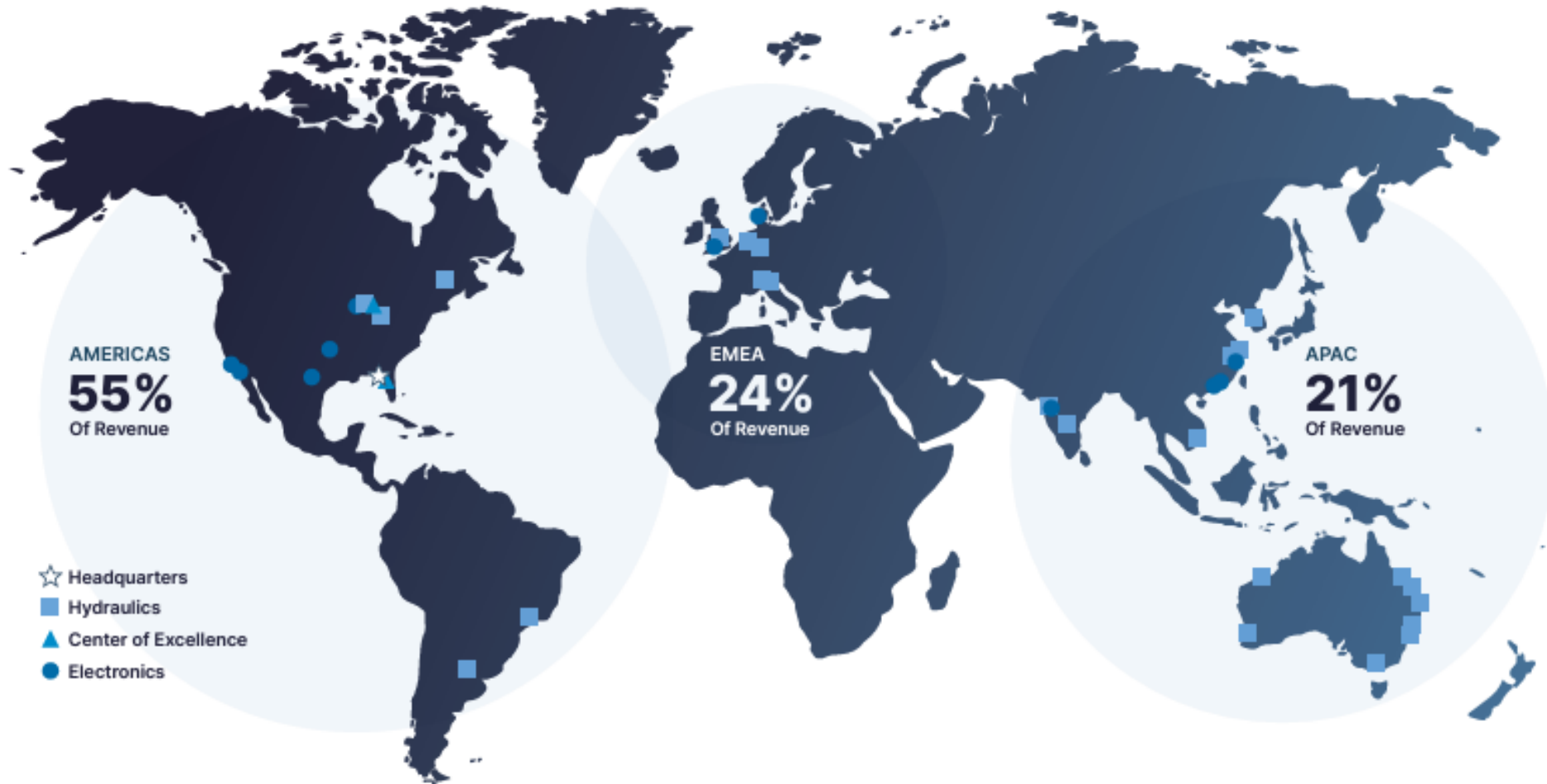


Diversification is a Strength of Helios

Note: Revenue by end market based on our best estimate classifications across our subsidiaries and segments.



HELIOS' GLOBAL FOOTPRINT



Serving Customers “In the Region, For the Region”



HELIOS OPERATING COMPANIES

Largest Businesses within Portfolio



HYDRAULICS



Sun Hydraulics manufactures screw-in hydraulic cartridge valves, electro-hydraulics, manifolds, and integrated package solutions. Their product offerings are used globally in the industrial and mobile hydraulics markets.



Global leader in the production of hydraulic components, Faster provides quick-release hydraulic couplings, multiconnection and tailor-made casting solutions for a wide range of applications.



Enovation Controls provides innovative electronic controls and displays for a wide range of end markets. With over 300 employees on their team, they can provide premier products to customers around the world.

ELECTRONICS

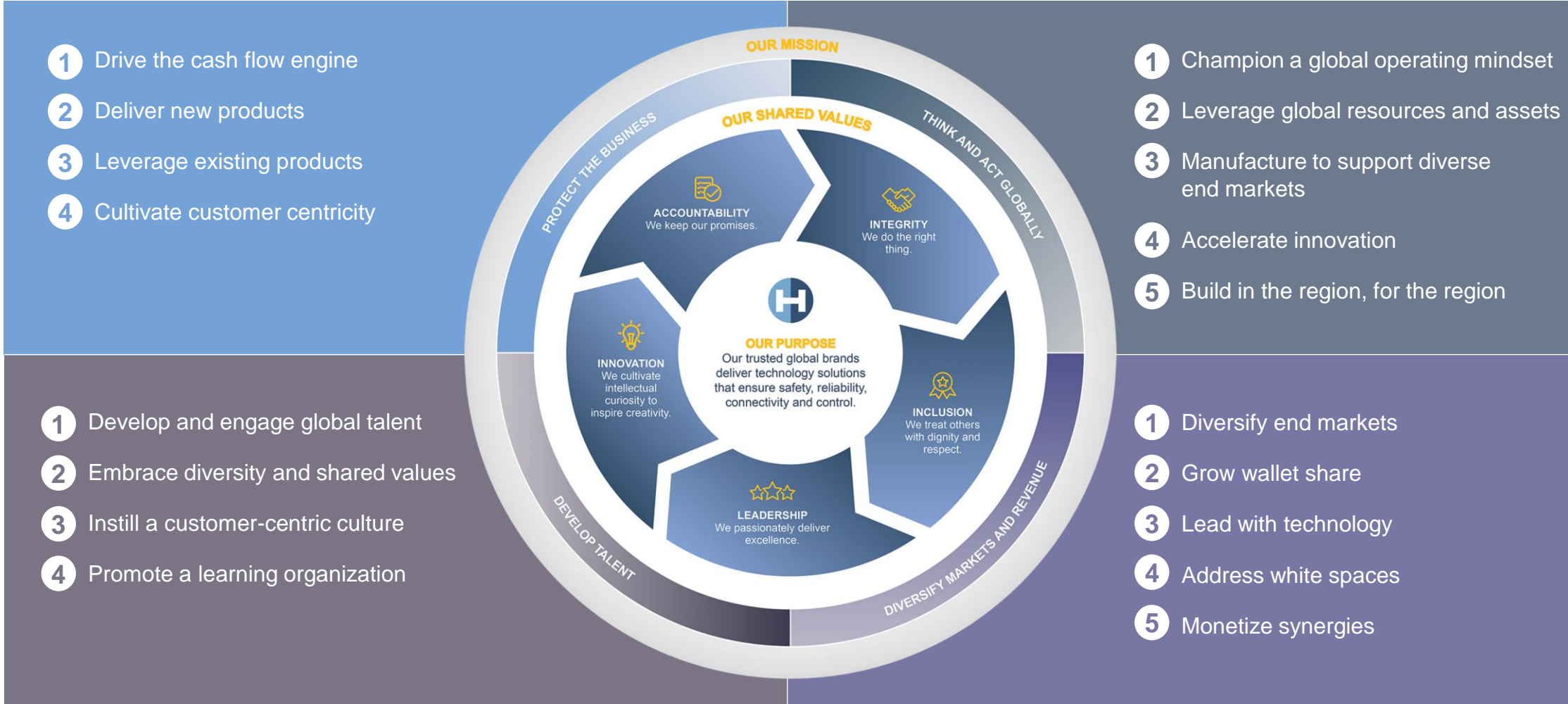


Balboa Water Group provides world-class products for the health and wellness market. The company's product offerings include control systems, heaters, water sanitization, pumps, lighting, jets and intelligent voice control.

