

VONTIER™

Q1 2023

Earnings Results

Safe Harbor and Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to statements regarding Vontier Corporation's (the "Company's") business and acquisition opportunities, anticipated sales growth, anticipated operating margin expansion, anticipated cash flow, and anticipated earnings growth, and any other statements identified by their use of words like "anticipate," "expect," "believe," "outlook," "guidance," or "will" or other words of similar meaning. There are a number of important risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These risks and uncertainties include, among other things, the effect of the COVID-19 pandemic on our global operations, deterioration of or instability in the economy, the markets we serve, international trade policies and the financial markets, contractions or lower growth rates and cyclicality of markets we serve, competition, changes in industry standards and governmental regulations that may adversely impact demand for our products or our costs, our ability to successfully identify, consummate, integrate and realize the anticipated value of appropriate acquisitions and successfully complete divestitures and other dispositions, our ability to develop and successfully market new products, software, and services and expand into new markets, the potential for improper conduct by our employees, agents or business partners, impact of divestitures, contingent liabilities relating to acquisitions and divestitures, impact of changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, political, war or hostility, legal, compliance and business factors, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, the impact of our debt obligations on our operations, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, our ability to adequately protect our intellectual property rights, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, impact of changes to U.S. GAAP, labor matters, and disruptions relating to man-made and natural disasters. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2022. These forward-looking statements represent Vontier's beliefs and assumptions only as of the date of this presentation and Vontier does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

Non-GAAP Financial Measures

This presentation contains references to "core sales growth," "baseline core sales growth," "adjusted gross profit," "adjusted gross profit margin," "adjusted operating profit," "adjusted operating profit margin," "baseline operating profit margin," "segment operating profit," "segment operating profit margin," "free cash flow," "free cash flow conversion," "adjusted free cash flow," "adjusted free cash flow conversion," "adjusted net earnings," "adjusted diluted net earnings per share," "adjusted EBITDA," and "net leverage ratio" financial measures which are, in each case, not presented in accordance with generally accepted accounting principles ("GAAP").

- Core sales growth refers to the change of total sales calculated according to GAAP but excluding (1) sales from acquired and certain divested businesses; (2) the impact of currency translation; and (3) certain other items. References to sales attributable to acquisitions or acquired businesses refers to GAAP sales from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to certain divested businesses or product lines not considered discontinued operations. The portion of sales attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in sales (excluding sales from acquired businesses) and (b) the period-to-period change in sales, including foreign operations (excluding sales from acquired businesses) after applying the current period foreign exchange rates to the prior year period. The portion of sales attributable to other items is calculated as the impact of those items which are not directly correlated to sales from existing businesses which do not have an impact on the current or comparable period. Baseline core sales growth refers to core sales growth but excluding the impact of the end of the upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.
- Adjusted gross profit refers to gross profit calculated in accordance with GAAP, but excluding amortization of acquisition-related inventory fair value step-up and restructuring costs. Adjusted gross profit margin refers to adjusted gross profit divided by GAAP sales.
- Adjusted operating profit refers to operating profit calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, restructuring costs and other termination costs and severance benefits ("restructuring costs"), transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, other charges which represent charges incurred that are not part of our core operating results ("other charges"), the impact of certain divested businesses, or product lines or businesses to be abandoned but not considered discontinued operations ("divestiture related adjustments"), loss on sale of property, asset impairments, one-time costs related to the separation and normalization and other adjustments which represent adjustments for standalone public company costs. Adjusted operating profit margin refers to adjusted operating profit divided by GAAP sales. Baseline operating profit margin refers to adjusted operating profit margin but excluding the impact of the end of the upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.
- Segment operating profit refers to total segment sales less operating costs attributable to the segment, which does not include unallocated corporate costs and other operating costs not allocated to the reportable segments as part of management's assessment of reportable segment operating performance, including stock-based compensation expense, amortization of intangible assets and not indicative of the segment's core operating performance. As part of management's assessment of the Repair solutions segment, a capital charged based on the segment's financing receivables portfolio is assessed by Corporate. Segment operating profit margin refers to segment operating profit divided by GAAP sales.
- Free cash flow refers to cash flow from operations calculated according to GAAP but excluding capital expenditures. Free cash flow conversion refers to free cash flow divided by net earnings calculated according to GAAP.
- Adjusted free cash flow refers to free cash flow adjusted for cash received from the sale of property and cash paid for standalone and other one-time public company costs, restructuring costs, transaction- and deal-related costs, divestiture-related adjustments and other charges. Adjusted free cash flow conversion refers to adjusted free cash flow divided by adjusted net earnings.

Non-GAAP Financial Measures (continued)

- Adjusted net earnings refers to net earnings calculated in accordance with GAAP, but excluding on a pretax basis amortization of acquisition-related intangible assets, restructuring costs, asset impairments, transaction-and deal-related costs, gains and losses from the sale of property, earnings attributable to noncontrolling interests, one-time costs related to the separation, non-cash write-offs of deferred financing costs, other charges which represent charges incurred that are not part of our core operating results, amortization of acquisition-related inventory fair value step-up, gains and losses on investments, divestiture related adjustments, normalization and other adjustments, and excluding and including the tax effect of the adjustments noted above and other tax adjustments. The tax effect of adjustments was calculated by applying our overall estimated effective tax rate to the pretax amount of each adjustment (unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment). Adjusted diluted net earnings per share refers to adjusted net earnings divided by the weighted average diluted shares outstanding.
- Adjusted EBITDA refers to net earnings calculated in accordance with GAAP, excluding, interest, taxes, depreciation, amortization of acquisition-related intangible assets, restructuring costs, asset impairments, transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, gains and losses on sales and settlements of property and investments, one-time costs related to separation, earnings attributable to non-controlling interest, other charges and non-cash write-off of deferred financing costs. Net leverage ratio refers to net debt divided by Adjusted EBITDA.

