MODINE®

Engineering a Cleaner, Healthier World

First Quarter Fiscal 2025

July 31, 2024

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Forward-Looking Statements

This presentation contains statements, including information about future financial performance and market conditions, accompanied by phrases such as "believes," "estimates," "expects," "plans," "anticipates," "intends," "projects," and other similar "forward-looking" statements, as defined in the Private Securities Litigation Reform Act of 1995. Modine's actual results, performance or achievements may differ materially from those expressed or implied in these statements because of certain risks and uncertainties, including, but not limited to those described under "Risk Factors" in Item 1A of Part I of the Company's Annual Report on Form 10-K for the year ended March 31, 2024 and under Forward-Looking Statements in Item 7 of Part II of that same report. Other risks and uncertainties include, but are not limited to, the following: the impact of potential adverse developments or disruptions in the global economy and financial markets, including impacts related to inflation, energy costs, supply chain challenges or supplier constraints, logistical disruptions, tariffs, sanctions and other trade issues or cross-border trade restrictions; the impact of other economic, social and political conditions, changes and challenges in the markets where we operate and compete, including foreign currency exchange rate fluctuations, increases in interest rates or tightening of the credit markets, recession or recovery therefrom, restrictions associated with importing and exporting and foreign ownership, public health crises, and the general uncertainties, including the impact on demand for our products and the markets we serve from regulatory and/or policy changes that have been or may be implemented in the U.S. or abroad, including those related to tax and trade, climate change, public health threats, and military conflicts, including the current conflicts in Ukraine and in the Middle East and heightened tensions in the Red Sea; the overall health and pricing focus of our customers; our ability to successfully realize anticipated benefits, including improved profit margins and cash flow, from our strategic initiatives and our application of 80/20 principles across our businesses; our ability to be at the forefront of technological advances and the impacts of any changes in the adoption rate of technologies that we expect to drive sales growth; our ability to accelerate growth organically and through acquisitions and successfully integrate acquired businesses; our ability to effectively and efficiently manage our operations in response to sales volume changes, including maintaining adequate production capacity to meet demand in our growing businesses while also completing restructuring activities and realizing benefits thereof; our ability to fund our global liquidity requirements efficiently and comply with the financial covenants in our credit agreements; operational inefficiencies as a result of product or program launches, unexpected volume increases or decreases, product transfers and warranty claims; the impact on Modine of any significant increases in commodity prices, particularly aluminum, copper, steel and stainless steel (nickel) and other purchased components and related costs, and our ability to adjust product pricing in response to any such increases; our ability to recruit and maintain talent in managerial, leadership, operational and administrative functions and to mitigate increased labor costs; our ability to protect our proprietary information and intellectual property from theft or attack; the impact of any substantial disruption or material breach of our information technology ("IT") systems; the impact of a material weakness identified in our internal controls related to IT system access in Europe on our financial reporting process; costs and other effects of environmental investigation, remediation or litigation and the increasing emphasis on environmental, social and corporate governance matters; our ability to realize the benefits of deferred tax assets; and other risks and uncertainties identified in our public filings with the U.S. Securities and Exchange Commission. Forward-looking statements are as of the date of this presentation, and we do not assume any obligation to update any forward-looking statements.

Opening Comments

- Strong start to our fiscal year, acquisitions are performing well in the Climate Solutions segment
- Performance Technologies delivered a 550 basis point gross margin increase
- Both segments are executing on their strategic objectives, demonstrating that we can exceed our financial targets and deliver rapid earnings growth
- The successful deployment of 80/20 principles across our diversified portfolio is creating a favorable shift in our business mix

Climate Solutions

- Outstanding quarter, strong contributions from Scott Springfield (SSM) and Napps acquisitions
- Data Center sales increased 138%
- New data center capacity will come online later this year
- Increasing need for hybrid data center solutions that include both air and liquid cooling products to optimize cooling efficiency and minimize energy consumption
- Launching new Cooling Distribution Unit ("CDU"); will integrate with other Modine data center products
- Multiple customers are currently testing the CDU, anticipating first shipments in Q4 FY25