Strong Brands Delivering Critical Products



HELIOS BUSINESS SYSTEM





TRANSFORMING INTO AN INTEGRATED OPERATING COMPANY

Streamlining the Customer Experience Lifecycle



PREVIOUS STATE

Customer

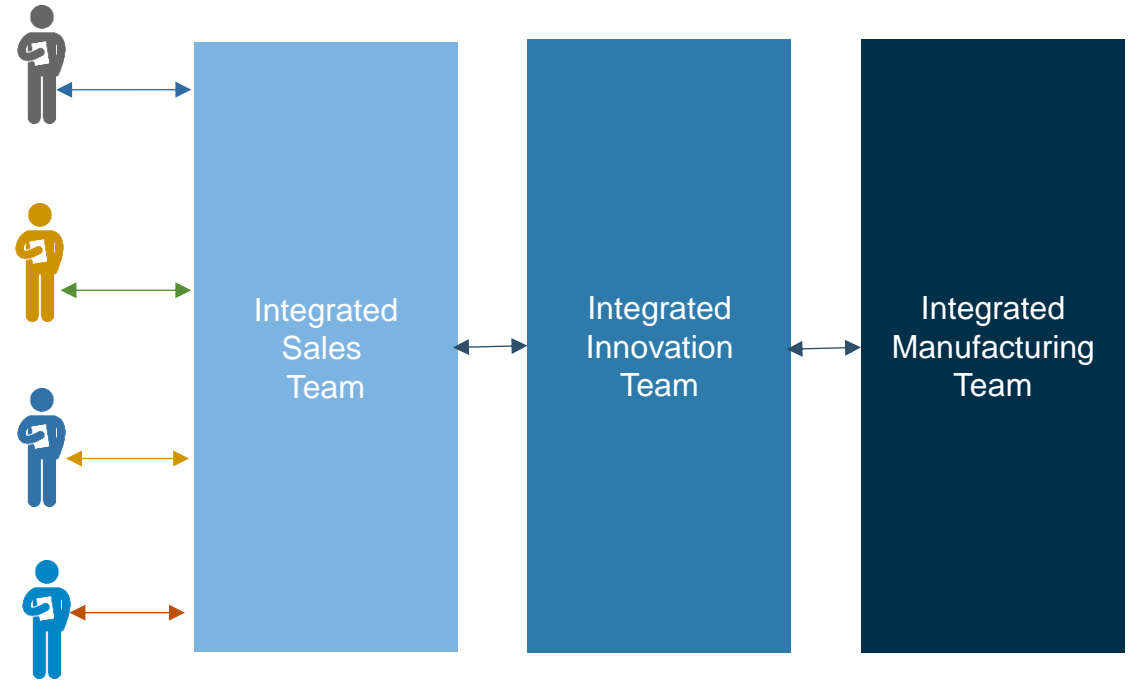
Helios Team

Business Segment



CURRENT/FUTURE STATE

New strategy allows for fewer customer contact points and internal efficiencies, resulting in satisfied customers, higher margins, and increased revenue





STRATEGIC INVESTMENTS MADE OVER THE LAST SEVERAL YEARS

1

Product Innovation



Helios continues to be a leading innovator introducing many new products leveraging its strengths across both Hydraulics and Electronics

2

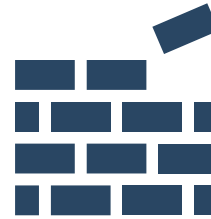
Acquisitions



Helios is enhancing its technology, expanding end markets, deepening geographic reach, adding talent and strengthening its global facility footprint via acquisitions

3

Capacity



Helios is bringing ~200,000 square feet of capacity online to meet demand from OEMs and further enable its manufacturing capabilities as a competitive advantage

4

Regional Structure



Helios is maximizing quality and efficiency for our customers with an 'In the region for the region' approach anchored by regional Centers of Excellence

5

Systems / Software



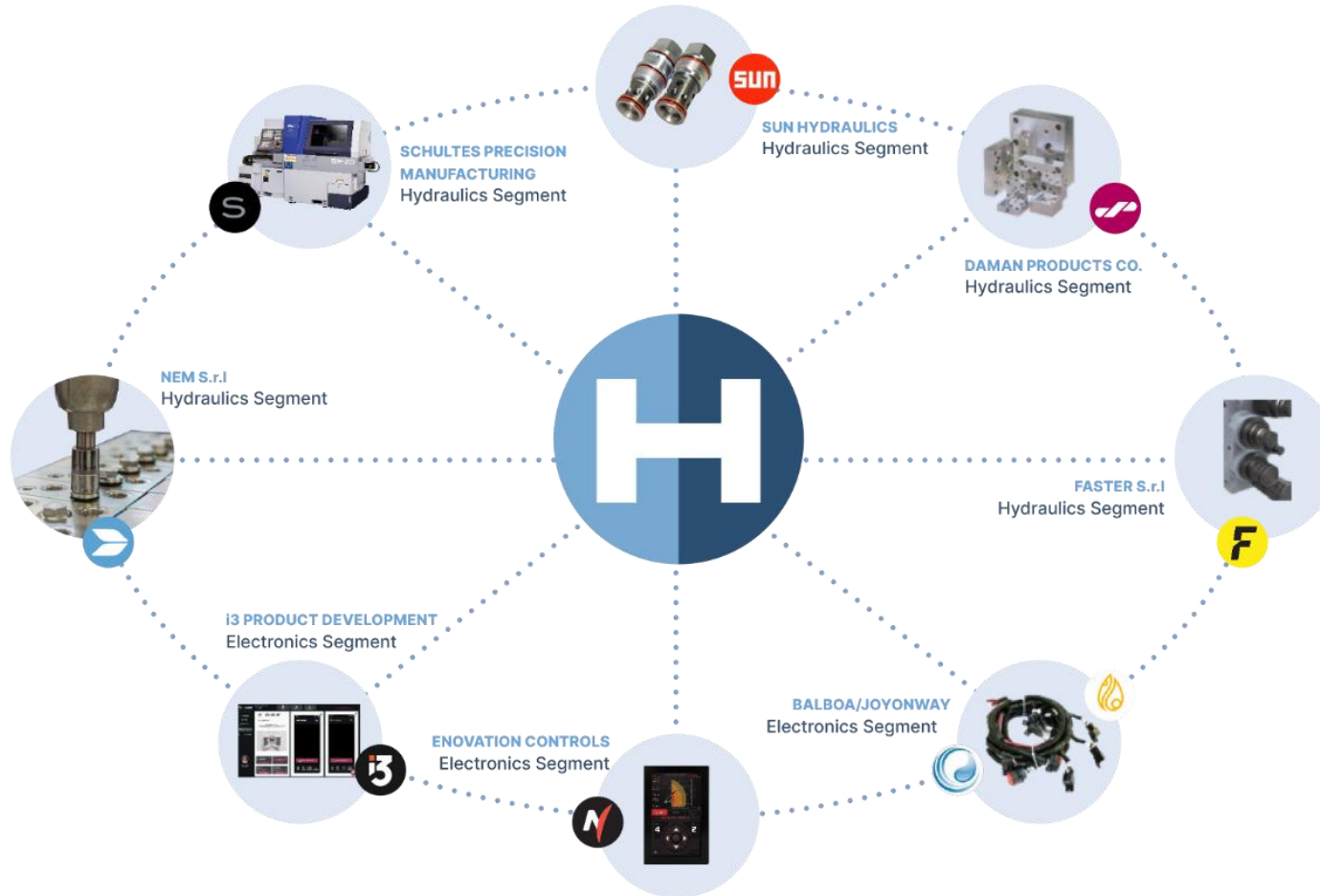
Helios is leveraging open-source software along with its new patented remote field service platform to create a recurring revenue stream (SaaS)

INVESTING TO DRIVE LEVERAGE ACROSS THE TOP AND BOTTOM LINES



OUR CONNECTED FUTURE

Leveraging our position at the intersection of Hydraulics and Electronics to create industry leading sub-system solutions



TRANSFORMATION INTO AN INTEGRATED OPERATING COMPANY

HYDRAULICS OVERVIEW



VIDEO – HYDRAULICS SEGMENT OVERVIEW



Link to Hydraulics Segment Video: [Here](#)





HYDRAULICS SEGMENT OVERVIEW



Screw-in hydraulic cartridge valves, electro-hydraulics, manifolds, integrated packages for the industrial & mobile hydraulics markets



Quick-release hydraulic couplings, casting solutions & multi-connection for mobile off-highway applications



Distribution of hydraulic, pneumatic, filtration, lubrication and electronic products; system design & installation, servicing & repairs



Our trusted global brands deliver technology solutions that ensure safety, reliability, connectivity & control

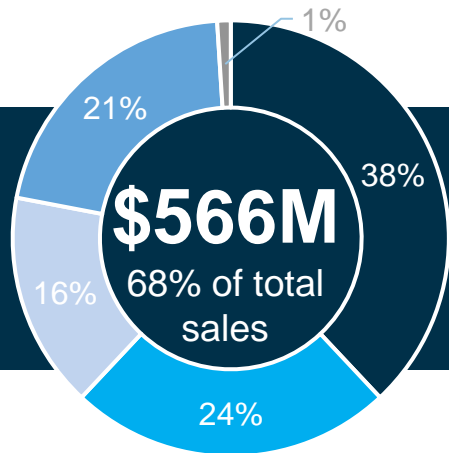


HYDRAULICS END MARKETS



REVENUE BY END MARKET

(FY 2023)⁽¹⁾



- Mobile
- Agriculture
- Industrial
- Other / Recreational
- Health & Wellness



Mobile

- Material Handling
- Construction
- Forestry Equipment
- Specialty Vehicles
- Landscaping/Snow Removal



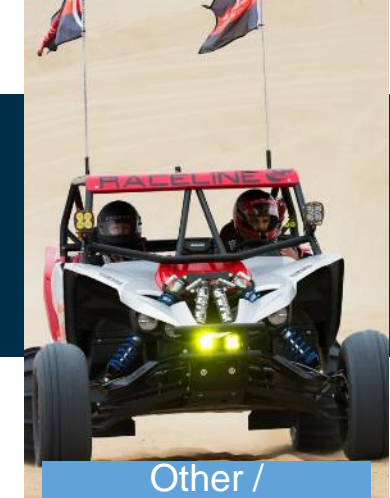
Industrial

- Industrial Machinery
- Renewable Energy
- Oil & Gas
- Power Generation
- Refrigeration



Agricultural

- Tractors Front Lines
- Tractor Front Loaders
- Harvesters
- Tipper Semitrailers



Other / Recreational

- Marine
- Mining
- Multi Sector
- Aerospace
- Medical Device
- Food & Beverage
- Other

(1) Revenue by end market based on our best estimate classifications across our subsidiaries and segments.