The Company has not reconciled the forward-looking statements regarding core sales growth, baseline core sales growth, adjusted operating profit margin, baseline operating profit margin, adjusted diluted net earnings per share, and adjusted free cash flow conversion because both the corresponding GAAP measures and the reconciliation thereto would require the Company to make estimates or assumptions about unknown currency impact, unidentified acquisitions and similar adjustments during the relevant period that could not be determined without unreasonable effort. The historical non-GAAP financial measures should not be considered in isolation or as a substitute for the GAAP financial measures but should instead be read in conjunction with the corresponding GAAP financial measures. The historical non-GAAP financial measures used by the Company in this presentation may be different than similarly-titled non-GAAP measures used by other companies. Further information with respect to and reconciliations of such non-GAAP financial measures to the nearest GAAP financial measure can be found attached to this presentation.

We report our financial results in accordance with GAAP. However, we present certain non-GAAP measures, as described above, which are not recognized financial measures under GAAP, because we believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these measure are helpful in highlighting trends in our operating results, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure and allocation, the tax jurisdictions in which companies operate and capital investments and acquisitions.

Q1 2023 | Summary & Highlights

- **Strong topline performance in all 3 segments**
  - ✓ Reported Sales +4%; Core sales +4%; Baseline Core sales +11%
  - ✓ Progress on Expanding the Core strategic pillar & benefit of incremental improvements in supply chain
- **Demand environment remains constructive**
  - ✓ Book-to-Bill (1.0X)
- **Baseline OMX +80bps**
  - ✓ Traction on Optimize the Core
  - ✓ Adjusted OMX down 100bps vs. guidance of down (100-140bps)
- **Increased full year EPS guidance**
- **Transforming the portfolio** – Completed GTT divestiture (April)
  - ✓ Net proceeds being redeployed to debt reduction & share repurchase
- **Executing well on our Connected Mobility strategy**
  - ✓ Optimize the Core
  - ✓ Expand the Core
  - ✓ Adjacent Markets

	Q1'23
Baseline Core Sales Growth	+11%
Baseline OMX Growth	+80bps
Adjusted Diluted EPS	$0.68

Note: Core Sales, Baseline Core Sales, Baseline Operating Profit Margin, Adjusted Operating Profit Margin and Adjusted Diluted EPS are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix..

Executing our Connected Mobility strategy

CEO Kaizen 2023



INVENCO

iNFX



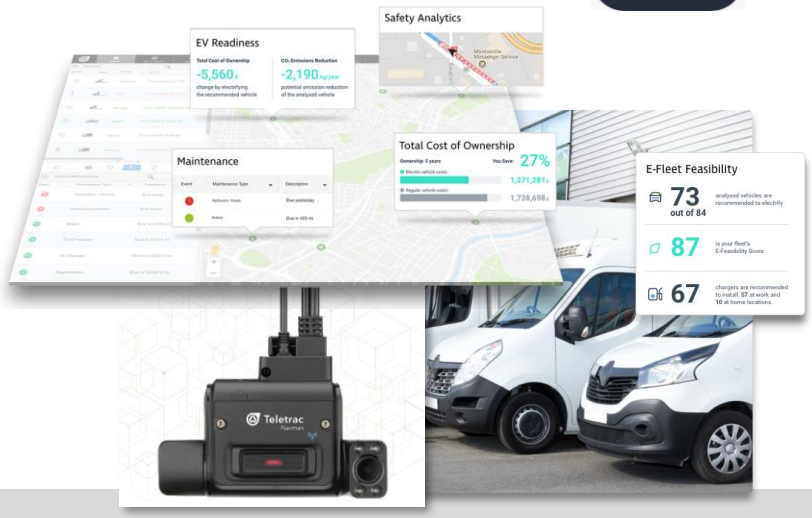


INVENCO OPT

INVENCO iNFX
iNFX-FCC: Forecourt Control
iNFX-EPS: Payment Server
iNFX-SSI: Site System Interface
iNFX-FPOS: Fuel POS
iNFX-PTA: Payment Terminal Adaptor

Teletrac Navman

360



3rd annual CEO Kaizen event

- Prioritized 8 Kaizen teams on accelerating our Connected Mobility strategy
- Focused on Optimize & Expand the core (strategic pillars)
- Immediate implementation & actioning cost savings and growth initiatives

iNFX Microservices Platform Win

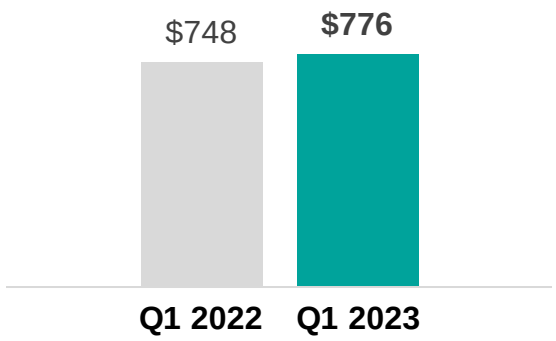
- Global C-store customer with >10k sites
- Multi-year contract (initial hardware plus annual recurring revenue)
- 18-24 month roll out to all U.S. sites
- Condensing customer's forecourt systems into configurable, microservices SW, with standards-based APIs & reduced latency

TN360 Product Innovation to Support Growth

- First to market with comprehensive solution to assist fleet operators with the transition to EV
- "IQ Camera" safety solution: entry level camera with built-in-AI features for North American transportation vertical, for added driver safety
- Expanding North American ELD (electronic logging device) offering to Canada

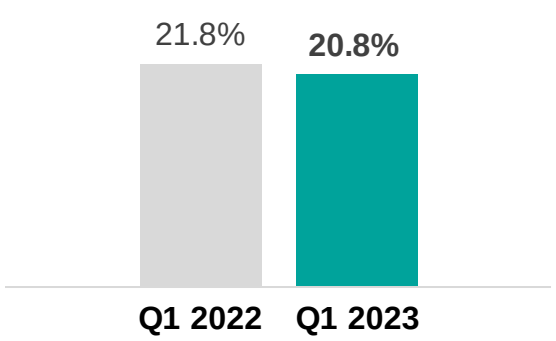
Q1 2023 | Summary Financial Results

Sales
($M)