Performance Technologies

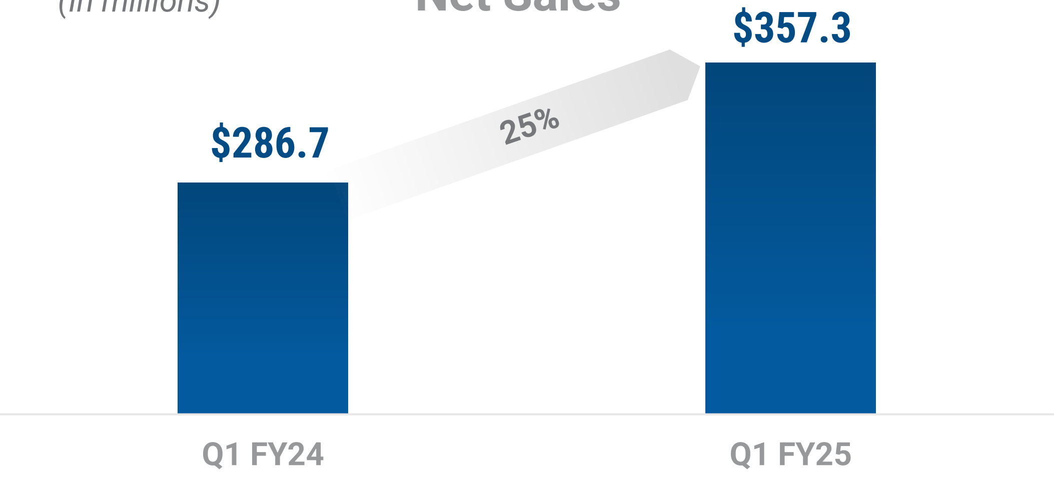
- Outstanding quarter with 25% increase in adjusted EBITDA and 14% adjusted EBITDA margin
- Reduced sales outlook due to lower expected volumes in the agriculture, construction equipment and automotive markets
- Benefiting from strong global Genset demand, partially offsetting other declines
- This strategic shift and evolving product mix is driving significant margin improvement
- Announced launch of Evantage™ Advanced Cabin Climate System to provide cabin heating and cooling for commercial, off-highway and specialty electric vehicles
- Continuing to reduce costs related to legacy businesses and evaluating opportunities to accelerate exits where possible

* See appendix for the full GAAP income statement and Non-GAAP reconciliations

Climate Solutions

(In millions)

Net Sales

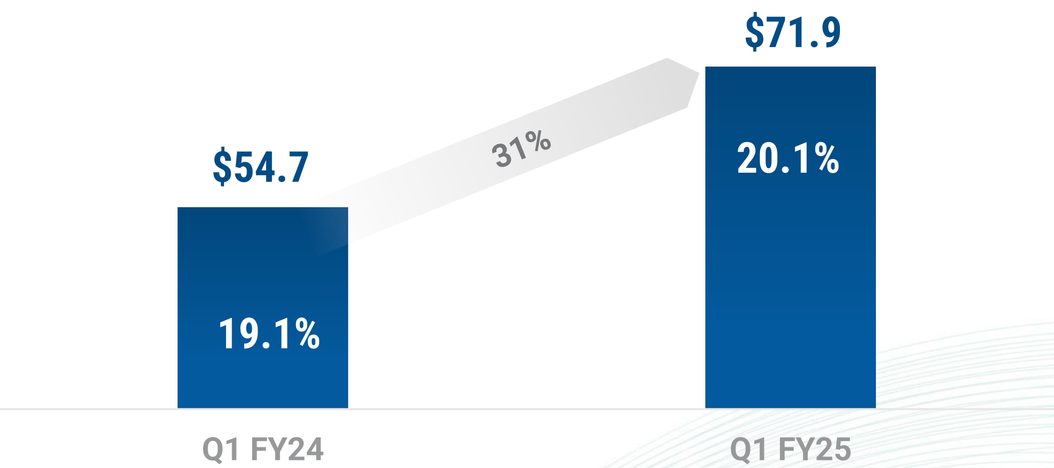


↑ 138% Data Centers
- Growth driven by hyperscale market demand and revenue from the SSM acquisition