Q3 2024 – HYDRAULICS SEGMENT

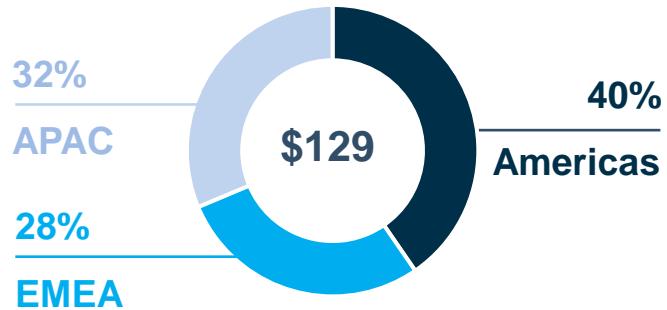
Industrial and mobile markets grew while offset by weakness in agriculture market compared to year ago period



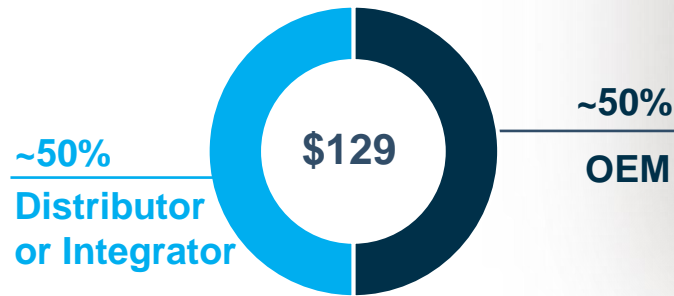
(\$ in millions)

		<u>YoY</u>	<u>QoQ</u>
Sales:	\$129.4	↓ 2%	↓ 11%
Gross Profit:	\$40.9	↔ 0%	↓ 9%
Operating Income:	\$24.2	↑ 32%	↑ 1%

Q3 SALES BY REGION



Q3 SALES BY CHANNEL



SUN HYDRAULICS GROWTH MORE THAN OFFSET BY FASTER CONTRACTION; IMPROVED LEVERAGE

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

HYDRAULICS MARKET EXPANSION POTENTIAL



Current Markets



Material Handling



Specialized Vehicles



Forestry Equipment



Agriculture



Renewable Energy



Mining



Marine/Offshore



Construction



Factory Automation



Packaging & Processing



Machine Tools & Presses



Exploration

Growth Markets



Recreational



Pharmaceutical



Health & Wellness



Thermo-Dynamic



VIDEO – HYDRAULICS SEGMENT INTEGRATION SPOTLIGHT



Link to Hydraulics Segment Video: [Here](#)



ELECTRONICS OVERVIEW



VIDEO – ELECTRONICS SEGMENT OVERVIEW



Link to Electronics Segment Video: [Here](#)





ELECTRONICS SEGMENT OVERVIEW



by ENOVATION CONTROLS

Hydraulic Control Solutions



Electronic Controls and Accessories for Spas, Swimspas & Walk-In Baths



Rugged Electronic Monitoring & Control Solutions



GPS Speed Control for Recreational Marine



Our trusted global brands deliver technology solutions that ensure safety, reliability, connectivity & control

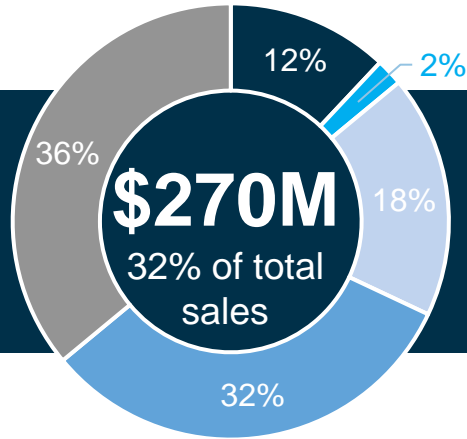


ELECTRONICS END MARKETS



REVENUE BY END MARKET

(FY 2023)⁽¹⁾

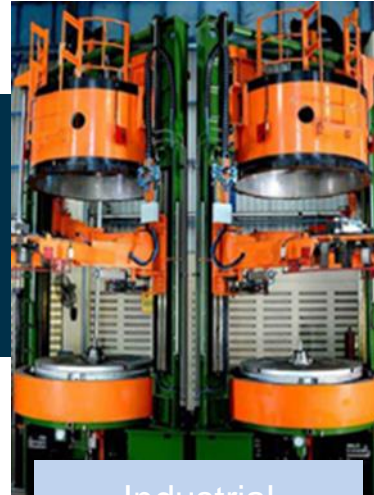


- Mobile
- Agriculture
- Industrial
- Other / Recreational
- Health & Wellness



Mobile

- Material Handling
- Construction
- Forestry Equipment
- Specialty Vehicles
- Landscaping/Snow Removal



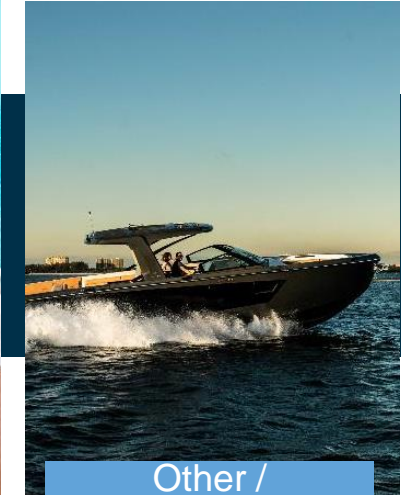
Industrial

- Industrial Machinery
- Renewable Energy
- Oil & Gas
- Power Generation
- Refrigeration



Health & Wellness

- Walk-in Baths
- Spas & Swim Spas
- Whirlpool Baths
- Cold Plunge Tubs
- Therapy Tubs



Other / Recreational

- Marine
- On/Off-Road Vehicles
- Motorcycles
- Snowmobiles
- Aerospace
- Food & Beverage
- Mining
- Medical Device
- Entertainment
- Food Service

(1) Revenue by end market based on our best estimate classifications across our subsidiaries and segments.



Q3 2024 – ELECTRONICS SEGMENT

Increased demand in APAC and EMEA helped to partially offset the decline in the Americas compared to year ago period



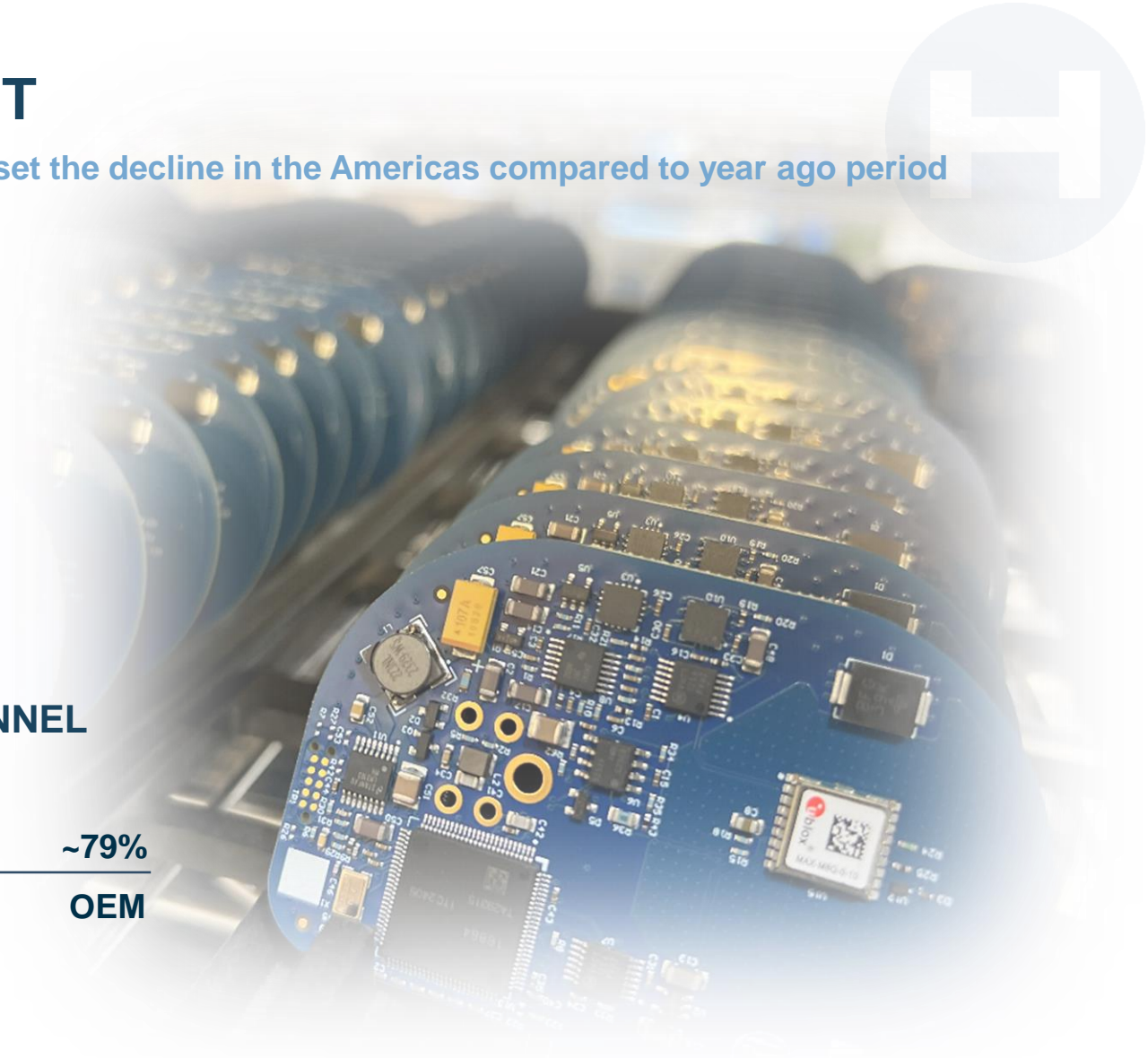
(\$ in millions)