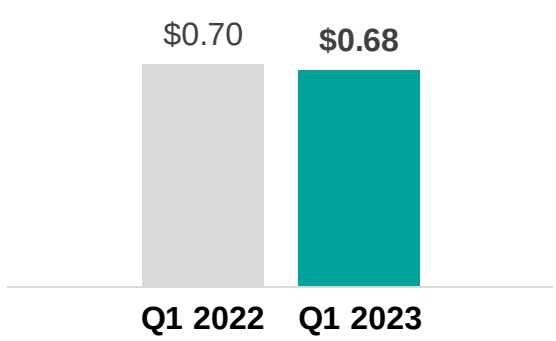
- Total growth: +3.8%
- **Core growth: +3.9%**
  - *Baseline +10.6%*
- Acquisitions: +1.6%
- FX: (1.7%)

Adj. Operating Profit Margin
(%)



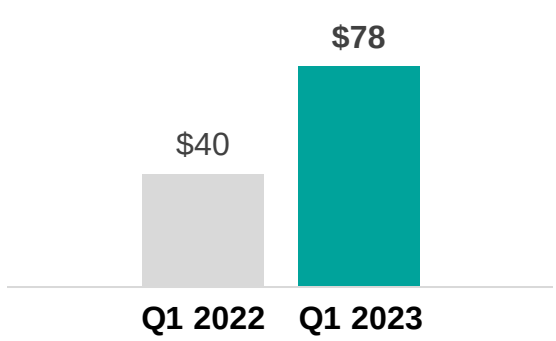
- Adj. Gross Margin +80bps
- Adj. OP Margin (100)bps
  - *Baseline +80bps*
- Positive price/cost
- Restructuring savings
- Mix headwind from sunset of EMV

Adj. Diluted Net EPS
($)



- GAAP Diluted EPS of $0.53
- Share Repurchase +$0.04
- Interest Expense & FX ($0.05)

Adj. Free Cash Flow
($M)



- Adjusted FCF conversion ~73%, ahead of normal seasonality and prior year
- Strong working capital management

Note: Core Sales Growth, Baseline Core Sales Growth, Adjusted Operating Profit Margin, Adjusted Gross Margin, Adjusted Diluted Net Earnings Per Share, Adjusted Free Cash Flow and Adjusted Free Cash Flow Conversion are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

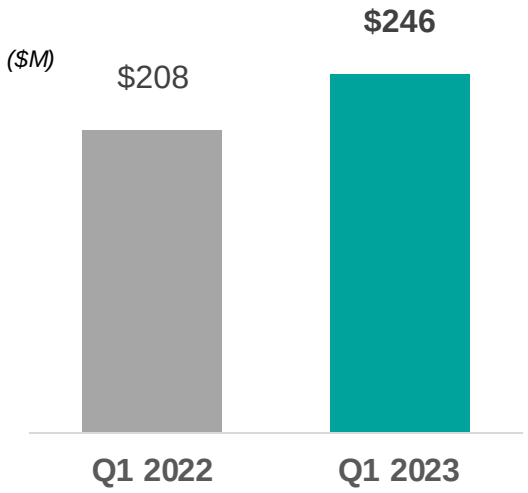
Segment Results | Mobility Technologies



Sales

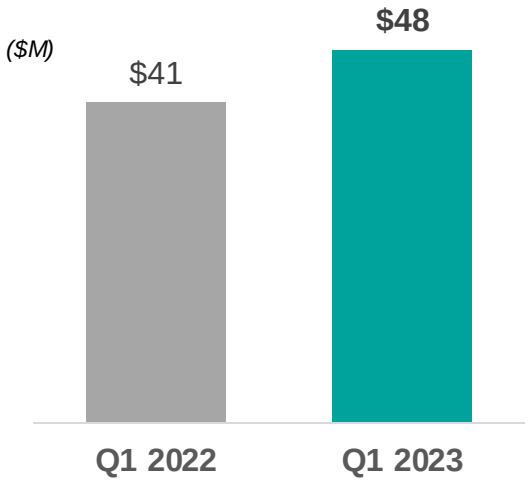
+18.4%

Core +12.0%
Acq +9.0%
FX (2.6%)



Segment Operating Profit

19.5%



Retail Solutions | Teletrac Navman | DRB | driivz | ANGI

Q1 Highlights

- Baseline core sales +17%
- Strong double-digit core growth
  - ✓ DRB up >20% driven by continued strength in tunnel systems
  - ✓ Alternative Energy solutions up >30%
- Teletrac turnaround continues (core sales +LSD)
- Segment Operating Profit +17% YoY
- Segment Operating Profit Margin down 30bps vs. prior year due to Invenco acquisition (~170bps) and continued growth investments (~90bps)

Note: Core Sales Growth, Segment Operating Profit, Segment Operating Profit Margin and Baseline Core Sales Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

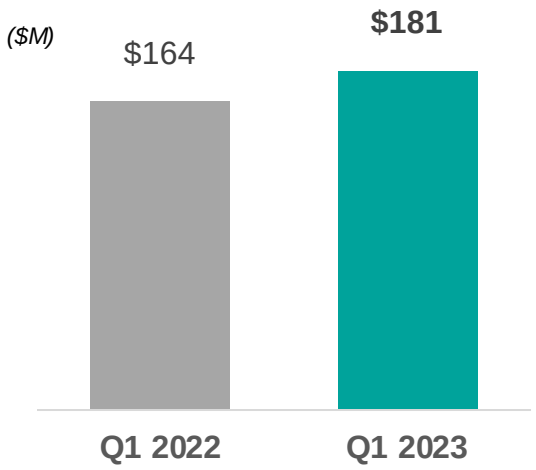
Segment Results | Repair Solutions



Sales

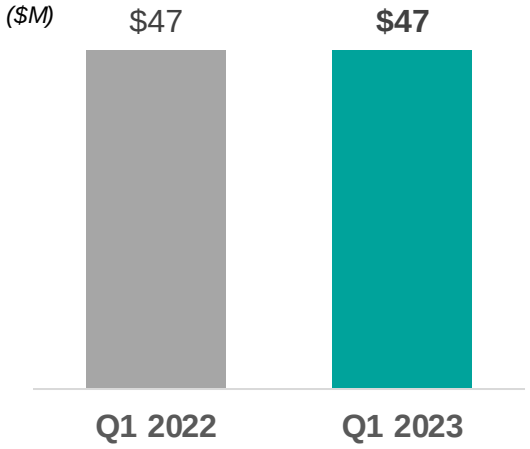
+10.3%

Core +10.5%
FX (0.2%)