↑ 7% HVAC&R
- Strong increase in heating market demand

↓ -21% Heat Transfer Products
- Driven mostly by lower demand in European heat pump market, along with reductions in other markets

Adjusted EBITDA & EBITDA Margin*

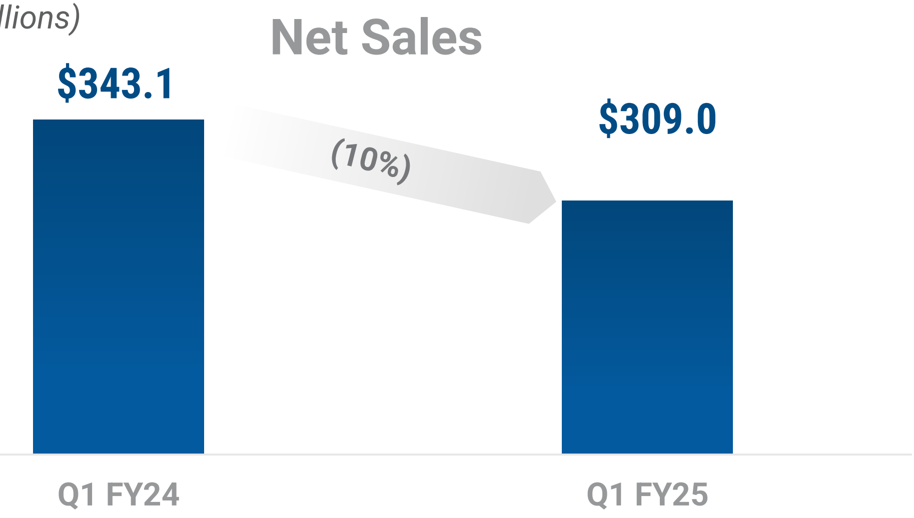


- Strong earnings conversion on higher sales and an improved sales mix, resulting in a 100 bps margin improvement
- 80/20 disciplines remain at the heart of margin improvement, including a positive mix impact driven by data center sales
- Expect revenue and earnings growth to continue; product portfolio expansion through acquisitions is providing an immediate positive impact

* See appendix for the full GAAP income statement and Non-GAAP reconciliations

Performance Technologies

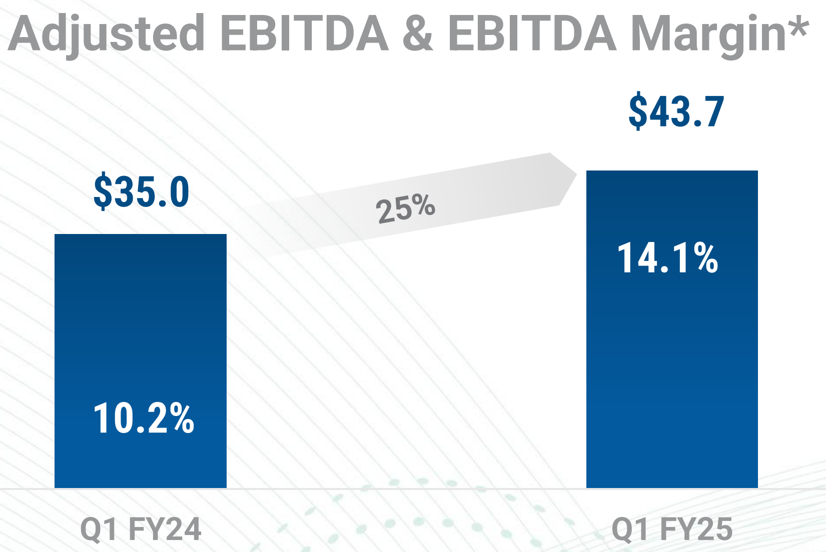
(In millions)



12% Advanced Solutions
- Higher demand driven by sales of EV systems to CV and specialty vehicles, partially offset by EV Auto

-23% Liquid-Cooled Applications
- Driven by German divestitures and lower end market demand across auto, CV and off-highway (OH)

-2% Air-Cooled Applications
- Lower sales driven by divestitures and OH markets, partially offset by higher CV and Gensets