		<u>YoY</u>	<u>QoQ</u>
Sales:	\$65.1	↓ 6%	↓ 12%
Gross Profit:	\$19.6	↑ 5%	↓ 24%
Operating Income:	\$6.8	↑ 62%	↓ 34%

Q3 SALES BY REGION



Q3 SALES BY CHANNEL



BALBOA GROWTH CONTINUES WHILE ENOVATION CONTRACTS DUE TO DIFFICULT MARKET CONDITIONS

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.

ELECTRONICS EXISTING AND GROWTH MARKETS

Current Markets



Material Handling



Specialized Vehicles



Stationary Equipment



Off-Highway
Equipment & Vehicles



Health & Wellness



On-Road Vehicles



Recreational



Mining

Growth Markets



Construction



Commercial Food
Service



Cold Plunge Pool



Agriculture



ELECTRONICS NEW PRODUCT INTRODUCTIONS

A Year of New Product Breakthroughs





VIDEO – ELECTRONICS SEGMENT INTEGRATION SPOTLIGHT



Link to Electronics Segment Video: [Here](#)



FINANCIAL OVERVIEW

Q3 2024: FURTHER FINANCIAL PROFILE IMPROVEMENTS

- CASH FROM OPERATIONS UP 195% OVER LAST YEAR
- STRONG MARGIN IMPROVEMENTS ON LOWER SALES
- REDUCED DEBT FOR FIFTH CONSECUTIVE QUARTER
- DEBT LEVERAGE RATIO DOWN TO 2.8X
- UPDATING FULL YEAR 2024 OUTLOOK REFLECTING SOFTER END MARKETS AND HURRICANE DISRUPTION

Net Sales
\$194.5 M
-3% YoY
-12% QoQ

Cash From Operations
\$34.8 M
+195% YoY
+3% QoQ

Adj. EBITDA Margin¹
20.9%
+320 bps YoY
+80 bps QoQ

Diluted Non-GAAP EPS¹
\$0.59
+34% YoY
-8% QoQ

(1) See Supplemental Information for definition of adjusted EBITDA margin, diluted Non-GAAP EPS, reconciliation from GAAP, and other disclaimers regarding Non-GAAP information
Note: YoY = year-over-year | QoQ = sequential quarter-over-quarter



2024 HURRICANES: UNIFIED TEAM OVERCOMING ADVERSITY

Safety of our people is always top priority; continue working through the recovery and financial impacts



Team Injuries from the Hurricanes	None
Number of Lost Manufacturing Shifts	18
Estimated Revenue Impact	~\$10M
Estimated Recovery Expenses	~\$3M



Q3 2024 – NET SALES

Growth in Health & Wellness partially offset declines in other markets



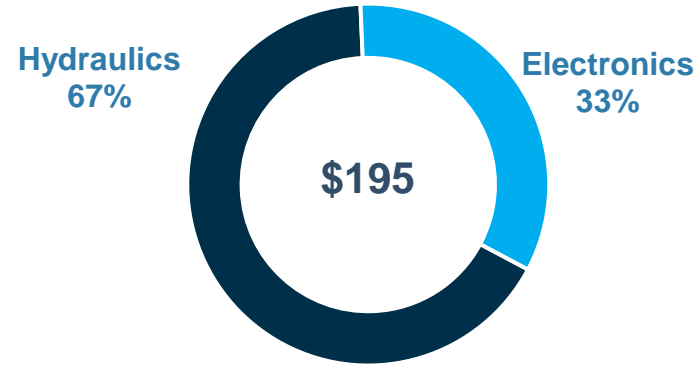
(\$ in millions)

QUARTERLY TRENDS:

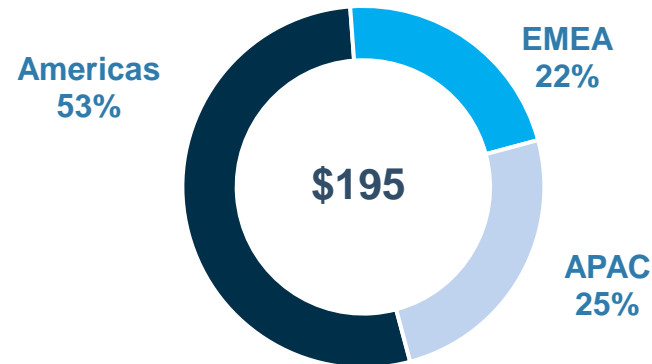
Direction	Market*
↓	Industrial
↔	Mobile
↓	Agriculture
↓	Recreational
↔	Health & Wellness
↔	Other

Direction	Region
↓	Americas
↓	EMEA
↑	APAC

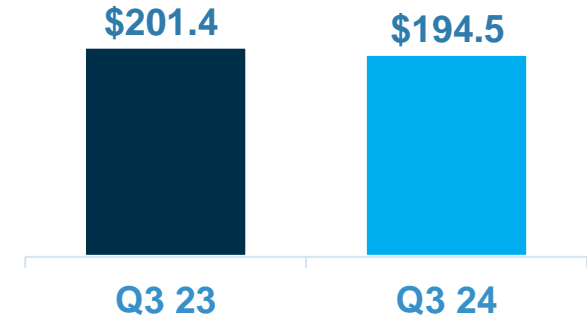
SALES BY SEGMENT



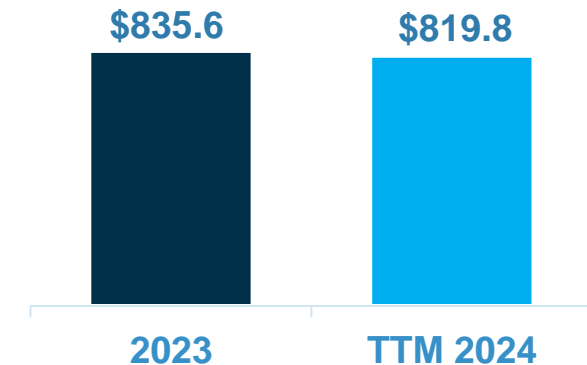
SALES BY REGION



YoY



ANNUAL



Note: YoY = year-over-year TTM = trailing twelve months

* Market trends meant to be a combination of both quarterly results and our best current approximation of leading activity.



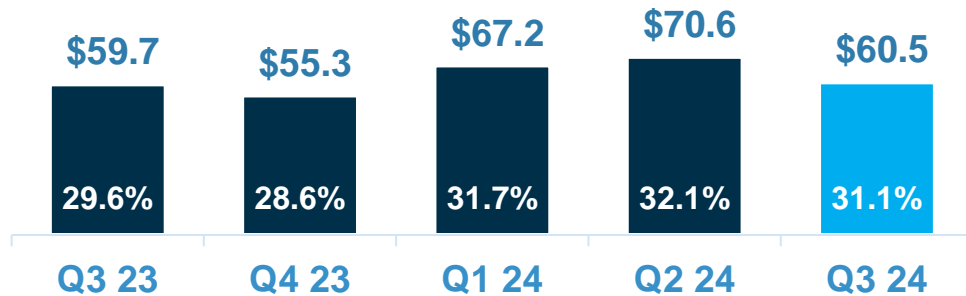
Q3 2024 – GROSS PROFIT AND MARGIN



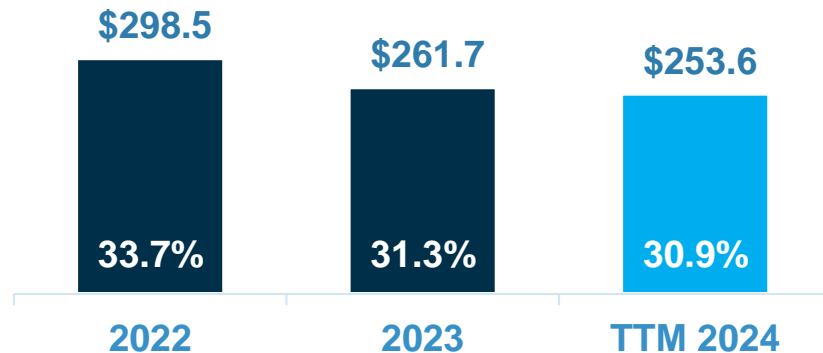
Absolute growth and margin expansion over the year ago period despite lower volumes

(\$ in millions)

QUARTER



ANNUAL



- **YoY:** gross profit increased \$0.8 million and gross margin expanded 150 bps despite lower volume due to lower material costs, reductions in variable overhead and favorable foreign exchange impacts of \$0.2.
- **QoQ:** gross profit down 14% while gross margin contracted 100 bps from change in revenue mix.