Segment Operating Profit

26.1%



MATCO TOOLS

Q1 Highlights

- Double-digit core growth
  - ✓ Record order & sales activity at our 2023 Expo event
  - ✓ Continued improvements in supply chain conditions enabled higher backlog conversion
  - ✓ Robust Same Store Sales growth and positive net franchisee adds
- Segment Operating Profit flat YoY
- Segment Operating Profit Margin down 250bps driven by timing of reserve adjustments on financing receivables portfolio (Q1'22 +$2.5M vs. Q1'23 -$1.8M)

Note: Core Sales Growth, Segment Operating Profit and Segment Operating Profit Margin are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

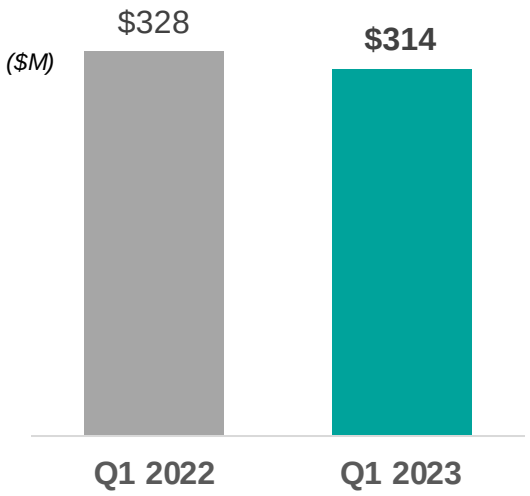
Segment Results | Environmental & Fueling Solutions



Sales

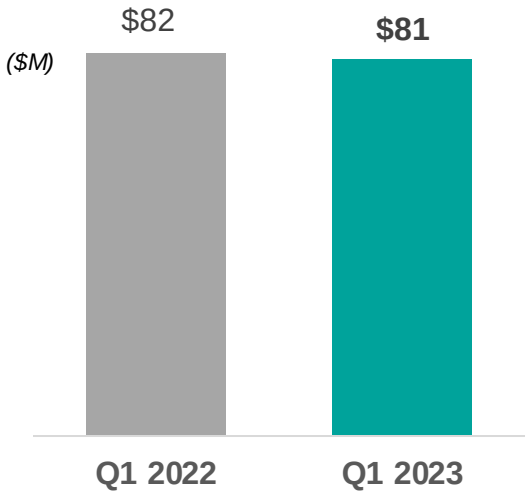
-4.4%

Core (2.2%)
FX (2.2%)



Segment Operating Profit

25.7%



GILBARCO VEEDER-ROOT

Q1 Highlights

- Baseline core growth +10%
- US Dispenser volumes above expectations; broad-based demand for new site builds & site refresh
- Environmental solutions and Aftermarket sales, both +LDD
- Improved supply chain conditions enabling higher backlog conversion
- Segment Operating Profit -2% YoY
- Segment Operating Profit Margin +70bps benefitting from strong execution of price/cost, restructuring savings and supply chain management initiatives; offsetting headwinds from EMV

Note: Core Sales Growth, Segment Operating Profit, Segment Operating Profit Margin and Baseline Core Sales Growth are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

VONTIER

Solid execution offsetting headwind from EMV sunset; Leveraging our leading position in key growth areas of retail fueling

Balance Sheet & Cash Flow

Free Cash Flow *($M)*

	Q1 2022	Q1 2023
Cash from Operating Activities	$41	$81
Capital Expenditures	(13)	(14)
Free Cash Flow	**$28**	**$67**
Adj. Free Cash Flow	**$40**	**$78**
Adj. FCF Conversion %	~34%	~73%

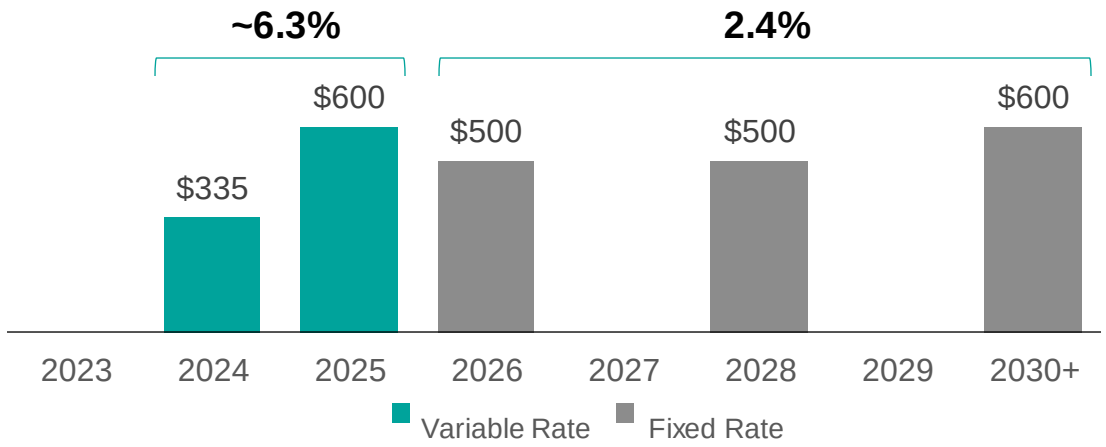
- Repaid $65M of debt in Q1, reducing 2024 maturity
- Anticipate ~$200-250M in debt pay down in 2023 (up $50M from previous guide)
- $750M undrawn revolver
- Target Net Debt/EBITDA **~2.5-3.0X**
- Q1 share repurchases ~$18M
- 2023 FCF conversion ~90-100%