- Organic sales decreased 1%
- Excellent earnings growth, with a 25% increase in Adjusted EBITDA and 390 bps of margin improvement
- Continuing to benefit from the rollout and maturity of 80/20 across the segment, driving significant margin improvement and earnings growth
- Anticipating ongoing softness in the off-highway markets through Q3, while genset sales continue to increase

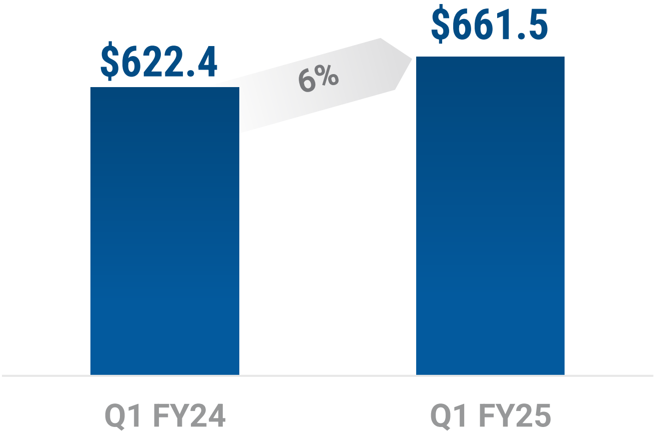
* See appendix for the full GAAP income statement and Non-GAAP reconciliations

Financial Review

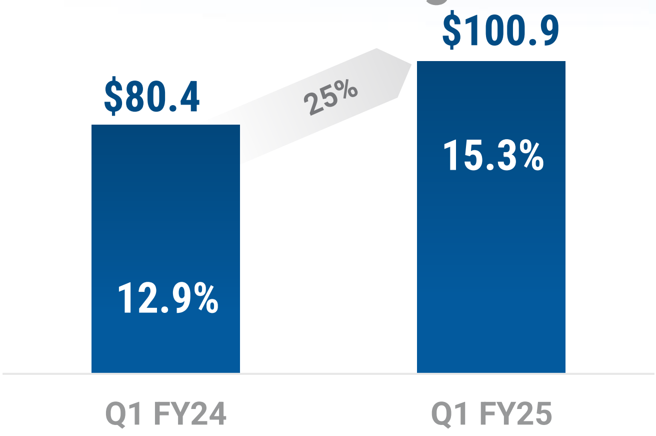
(In millions)	Q1 FY25	Q1 FY24
Net Sales	**$661.5**	**$622.4**
Gross Profit	162.6	127.9
% of net sales	*24.6%*	*20.6%*
SG&A expenses	82.8	61.4
% of net sales	*12.5%*	*9.9%*
Operating Income	**74.4**	**66.5**
% of net sales	*11.2%*	*10.7%*
Adjusted EBITDA*	**100.9**	**80.4**
% of net sales	*15.3%*	*12.9%*
Adjusted EPS*	**$1.04**	**$0.85**

(In millions)

Net Sales



Adjusted EBITDA & EBITDA Margin*



- Higher sales driven by both organic growth and acquisitions, partially offset by $24M of divestitures and planned 80/20 initiatives; organic sales increased 4%
- Strong conversion of 400 bps gross margin improvement driven by 80/20 initiatives, favorable sales mix and material cost reductions
- Increased SG&A from higher compensation expense and acquisitions, including higher amortization expense
- Excellent Adjusted EBITDA growth of 25%, along with a 240 bps margin improvement

* See appendix for the full GAAP income statement and Non-GAAP reconciliations

Cash Flow and Metrics

Cash Flow and Metrics	Q1 FY25
Free Cash Flow	$14 million
Net Debt (as of June 30)	$363 million
Leverage Ratio (as of June 30)	1.1x
Capital Expenditures	$27 million

Modine Maintains Strong Balance Sheet & Liquidity

- Positive free cash flow of $14M; a good start to the year
- Net debt decreased $9M in the quarter
- Leverage ratio decreased from 1.2x to 1.1x
- Balance sheet remains strong to support both organic growth and acquisition initiatives