-
- **TTM:** compared with FY23 gross profit decline relatively in line with change in sales; gross margin contracted 40 bps on mix.

STAYING FOCUSED ON OPERATIONAL EFFICIENCIES AND CONTROLLING THE CONTROLLABLES

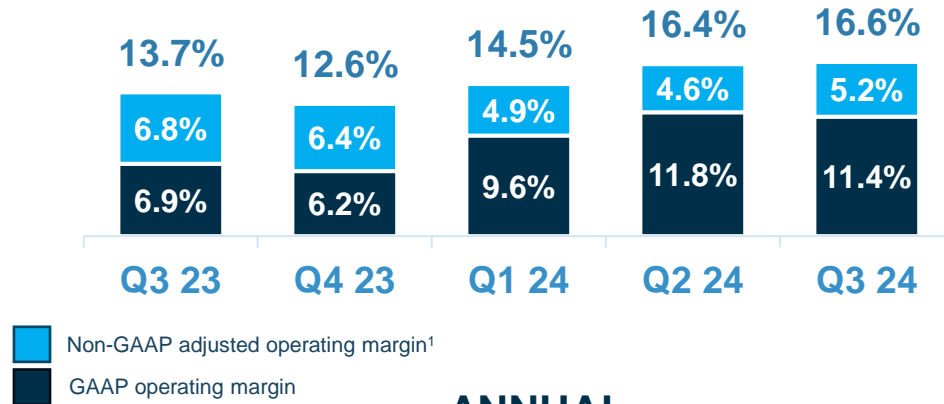


Q3 2024 – OPERATING / ADJUSTED OPERATING MARGIN

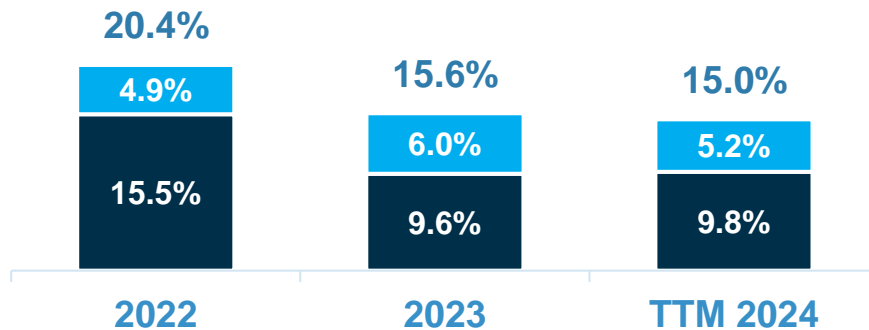
Strong operating margin improvement as expected from efficiencies and cost adjustments



QUARTER



ANNUAL



- **YoY:** GAAP operating income expanded 61% with margin expanded 450 bps driven by to lower material costs and lower SEA expenses² as a percentage of revenue.
- **QoQ:** GAAP operating income contracted 15% while GAAP operating margin contracted 40 bps driven primarily by decreasing volume.
- **TTM:** Compared to FY23, GAAP operating income increased 1% with margin expanding 20 bps despite gross margin decline due to efficiencies and cost adjustments². Non-GAAP adjusted operating income declined 6% with margin contracting 60 bps.

WELL POSITIONED TO DRIVE LEVERAGE AS MARKETS RECOVER AND VOLUME RETURNS

(1) See Supplemental Information for definition of Non-GAAP adjusted operating income, Non-GAAP adjusted operating margin, reconciliation from GAAP, and other disclaimers regarding Non-GAAP information.

(2) SEA declined compared with the year ago period reflecting lower payroll and benefit costs and a cost adjustment from lower stock based compensation expense from officer transition.

Note: YoY = year-over-year QoQ = sequential quarter-over-quarter TTM = trailing twelve months



Q3 2024 – NET INCOME & ADJUSTED EBITDA & MARGIN

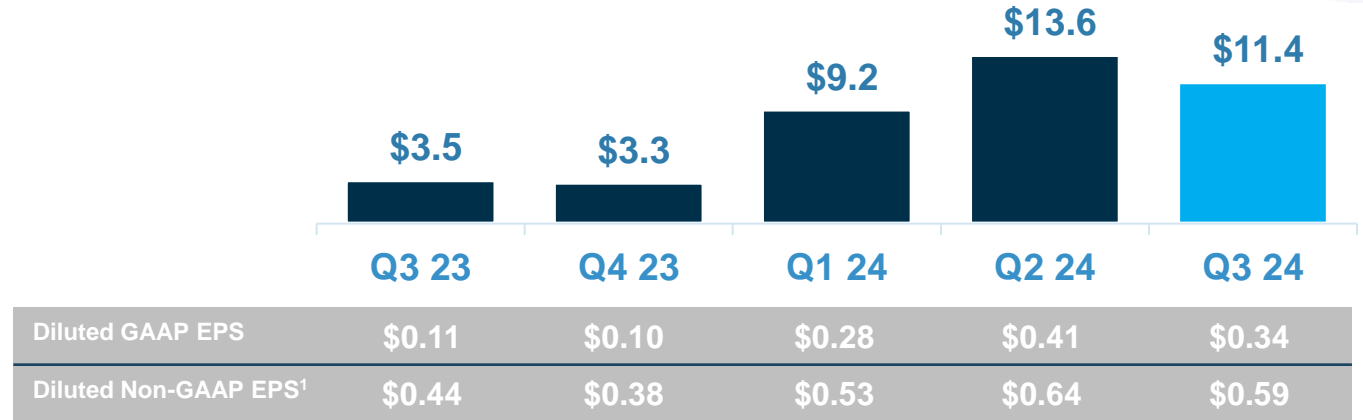
Strong profitability expansion in the quarter over the year ago period



(\$ in millions, except per share data)

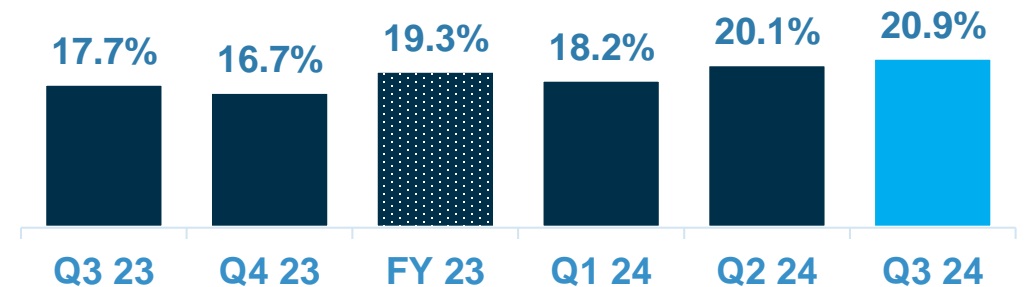
NET INCOME

- **YoY:** net income up 226% and diluted GAAP EPS up \$0.23
- **QoQ:** net income down 16% and diluted GAAP EPS down \$0.07



ADJUSTED EBITDA¹

- **YoY:** up 14% with margin up 320 bps; positioned to realize leverage as capacity is utilized with volume over time.
- **QoQ:** down 8% with margin up 80 bps; cost discipline, operational efficiencies and cost adjustments



REACHING HIGHER LEVELS WHILE ADJUSTING TO MACRO AND OTHER FACTORS

(1) See Supplemental Information for definition of adjusted EBITDA margin, diluted Non-GAAP EPS, reconciliation from GAAP, and other disclaimers Non-GAAP information.
Note: YoY = year-over-year QoQ = sequential quarter-over-quarter.