Debt & Liquidity *($M)*

	Q1 2022	Q4 2022	Q1 2023
Gross Debt	**$2,604**	**$2,605**	**$2,543**
(Less): Cash & Cash Equivalents	(145)	(205)	(208)
Net Debt	**$2,459**	**$2,400**	**$2,335**
Net Debt / Adjusted EBITDA	**3.3X**	**3.2X**	**3.1X**

Maturity Profile *($M)*

Weighted Average Interest Rate of ~4.0%



Note: Free Cash Flow, Adjusted Free Cash Flow, Adjusted Free Cash Flow Conversion and Adjusted EBITDA are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

GTT Divestiture

	GTT Assumptions *(Q2-Q4)*
Total Sales Change	**~($35M)**
Core Sales Change	**No Impact**
Adj. Operating Profit	**~$(10M)**
Adj. Diluted Net EPS	**($0.05)**
Adj. Free Cash Flow Conversion	**No Impact**

Other Notes

- GTT divested April 14, 2023
- Sold for $107 million, representing a transaction value of ~10X 2022 EBITDA
- Net proceeds to be used for debt repurchases or stock buybacks
  - ✓ $50M debt repayment (+$0.01)
  - ✓ $50M share repurchase (+$0.02)
- EPS neutral on forward 12-month basis

Note: Core Sales, Adjusted Operating Profit, Adjusted Diluted Earnings Per Share and Adjusted Free Cash Flow Conversion are non-GAAP financial measures. For a reconciliation to the most comparable GAAP metrics, see appendix.

Q2 & 2023 Guidance

	Q2'23 YoY Change	Old Guidance 2/16/23 2023 YoY Change	New Guidance 2023 YoY Change
Total Sales Change	**(MSD)**	**(L/MSD)**	**(L/MSD)**
Core Sales Change*	**(L/MSD)**	**(MSD)[1]**	**(L/MSD)[1]**
Baseline Core Sales	MSD	MSD	MSD+
Adj. OP Margin*	**(65 – 105bps)**	**(60 – 80bps)**	**(60 – 80bps)**
Baseline Adjusted OP Margin	+170 – 220bps	+180 – 200bps	+180 – 200bps
Adj. Diluted Net EPS	**$0.61 – $0.66**	**$2.73 – $2.83**	**$2.77 – $2.87**
Excluding GTT (Q2-Q4)		$2.68 - $2.78	
Adj. Free Cash Flow Conversion		**~90 – 100%**	**~90 – 100%**

1) Includes ~$300M (~10ppts) headwind related to EMV
2) Includes ~$60M acquisition contribution from Invenco, offset by ~$35M impact from GTT divestiture and ~$20M impact from the closure of Hennessy Wheel Weights business
3) Includes share repurchase through January 2023 and excludes additional repurchase to be completed this year

Note: Core Sales, Baseline Core Sales, Adjusted Operating Profit Margin, Baseline Adjusted Operating Profit Margin, Adjusted Diluted Net Earnings Per Share and Adjusted Free Cash Flow Conversion are non-GAAP financial metrics. For a reconciliation to the most comparable GAAP metrics, see appendix.

Other Planning Assumptions

Full Year 2023

Sales
- FX: $(0-10M)
- Net M&A: $10-20M[2]

Interest Expense: ~$100M

Tax Rate: ~22.5%

Share count[3] ~155M

~$200 to 250M debt paydown

Includes full year contribution from Hennessy (~$0.05)

*Includes ~$300M (~10ppts) sales and ~$150M OP headwind related to EMV sunset



Supplemental

Segment Reporting | Historic Financial Detail (Revised)

Quarterly and annual sales by segment for the year ended December 31, 2022 was as follows:

$ in millions	Q1	Q2	Q3	Q4	2022
Mobility Technologies	$ 207.6	$ 210.6	$ 228.5	$ 261.1	$ 907.8
Repair Solutions	164.4	149.7	152.7	144.7	611.5
Environmental & Fueling Solutions	328.2	375.3	368.5	421.6	1,493.6
Other	47.9	40.8	38.3	44.5	171.5
Total Sales	**$ 748.1**	**$ 776.4**	**$ 788.0**	**$ 871.9**	**$ 3,184.4**

Quarterly and annual operating profit, operating profit margin, segment operating profit, segment operating profit margin, adjusted operating profit and adjusted operating profit margin for the year ended December 31, 2022 were as follows:

$ in millions	Q1	Margin	Q2	Margin	Q3	Margin	Q4	Margin	2022	Margin
Operating Profit (GAAP)	$ 134.8	18.0 %	$ 136.5	17.6 %	$ 150.2	19.1 %	$ 156.4	17.9 %	$ 577.9	18.1 %
Mobility Technologies	41.1	19.8 %	42.6	20.2 %	54.8	24.0 %	49.0	18.8 %	187.5	20.7 %
Repair Solutions	47.0	28.6 %	41.6	27.8 %	48.6	31.8 %	32.5	22.5 %	169.7	27.8 %
Environmental & Fueling Solutions	82.0	25.0 %	98.5	26.2 %	104.3	28.3 %	121.7	28.9 %	406.5	27.2 %
Other	5.1	10.6 %	3.2	7.8 %	1.5	3.9 %	9.4	21.1 %	19.2	11.2 %
Segment Operating Profit (Non-GAAP)	**175.2**	**23.4 %**	**185.9**	**23.9 %**	**209.2**	**26.5 %**	**212.6**	**24.4 %**	**782.9**	**24.6 %**
Corporate & Other Unallocated Costs	(11.8)	(1.6)%	(18.9)	(2.4)%	(13.4)	(1.7)%	(22.6)	(2.6)%	(66.7)	(2.1)%
Adjusted Operating Profit (Non-GAAP)	**$ 163.4**	**21.8 %**	**$ 167.0**	**21.5 %**	**$ 195.8**	**24.8 %**	**$ 190.0**	**21.8 %**	**$ 716.2**	**22.5 %**

Note: Results for the Mobility Technologies and Environmental & Fueling Solutions segments for the year ended December 31, 2022 have been revised from the results previously reported on March 20, 2023.