* See appendix for the full GAAP income statement and Non-GAAP reconciliations

Fiscal 2025 Outlook

Metrics	Guidance	Comments
Net Sales	+6% to +11%	$2.55B to $2.67B
Adjusted EBITDA*	$375M to $395M	+19% to +26%
Adjusted EPS*	$3.65 to $3.95	+12% to +22%

Raising Financial Outlook After a Strong First Quarter

- Increasing full-year sales outlook, mostly driven by stronger than expected Data Center sales
- Revenue outlook for Climate Solutions improving for Data Centers; offsetting slightly lower expectations for HVAC&R and Heat Transfer Products
- Adjusting Performance Technologies revenue based on a lower off-highway market outlook and ongoing automotive EV weakness
- Raising the Adjusted EBITDA outlook; expecting another year of rapid earnings growth and record results
- Anticipating strong free cash flow, in-line with fiscal 2024

FY25 Modine Global Sales Outlook	
Climate Solutions	
Data Centers	+80% – 90%
HVAC & Refrigeration	+15% – 20%
Heat Transfer Products	(5%) – Flat
Performance Technologies	
Advanced Solutions	+15% – 25%
Liquid-Cooled Applications	(15%) – (10%)
Air-Cooled Applications	(10%) – Flat

* See appendix for the full GAAP income statement and Non-GAAP reconciliations

APPENDIX

GAAP Income Statement

Modine Manufacturing Company
Consolidated statements of operations (unaudited)
(In millions)

	Three months ended June 30,	
	2024	2023
Net sales	**$ 661.5**	$ 622.4
Cost of sales	**498.9**	494.5
Gross profit	**162.6**	127.9
Selling, general & administrative expenses	**82.8**	61.4
Restructuring expenses	**5.4**	-
Operating income	**74.4**	66.5
Interest expense	**(7.5)**	(5.9)
Other expense – net	**(0.3)**	(0.6)
Earnings before income taxes	**66.6**	60.0
Provision for income taxes	**(18.8)**	(14.7)
Net earnings	**47.8**	45.3
Net earnings attributable to noncontrolling interest	**(0.5)**	(0.5)
Net earnings attributable to Modine	**$ 47.3**	$ 44.8

Non-GAAP Reconciliations*

Modine Manufacturing Company
Adjusted financial results (unaudited)
(In millions, except per share amounts)

	Three months ended June 30,	
	2024	2023
Net earnings	**$ 47.8**	$ 45.3
Interest expense	**7.5**	5.9
Provision for income taxes	**18.8**	14.7
Depreciation and amortization expense	**19.1**	13.7
Other expense – net	**0.3**	0.6
Restructuring expenses [a]	**5.4**	-
Acquisition and integration costs [b]	**1.9**	-
Environmental charges [c]	**0.1**	0.2
Adjusted EBITDA	**$ 100.9**	$ 80.4
Net earnings per share attributable to Modine shareholders - diluted	**$ 0.88**	$ 0.85
Restructuring expenses [a]	**0.09**	-
Acquisition and integration costs [b]	**0.07**	-
Adjusted earnings per share	**$ 1.04**	$ 0.85

* See the footnotes on slide 15 for additional information regarding these adjustments.

Non-GAAP Reconciliations

[a] Restructuring expenses primarily consist of employee severance expenses related to targeted headcount reductions in the Performance Technologies segment, including those associated with the closure of a technical service center in Europe, and equipment transfer costs. The tax benefit related to restructuring expenses during the first quarter of fiscal 2025 was $0.4 million.

[b] On March 1, 2024, the Company acquired Scott Springfield Manufacturing, a leading provider of air handling units for the data center, telecommunications, healthcare, and aerospace markets. The adjustment in the first quarter of fiscal 2025 includes $1.6 million recorded at Corporate for the impact of an inventory purchase accounting adjustment. The Company wrote up acquired inventory to its estimated fair value and charged the write-up to cost of sales as the underlying inventory was sold. The fiscal 2025 costs also include fees for accounting and legal professional services and incremental costs directly associated with integration activities. In addition, for purposes of calculating adjusted EPS, the Company also adjusted for $2.7 million of incremental amortization expense recorded in the Climate Solutions segment during the first quarter of fiscal 2025 associated with the acquired order backlog intangible asset, which will be substantially amortized by the end of fiscal 2025. The tax benefit related to the acquisition related costs and adjustments for fiscal 2025 was $1.0 million.