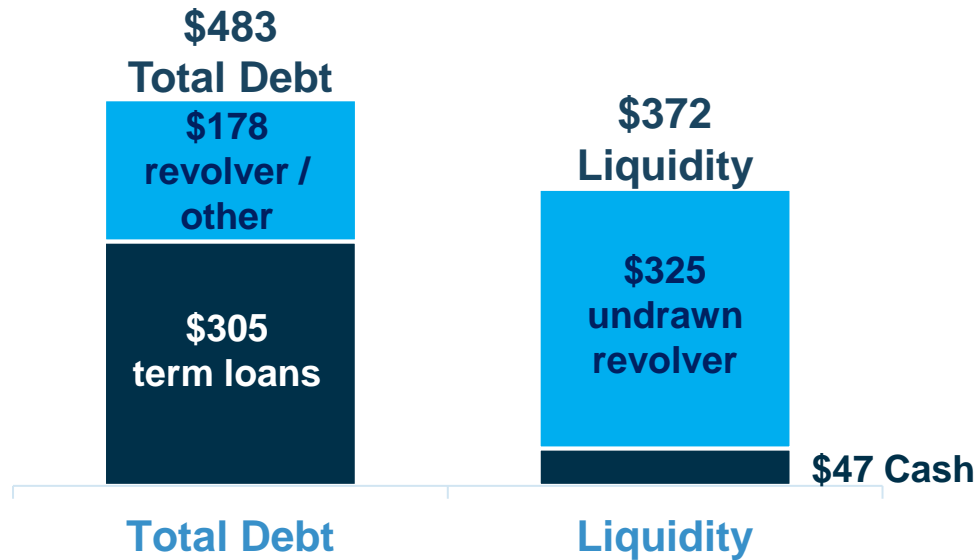
Q3 2024 – CAPITAL STRUCTURE

Utilizing cash generated to reduce debt and fund organic growth initiatives

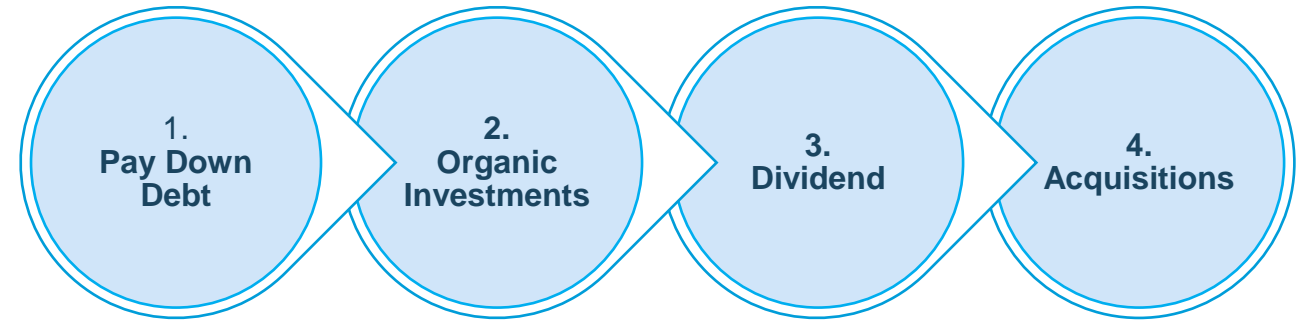


(\$ in millions)

DEBT PROFILE



CAPITAL ALLOCATION PRIORITIES



Additional Details

- Net debt/adjusted EBITDA of 2.8x ending 3Q24
- Credit facility debt maturity June 2029
- Term loan amortizes quarterly
- Near-term objective: continue to use cash to pay down debt
- Paid dividends for 111 consecutive quarters, or >27 years!

TARGET NET DEBT/ADJUSTED EBITDA RATIO RANGE OF 2.0x TO 3.0x



UPDATING FULL YEAR 2024 OUTLOOK

Reflecting weaker end markets and hurricane impacts



Total Net Sales	\$800M	to	\$805M
Adjusted EBITDA Margin⁽²⁾	19.0%	to	19.6%
Diluted Non-GAAP EPS^(1, 2)	\$2.10	to	\$2.20

Note: See Supplemental Information for full 2024 outlook line-item details.

(1) Reflects a Non-GAAP financial measure; see supplemental slide for reconciliation and other important information regarding Helios' use of Non-GAAP financial measures.

(2) See Supplemental Information for definition of adjusted EBITDA margin and diluted Non-GAAP EPS, and reconciliation from GAAP and other disclaimers regarding Non-GAAP information.

PROTECT MARGINS, DRIVE OPERATING LEVERAGE, GENERATE CASH, AND REDUCE DEBT



2024 SEGMENT OUTLOOK



	HYDRAULICS	ELECTRONICS
Regional Trends	AMER ↓ EMEA ↓ APAC ↑	AMER ↓ EMEA ↑ APAC ↑
Positive Catalysts		Health & Wellness
Stable / Moderate Lift	Ramping Centers of Excellence	Commercial Food Service Recurring Software (starting in 2024)
Flat / No Signs Yet of Bounce	Mobile	
Starting / In a Down Cycle	Agriculture, Industrial	Marine, Recreational, Industrial, Mobile
2024 Revenue Outlook	\$533 - \$536M -6% to -5% vs. 2023	\$267 - \$269M -1% to 0% vs. 2023



2024 FINANCIAL PRIORITIES

Focused on execution to deliver the year and set the stage for accelerating future growth



1

Return to Growth



Executing on profitable sales growth plan

2

Drive Operating Leverage



With higher volumes and disciplined investment and cost management

3

Shorten Cash Conversion Cycle



Through improved working capital management

4

Reduce Debt



Utilizing free cash flow conversion proceeds, while evaluating longer-term debt structure

5

Leverage Strong Foundation



To scale and elevate to new heights!

SUPPLEMENTAL INFORMATION

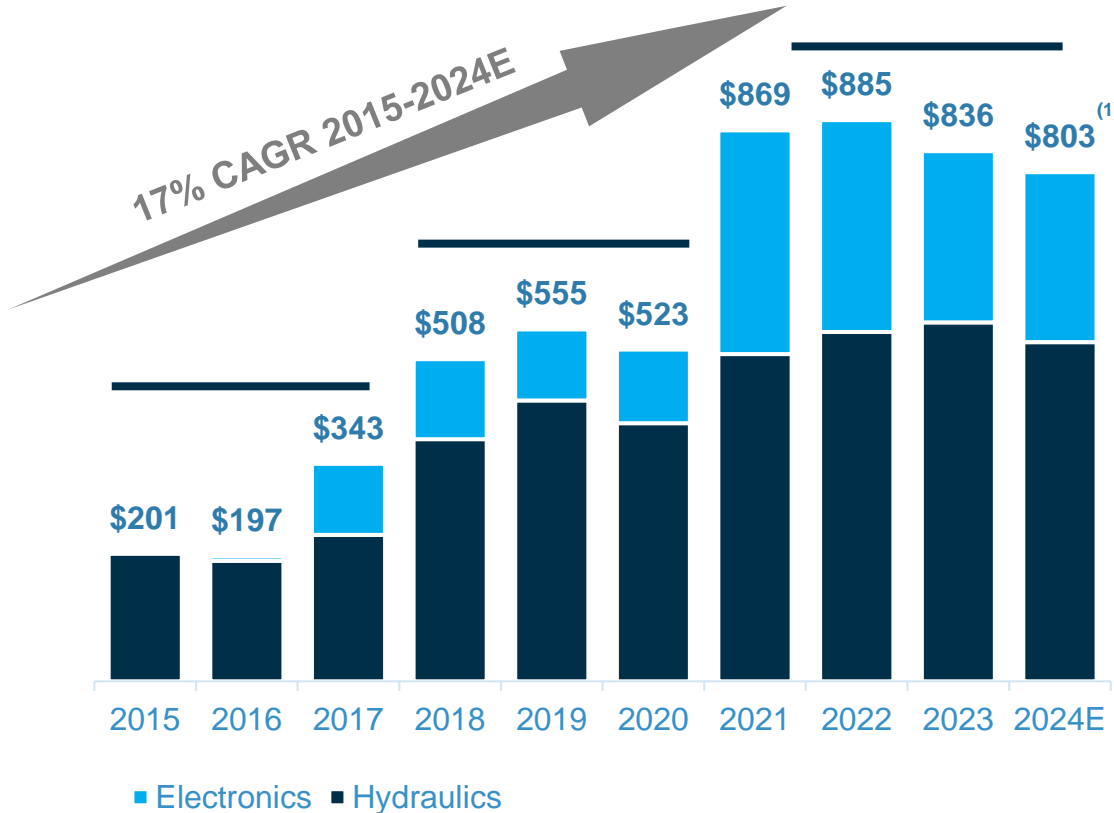


BUILDING ON A STRONG FOUNDATION OF STEP LEVEL GROWTH



OUR SALES PERFORMANCE & CURRENT VIEW

(\$ millions)



HIGHLIGHTS

- Transitioning from a holding company to an integrated operating company
- Diversifying the business and markets while evolving into selling system solutions
- Leveraging regional manufacturing Centers of Excellence in the region for the region, optimized for our customers
- Invested in manufacturing capacity and efficiency to support future customer demand for new solutions
- Acquired businesses to strategically fill in technology gaps, geographic white spaces, and expand end markets
- Progressing several OEM opportunities through the sales funnel that could be top 20 customers over the coming years

(1) 2024E Mid-Point of FY2024 Outlook provided November 5, 2024



OTHER MODELING ITEMS



(\$ in millions, except per share data)

2024 OUTLOOK ASSUMPTIONS

- Electronics segment to outpace Hydraulics segment driven by Balboa’s core business recovery and identified growth opportunities
- European manufacturing footprint realignment and capacity expansion to be completed in 2025
- Effective tax rate reduction opportunity through geographic mix of income and discrete items
- Foreign exchange rates assumed at constant currency levels from ending Q3 2024

KEY METRICS

	2023 Actual	2024 Outlook
Total Net Sales	\$835.6	\$800 - \$805
Net Income	\$37.5	\$40 - \$42
Adjusted EBITDA	\$161.4	\$152 - \$158
Adjusted EBITDA margin	19.3%	19.0% - 19.6%
Interest Expense	\$31.2	\$33.5 - \$34.0
Effective Tax Rate	24%	20% - 21%
Depreciation	\$30.2	\$31.5 - \$32.0
Amortization	\$33.6	\$33.0 - \$33.5
CapEx % Net Sales	4%	3.5% - 3.7%
Diluted EPS	\$1.14	\$1.15 - \$1.25
Diluted Non-GAAP EPS	\$2.34	\$2.10 - \$2.20