Vontier | A Compelling Investment Opportunity

Leading global provider of critical mobility & alternative energy technologies at the center of an attractive, rapidly evolving ~$30B Mobility Ecosystem

Poised to benefit from attractive secular tailwinds

Focused on maximizing shareholder value through top-tier financial performance and a disciplined capital allocation framework

Energized team with a culture centered on innovation and operational excellence, and a demonstrated track record of performance enabled by VBS



Vontier has Unique Positions and Strengths to Win

- ***#2*** in U.S. ***convenience retail*** POS
- ***#1*** integrated technology provider to ***car wash industry*** in U.S. with 17k sites
- Top 10 global ***fleets IoT*** player (***#1*** ANZ, ***#3*** UK)
- Leader in ***EV Charging*** smart software; ~1M+ drivers across 28 countries
- **#1** NA player in ***CNG / RNG***; emerging leader in ***H_2 fueling systems***
- ***#2 auto repair solutions*** distribution franchise with industry leading product vitality
- ***#1*** global supplier of HW / SW solutions for ***fueling infrastructure***

Re-segmentation Aligns with Strategy and Shareholder Focus

From: One Segment

GILBARCO VEEDER-ROOT · ANGI · Teletrac Navman · DRB · MATCO TOOLS · HENNESSY INDUSTRIES · GTT GLOBAL TRAFFIC TECHNOLOGIES · driivz

To: Three Segments*

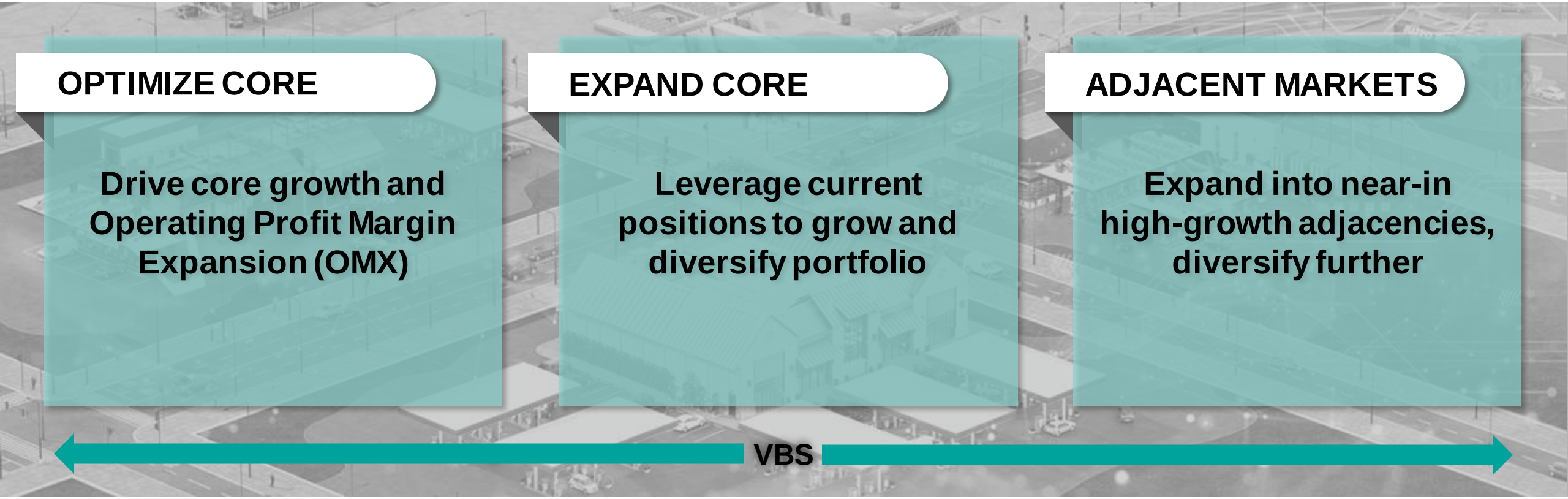
	Mobility Technologies	Repair Solutions	Environmental & Fueling
VNT OpCos	Retail Solutions · Teletrac Navman · DRB · driivz · ANGI	MATCO TOOLS	GILBARCO VEEDER-ROOT
What we Do	Point-of-Sale (POS) and payment, IoT-based fleet monitoring, EV charger network mgmt SW, and low-carbon fueling systems	Premium equipment and financial services to franchisees and technicians	Best-in-class environmental, fueling, aftermarket solutions

*Excludes 'Other' segment which houses businesses held for sale / shutdown

Connected Mobility Strategy

Operational Excellence

Accelerate Growth



OPTIMIZE CORE

Drive core growth and Operating Profit Margin Expansion (OMX)

EXPAND CORE

Leverage current positions to grow and diversify portfolio

ADJACENT MARKETS

Expand into near-in high-growth adjacencies, diversify further

VBS

VISION: OUR NORTH STAR

Accelerating smart, sustainable solutions for the road ahead.



Smart

We harness the power of connected digital workflows and analytics to solve high-value customer problems.



Sustainable

Our innovations pave the way to a safer and cleaner planet.