SEGMENT DATA

(Unaudited)

(\$ in millions)



	For the Three Months Ended		For the Nine Months Ended	
	September 28, 2024	September 30, 2023	September 28, 2024	September 30, 2023
<i>Net Sales:</i>				
Hydraulics	\$ 129.4	\$ 132.0	\$ 417.5	\$ 432.1
Electronics	65.1	69.4	208.9	210.1
Consolidated	\$ 194.5	\$ 201.4	\$ 626.4	\$ 642.2
<i>Gross profit and margin:</i>				
Hydraulics	\$ 40.9	\$ 41.1	\$ 130.3	\$ 140.7
	31.6%	31.1%	31.2%	32.6%
Electronics	19.6	18.6	68.0	65.8
	30.1%	26.8%	32.6%	31.3%
Consolidated	\$ 60.5	\$ 59.7	\$ 198.3	\$ 206.5
	31.1%	29.6%	31.7%	32.2%
<i>Operating income (loss) and margin:</i>				
Hydraulics	\$ 24.2	\$ 18.4	\$ 69.9	\$ 73.3
	18.7%	13.9%	16.7%	17.0%
Electronics	6.8	4.2	24.2	23.8
	10.4%	6.1%	11.6%	11.3%
Corporate and other	(8.8)	(8.8)	(25.6)	(29.1)
Consolidated	\$ 22.2	\$ 13.8	\$ 68.5	\$ 68.0
	11.4%	6.9%	10.9%	10.6%



ORGANIC AND ACQUIRED NET SALES

(Unaudited)

(\$ in millions)



	For the Three Months Ended				For the Year Ended	For the Three Months Ended			For the Nine Months Ended	
	April 1, 2023	July 1, 2023	September 30, 2023	December 30, 2023	December 30, 2023	March 30, 2024	June 29, 2024	September 28, 2024	September 28, 2024	
Hydraulics										
Organic	\$ 134.0	\$ 137.2	\$ 121.0	\$ 126.6	\$ 518.8	\$ 140.5	\$ 145.7	\$ 129.4	\$ 415.6	
Acquisition	13.7	15.2	11.0	7.1	47.0	1.9	-	-	1.9	
Total	\$ 147.7	\$ 152.4	\$ 132.0	\$ 133.7	\$ 565.8	\$ 142.4	\$ 145.7	\$ 129.4	\$ 417.5	
Electronics										
Organic	\$ 65.5	\$ 74.0	\$ 67.1	\$ 57.4	\$ 264.0	\$ 67.6	\$ 73.0	\$ 65.1	\$ 205.8	
Acquisition	-	1.2	2.3	2.3	5.8	2.0	1.2	-	3.1	
Total	\$ 65.5	\$ 75.2	\$ 69.4	\$ 59.7	\$ 269.8	\$ 69.6	\$ 74.2	\$ 65.1	\$ 208.9	
Consolidated										
Organic	\$ 199.5	\$ 211.2	\$ 188.1	\$ 184.0	\$ 782.8	\$ 208.1	\$ 218.7	\$ 194.5	\$ 621.3	
Acquisition	13.7	16.4	13.3	9.4	52.8	3.9	1.2	-	5.0	
Total	\$ 213.2	\$ 227.6	\$ 201.4	\$ 193.4	\$ 835.6	\$ 212.0	\$ 219.9	\$ 194.5	\$ 626.4	

Note: Net sales is considered to be acquisition related until the acquisition has been included in the Company's financial results for one full year.



NON-GAAP ADJUSTED OPERATING INCOME & NON-GAAP ADJUSTED OPERATING MARGIN RECONCILIATION

(Unaudited)

(\$ in millions)



	For the Three Months Ended				For the Nine Months Ended				Twelve Months Ended	
	September		September		September		September		September	
	28, 2024	Margin	30, 2023	Margin	28, 2024	Margin	30, 2023	Margin	28, 2024	Margin
GAAP operating income	\$ 22.2	11.4%	\$ 13.8	6.9%	\$ 68.5	10.9%	\$ 68.0	10.6%	\$ 80.4	9.8%
Acquisition-related amortization of intangible	7.9	4.1%	8.2	4.1%	23.6	3.8%	24.7	3.8%	31.9	3.9%
Acquisition and financing-related expenses ^(A)	0.1	0.1%	0.5	0.2%	0.7	0.1%	3.3	0.5%	1.4	0.2%
Restructuring charges ^(B)	1.2	0.6%	4.8	2.4%	4.4	0.7%	9.0	1.4%	7.3	0.9%
Officer transition costs	0.8	0.4%	0.1	0.0%	1.3	0.2%	1.0	0.2%	1.7	0.2%
Acquisition integration costs ^(C)	-	0.0%	-	0.0%	0.3	0.0%	0.2	0.0%	0.4	0.0%
Other	-	0.0%	0.1	0.0%	0.2	0.0%	-	0.0%	0.2	0.0%
Non-GAAP adjusted operating income	\$ 32.2	16.6%	\$ 27.5	13.7%	\$ 99.0	15.8%	\$ 106.2	16.5%	\$ 123.3	15.0%
GAAP operating margin	11.4%		6.9%		10.9%		10.6%		9.8%	
Non-GAAP adjusted operating margin	16.6%		13.7%		15.8%		16.5%		15.0%	
Net sales	\$ 194.5		\$ 201.4		\$ 626.4		\$ 642.2		\$ 819.8	

Non-GAAP Financial Measure:

Adjusted operating margin is adjusted operating income divided by net sales. Adjusted operating income and adjusted operating margin are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing Non-GAAP information such as adjusted operating income and adjusted operating margin are important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because adjusted operating income and adjusted operating margin are Non-GAAP measures and are thus susceptible to varying calculations, adjusted operating income and adjusted operating income margin, as presented, may not be directly comparable to other similarly titled measures used by other companies. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.



NON-GAAP ADJ. NET INCOME & NON-GAAP ADJ. NET INCOME PER DILUTED SHARE RECONCILIATION

(Unaudited)

(\$ in millions)

	For the Three Months Ended				For the Nine Months Ended			
	September 28, 2024	Per Diluted Share	September 30, 2023	Per Diluted Share	September 28, 2024	Per Diluted Share*	September 30, 2023	Per Diluted Share
GAAP net income	\$ 11.4	\$ 0.34	\$ 3.5	\$ 0.11	\$ 34.2	\$ 1.03	\$ 34.1	\$ 1.03
Amortization of intangible assets ^(D)	8.4	0.25	8.4	0.25	24.7	0.74	25.2	0.76
Acquisition and financing-related expenses ^(A)	0.1	-	0.5	0.02	0.7	0.02	3.3	0.10
Restructuring charges ^(B)	1.2	0.04	4.8	0.15	4.4	0.13	9.0	0.27
Officer transition costs	0.8	0.02	0.1	-	1.3	0.04	1.0	0.03
Acquisition integration costs ^(C)	-	-	-	-	0.3	0.01	0.2	0.01
Change in fair value of contingent consideration	-	-	-	-	-	-	0.8	0.02
Other	0.1	-	0.1	-	0.2	0.01	(0.4)	(0.01)
Tax effect of above	(2.3)	(0.07)	(3.0)	(0.09)	(7.0)	(0.21)	(8.6)	(0.26)
Non-GAAP Adjusted net income	\$ 19.7	\$ 0.59	\$ 14.4	\$ 0.44	\$ 58.8	\$ 1.77	\$ 64.6	\$ 1.96
<i>GAAP net income per diluted share</i>	<i>\$ 0.34</i>		<i>\$ 0.11</i>		<i>\$ 1.03</i>		<i>\$ 1.03</i>	
<i>Non-GAAP Adjusted net income per diluted share</i>	<i>\$ 0.59</i>		<i>\$ 0.44</i>		<i>\$ 1.77</i>		<i>\$ 1.96</i>	

*General note: items may not foot or recalculate due to rounding

Non-GAAP Financial Measure:

Adjusted net income per diluted share is adjusted net income divided by diluted weighted average common shares outstanding. Adjusted net income and adjusted net income per diluted share are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing Non-GAAP information such as adjusted net income and adjusted net income per diluted share is important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because adjusted net income and adjusted net income per diluted share are Non-GAAP measures and are thus susceptible to varying calculations, adjusted net income and adjusted net income per diluted share as presented, may not be directly comparable to other similarly titled measures used by other companies.