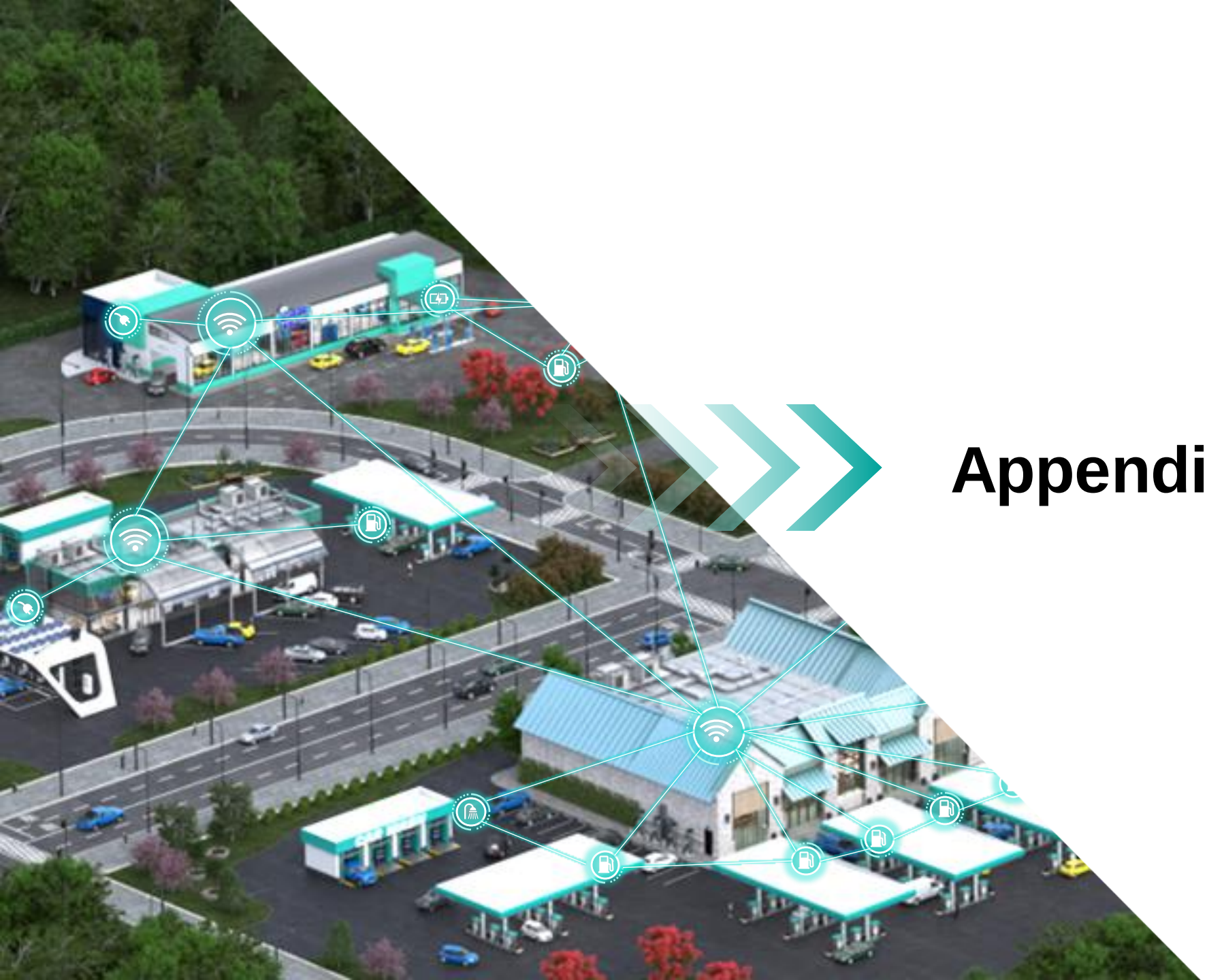


Solutions

We connect customers – and communities – with innovative mobility technology and services they need to thrive in a world of rapid change.

PURPOSE

We are mobilizing the future to create a better world.



Appendix

COMPONENTS OF SALES GROWTH

	% Change Three Months Ended March 31, 2023 vs. Comparable 2022 Period			
Components of Sales Growth	**Mobility Technologies**	**Repair Solutions**	**Environmental & Fueling Solutions**	**Total**
Total Sales Growth (GAAP)	**18.4 %**	**10.3 %**	**(4.4)%**	**3.8 %**
Core sales growth (Non-GAAP)	12.0 %	10.5 %	(2.2)%	3.9 %
Acquisitions and divestitures (Non-GAAP)	9.0 %	— %	— %	1.6 %
Currency exchange rates (Non-GAAP)	(2.6)%	(0.2)%	(2.2)%	(1.7)%
Core sales growth (Non-GAAP)	12.0 %	10.5 %	(2.2)%	3.9 %
Impact of EMV sunset[a]	4.5 %	— %	12.4 %	6.7 %
Baseline core sales growth (Non-GAAP)	16.5 %	10.5 %	10.2 %	10.6 %

[a] Reflects the impact of the end of the upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.

RECONCILIATION OF GROSS PROFIT TO ADJUSTED GROSS PROFIT AND ADJUSTED GROSS PROFIT MARGIN

$ in millions	Three Months Ended	
	March 31, 2023	April 1, 2022
Sales (GAAP)	**$ 776.4**	**$ 748.1**
Gross Profit (GAAP)	**$ 353.0**	**$ 335.3**
Amortization of acquisition-related inventory fair value step-up	0.8	—
Restructuring costs	1.2	0.3
Adjusted Gross Profit (Non-GAAP)	**$ 355.0**	**$ 335.6**
Gross Profit Margin (GAAP)	**45.5 %**	**44.8 %**
Adjusted Gross Profit Margin (Non-GAAP)	**45.7 %**	**44.9 %**