NON-GAAP ADJUSTED EBITDA & NON-GAAP ADJUSTED EBITDA MARGIN RECONCILIATION

(Unaudited)

(\$ in millions)

	For the Three Months Ended				For the Nine Months Ended				Twelve Months Ended	
	September		September		September		September		September	
	28, 2024	Margin	30, 2023	Margin	28, 2024	Margin	30, 2023	Margin	28, 2024	Margin
Net income	\$ 11.4	5.9%	\$ 3.5	1.7%	\$ 34.2	5.5%	\$ 34.1	5.3%	\$ 37.5	4.6%
Interest expense, net	9.0	4.6%	8.7	4.3%	25.7	4.1%	22.6	3.5%	34.3	4.2%
Income tax provision	1.9	1.0%	1.5	0.7%	8.7	1.4%	10.7	1.7%	9.7	1.2%
Depreciation and amortization	16.1	8.3%	16.4	8.1%	47.8	7.6%	47.7	7.4%	63.9	7.8%
EBITDA	38.4	19.7%	30.1	14.9%	116.4	18.6%	115.1	17.9%	145.4	17.7%
Acquisition and financing-related expenses ^(A)	0.1	0.1%	0.5	0.2%	0.7	0.1%	3.3	0.5%	1.4	0.2%
Restructuring charges ^(B)	1.2	0.6%	4.8	2.4%	4.4	0.7%	9.0	1.4%	7.3	0.9%
Officer transition costs	0.8	0.4%	0.1	0.0%	1.3	0.2%	1.0	0.2%	1.7	0.2%
Acquisition integration costs ^(C)	-	0.0%	-	0.0%	0.3	0.0%	0.2	0.0%	0.4	0.0%
Change in fair value of contingent consideration	-	0.0%	-	0.0%	-	0.0%	0.8	0.1%	(0.9)	-0.1%
Other	0.1	0.1%	0.1	0.0%	0.2	0.0%	(0.4)	-0.1%	0.4	0.0%
Adjusted EBITDA	\$ 40.6	20.9%	\$ 35.6	17.7%	\$ 123.3	19.7%	\$ 129.0	20.1%	\$ 155.7	19.0%
TTM adjusted EBITDA					\$ 123.3		\$ 129.0		\$ 155.7	
GAAP net income margin	5.9%		1.7%		5.5%		5.3%		4.6%	
EBITDA margin	19.7%		14.9%		18.6%		17.9%		17.7%	
Adjusted EBITDA margin	20.9%		17.7%		19.7%		20.1%		19.0%	
Net sales	\$ 194.5		\$ 201.4		\$ 626.4		\$ 642.2		\$ 819.8	

*General note: items may not foot or recalculate due to rounding

(A) Acquisition and financing-related expenses include costs associated with our M&A activities. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months and nine months ended September 28, 2024, the charges include \$0.1 and \$0.7 of other miscellaneous M&A costs, respectively.

(B) Restructuring activities include activities within our Hydraulics segment related to the creation of our two new Regional Operational Centers of Excellence ("CoE") which are nearing completion with work expected to be completed in 2024. We also continue to add capabilities and activities to our recently expanded Tijuana, Mexico facility to support our Electronics segment. Initial efforts have focused on circuit board assembly and wire harness production. We have also recently initiated some restructuring activities to better optimize our European regional operations. We are transitioning some manufacturing of manifolds and integrated package assembly to our Roncolo, Italy location. These activities include in part the transferring of equipment and operations between facilities. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months and nine months ended September 28, 2024, the charges include non-recurring labor costs of \$0.8 and \$2.3 million and manufacturing relocation and other costs of \$0.5 and \$2.1 million, respectively.

(C) Acquisition integration activities include costs associated with integrating our recently acquired businesses, which can occur up to 18 months after acquisition date. We believe these costs are not representative of the Company's operational performance and it is therefore more meaningful to analyze results with the costs excluded. For the three months ended and nine months ended September 28, 2024, the costs totaled \$0.0 and \$0.3 million, respectively.

(D) Amortization of intangible assets presented here includes \$0.5 and \$1.1 million for capitalized software development costs included within cost of sales in the income statement for the three and nine months ended September 28, 2024, respectively.

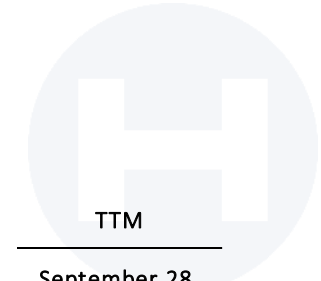
*General note: items may not foot or recalculate due to rounding



NON-GAAP ADJUSTED FREE CASH FLOW RECONCILIATION

(Unaudited)

(\$ in millions)



For the Year Ended

TTM

	December 30, 2017		December 29, 2018		December 28, 2019		January 2, 2021		January 1, 2022		December 31, 2022		December 30, 2023		September 28, 2024	
Net cash provided by operating activities	\$	49.4	\$	77.5	\$	90.5	\$	108.6	\$	113.1		109.9		83.9		120.1
Contingent consideration payment in excess of acquisition date fair value		-		-		10.7		-		-		-		2.7		-
Adjusted net cash provided by operating activities		49.4		77.5		101.2		108.6		113.1		109.9		86.6		120.1
Capital expenditures		22.2		28.4		25.0		14.6		26.8		31.9		34.3		28.4
Adjusted Free cash flow	\$	27.2	\$	49.1	\$	76.2	\$	94.0	\$	86.3		78.0		52.3		91.7
Net income		31.6		46.7		60.3		14.2		104.6		98.4		37.5		37.6
Goodwill impairment		-		-		-		31.9		-		-		-		-
Net income, less goodwill impairment	\$	31.6	\$	46.7	\$	60.3	\$	46.1	\$	104.6		98.4		37.5		37.6
Free cash flow conversion		86%		105%		126%		204%		83%		79%		139%		244%

Three Months Ended

	September 28, 2024	September 30, 2023
Net cash provided by operating activities	34.8	11.8
Contingent consideration payment in excess of acquisition date fair value	-	-
Adjusted net cash provided by operating activities	34.8	11.8
Capital expenditures	6.0	5.9
Adjusted Free cash flow	28.8	5.9
Net income	11.4	3.5
Goodwill impairment	-	-
Net income, less goodwill impairment	11.4	3.5
Free cash flow conversion	253%	169%

Non-GAAP Financial Measure:

Adjusted net cash provided by operating activities is net cash provided by operating activities less contingent consideration payment in excess of acquisition date fair value. Free cash flow is net cash provided by operating activities less capital expenditures. Adjusted free cash flow is adjusted net cash provided by operating activities less capital expenditures. Free cash flow conversion is a non-GAAP financial measure and defined as free cash flow divided by net income. Each of these measures has not been determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing this non-GAAP information is important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand our liquidity. Because these are non-GAAP measures, they are susceptible to varying calculations, and as presented, may not be directly comparable to other similarly titled measures used by other companies. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.



NON-GAAP NET SALES GROWTH RECONCILIATION

(Unaudited)

(\$ in millions)



	For the Three Months Ended			For the Nine Months Ended		
	Hydraulics	Electronics	Consolidated	Hydraulics	Electronics	Consolidated
Q3 2024 Net Sales	\$ 129.4	\$ 65.1	\$ 194.5	\$ 417.5	\$ 208.9	\$ 626.4
Impact of foreign currency translation ^(E)	(0.6)	-	(0.6)	0.5	0.1	0.6
Net Sales in constant currency	128.8	65.1	193.9	418.0	209.0	627.0
Less: Acquisition related sales	-	-	-	(1.9)	(3.1)	(5.0)
Organic sales in constant currency	\$ 128.8	\$ 65.1	\$ 193.9	\$ 416.1	\$ 205.9	\$ 622.0
Q3 2023 Net Sales	\$ 132.0	\$ 69.4	\$ 201.4	\$ 432.1	\$ 210.1	\$ 642.2
Net sales growth	-2%	-6%	-3%	-3%	-1%	-2%
Net sales growth in constant currency	-2%	-6%	-4%	-3%	-1%	-2%
Organic net sales growth in constant currency	-2%	-6%	-4%	-4%	-2%	-3%

^(E) The impact from foreign currency translation is calculated by translating current period activity at average prior period exchange rates.

Non-GAAP Financial Measure:

Net sales in constant currency is net sales adjusted for the impact of foreign currency translation. The impact from foreign currency translation is calculated by translating current period activity at average prior period exchange rates. Net sales in constant currency is not a measure determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing Non-GAAP information such as net sales in constant currency is important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because net sales in constant currency is Non-GAAP measures and are thus susceptible to varying calculations, net sales in constant currency, as presented, may not be directly comparable to other similarly titled measures used by other companies. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.



NET DEBT TO NON-GAAP ADJUSTED EBITDA RECONCILIATION

(Unaudited)

(\$ in millions)



	As of September 28, 2024
Current portion of long-term non-revolving debt, net	17.6
Revolving lines of credit	177.9
Long-term non-revolving debt, net	287.9
Total debt	483.4
Less: Cash and cash equivalents	46.7
Net debt	436.7
TTM adjusted EBITDA	155.7
Ratio of net debt to TTM adjusted EBITDA	2.8

Non-GAAP Financial Measure:

Net debt is total debt minus cash and cash equivalents. Net debt-to-Adjusted EBITDA is net debt divided by Adjusted EBITDA. Net debt and net debt-to-Adjusted EBITDA are not measures determined in accordance with generally accepted accounting principles in the United States, commonly known as GAAP. Nevertheless, Helios believes that providing non-GAAP information such as net debt and net debt-to-Adjusted EBITDA are important for investors and other readers of Helios' financial statements, as they are used as analytical indicators by Helios' management to better understand operating performance. Because net debt and net debt-to-Adjusted EBITDA are non-GAAP measures and are thus susceptible to varying calculations, net debt and net debt-to-Adjusted EBITDA, as presented, may not be directly comparable to other similarly titled measures used by other companies. These Non-GAAP financial measures should be considered in addition to results prepared in accordance with GAAP and should not be considered a substitute for GAAP. Please carefully review the Non-GAAP reconciliations to the most directly comparable GAAP measures and other related additional information provided.



7456 16th Street East
Sarasota, FL 34243
941.362.1200

heliostechnologies.com
(NYSE: HLIO)