RECONCILIATION OF OPERATING PROFIT TO ADJUSTED OPERATING PROFIT AND SEGMENT OPERATING PROFIT

$ in millions	Three Months Ended March 31, 2023	Three Months Ended April 1, 2022
Sales (GAAP)	**$ 776.4**	**$ 748.1**
Operating Profit (GAAP)	**$ 133.8**	**$ 134.8**
Amortization of acquisition-related intangible assets	20.7	18.5
Restructuring costs	4.5	0.6
Transaction- and deal-related costs	3.1	7.1
Amortization of acquisition-related inventory fair value step-up	0.8	—
Gain on sale of property	(2.8)	—
Divestiture related adjustments	—	(0.2)
Other charges	—	1.3
One-time costs related to separation	1.1	1.6
Normalization and other adjustments [a]	—	(0.3)
Adjusted Operating Profit (Non-GAAP)	**$ 161.2**	**$ 163.4**
Corporate & Other Unallocated Costs	18.5	11.8
Segment Operating Profit (Non-GAAP)	**$ 179.7**	**$ 175.2**
Operating Profit Margin (GAAP)	**17.2 %**	**18.0 %**
Adjusted Operating Profit Margin (Non-GAAP)	**20.8 %**	**21.8 %**
Impact of EMV sunset[b]	—	(1.8) %
Baseline Operating Profit Margin (Non-GAAP)	**20.8 %**	**20.0 %**
Segment Operating Profit Margin (Non-GAAP)	**23.1 %**	**23.4 %**

[a] Adjustment for standalone public company costs

[b] Reflects the impact of the end of the upgrade cycle for enhanced credit card security requirements for outdoor payments systems based on the EMV global standards.

RECONCILIATION OF NET EARNINGS TO ADJUSTED NET EARNINGS

$ in millions	Three Months Ended March 31, 2023	Three Months Ended April 1, 2022
Net Earnings (GAAP)	**$ 82.8**	**$ 250.2**
Amortization of acquisition-related intangible assets	20.7	18.5
Restructuring costs	4.5	0.6
Transaction- and deal-related costs	3.1	7.1
Amortization of acquisition-related inventory fair value step-up	0.8	—
Gain on sale of property	(2.8)	—
Gain on previously held equity interests from combination of business	—	(32.7)
Unrealized gain on equity securities measured at fair value	—	(163.0)
Loss on equity investments	0.7	—
Other charges	—	1.3
One-time costs related to separation	1.1	1.6
Divestiture-related adjustments	—	(0.2)
Normalization and other adjustments [a]	—	(0.3)
Tax effect of the Non-GAAP adjustments [b]	(6.5)	32.2
Other tax adjustment	1.7	0.5
Adjusted Net Earnings (Non-GAAP)	**$ 106.1**	**$ 115.8**
Diluted weighted average shares outstanding	156.1	166.5
Diluted Net Earnings per Share (GAAP)	**$ 0.53**	**$ 1.50**
Adjusted Diluted Net Earnings per Share (Non-GAAP)	**$ 0.68**	**$ 0.70**

[a] Adjustment for standalone public company costs

[b] Tax effect calculated using an estimated adjusted effective tax rate for each respective period. The gain on previously held equity interests from combination of business is non-taxable income and therefore the tax effect of the adjustments only includes the other adjustments noted.

RECONCILIATION OF OPERATING CASH FLOWS TO FREE CASH FLOW AND FREE CASH FLOW CONVERSION RATIO

	Three Months Ended		
$ in millions	March 31, 2023	April 1, 2022	% Change
Operating Cash Flows (GAAP)	**$ 81.0**	**$ 41.3**	**96.1%**
Less: Purchases of property, plant & equipment (capital expenditures)	(13.7)	(12.9)	
Free Cash Flow (Non-GAAP)	**$ 67.3**	**$ 28.4**	**137.0%**
Net Earnings (GAAP)	**$ 82.8**	**$ 250.2**	
Free Cash Flow Conversion Ratio (Non-GAAP)	**81.3%**	**11.4%**	

RECONCILIATION OF OPERATING CASH FLOWS TO ADJUSTED FREE CASH FLOW AND ADJUSTED FREE CASH FLOW CONVERSION RATIO

	Three Months Ended		
$ in millions	March 31, 2023	April 1, 2022	% Change
Operating Cash Flows (GAAP)	**$ 81.0**	**$ 41.3**	**96.1 %**
Less: Purchases of property, plant & equipment (capital expenditures)	(13.7)	(12.9)	
Free Cash Flow (Non-GAAP)	**$ 67.3**	**$ 28.4**	**137.0 %**
Proceeds from sale of property	4.2	0.2	
One-time costs related to separation	—	0.1	
Restructuring costs	4.1	4.4	
Other charges	—	0.9	
Transaction- and deal-costs	2.3	6.1	
Divestiture-related adjustments	—	(0.2)	
Adjusted Free Cash Flow (Non-GAAP)	**$ 77.9**	**$ 39.9**	**95.2 %**
Adjusted Net Earnings (Non-GAAP)	**$ 106.1**	**$ 115.8**	
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)	**73.4 %**	**34.5 %**	

NET LEVERAGE RATIO AND RECONCILIATION FROM NET EARNINGS TO EBITDA TO ADJUSTED EBITDA

Total Debt	$	2,543.5
Less: Cash		(208.2)
Net Debt	**$**	**2,335.3**
Adjusted EBITDA (Non-GAAP)	$	752.5
Net Leverage Ratio		**3.1**

	Three Months Ended	LTM
$ in millions	**March 31, 2023**	**March 31, 2023**
Net Earnings (GAAP)	**$ 82.8**	**$ 233.9**
Interest expense, net	24.0	80.7
Income tax expense	26.1	84.9
Depreciation and amortization expense	31.1	120.9
EBITDA (Non-GAAP)	**$ 164.0**	**$ 520.4**
Restructuring costs	4.5	15.4
Asset impairment	—	3.6
Transaction- and deal-related costs	3.1	29.3
Amortization of acquisition-related inventory fair value step-up	0.8	1.9
Gain on sale of property	(2.8)	(2.0)
Unrealized loss on equity securities measured at fair value	—	171.7
Loss on equity investments	0.7	3.6
Other charges	—	0.9
One-time costs related to separation	1.1	4.8
Divestiture related adjustments	—	2.9
Adjusted EBITDA (Non-GAAP)	**$ 171.4**	**$ 752.5**