[c] Environmental charges, including related legal costs, are recorded as SG&A expenses at Corporate and relate to previously-owned facilities.

Non-GAAP Reconciliations

Modine Manufacturing Company
Segment adjusted financial results (unaudited)
(In millions)

	Three months ended June 30, 2024				Three months ended June 30, 2023			
	Climate Solutions	Performance Technologies	Corporate and eliminations	Total	Climate Solutions	Performance Technologies	Corporate and eliminations	Total
Operating income	$ 59.8	$ 31.5	$ (16.9)	$ 74.4	$ 48.6	$ 27.6	$ (9.7)	$ 66.5
Depreciation and amortization expense	11.9	7.0	0.2	19.1	6.1	7.4	0.2	13.7
Restructuring expenses [a]	0.2	5.2	-	5.4	-	-	-	-
Acquisition and integration costs [a]	-	-	1.9	1.9	-	-	-	-
Environmental charges [a]	-	-	0.1	0.1	-	-	0.2	0.2
Adjusted EBITDA	$ 71.9	$ 43.7	$ (14.7)	$ 100.9	$ 54.7	$ 35.0	$ (9.3)	$ 80.4
Net sales	$ 357.3	$ 309.0	$ (4.8)	$ 661.5	$ 286.7	$ 343.1	$ (7.4)	$ 622.4
Adjusted EBITDA margin	20.1%	14.1%		15.3%	19.1%	10.2%		12.9%

[a] See the adjusted financial results on slide 14 and related footnotes on slide 15 for additional information regarding these adjustments.

Non-GAAP Reconciliations

Modine Manufacturing Company
Net debt (unaudited)
(In millions)

	June 30, 2024	March 31, 2024
Debt due within one year	$ 30.2	$ 31.7
Long-term debt	405.7	399.9
Total debt	435.9	431.6
Less: cash and cash equivalents	72.9	60.1
Net debt	$ 363.0	$ 371.5

Free cash flow (unaudited)
(In millions)

	Three months ended June 30,	
	2024	2023
Net cash provided by operating activities	$ 40.5	$ 41.7
Expenditures for property, plant and equipment	(26.8)	(15.1)
Free cash flow	$ 13.7	$ 26.6

Non-GAAP Reconciliations

Modine Manufacturing Company
Organic sales and organic sales growth (unaudited)
(In millions)

	Three months ended June 30, 2024				Three months ended June 30, 2023			
	External Sales	Effect of Exchange Rate Changes	Effect of Acquisitions	**Organic Sales**	External Sales	Effect of Dispositions	Sales Excluding Dispositions	**Organic Sales Growth**
Net sales:								
Climate Solutions	$ 357.2	$ 0.7	$ (41.1)	**$ 316.8**	$ 286.7	$ -	$ 286.7	**10%**
Performance Technologies	304.3	3.4	-	**307.7**	335.7	(24.3)	311.4	**-1%**
Net Sales	$ 661.5	$ 4.1	$ (41.1)	**$ 624.5**	$ 622.4	$ (24.3)	$ 598.1	**4%**

Non-GAAP Reconciliations

The Company's fiscal 2025 guidance includes adjusted EBITDA and adjusted earnings per share, which are non-GAAP financial measures. The full-year fiscal 2025 guidance includes the Company's estimates for interest expense of approximately $28 to $30 million, a provision for income taxes of approximately $69 to $74 million, and depreciation and amortization expense of approximately $78 to $82 million. The non-GAAP financial measures also exclude certain cash and non-cash expenses or gains. These expenses and gains may be significant and include items such as restructuring expenses (including severance and equipment transfer costs), acquisition and integration costs, impairment charges and certain other items. These expenses for the first three months of fiscal 2025 are presented on slide 14. Beyond approximately $8 million of incremental amortization expense expected to be recorded in the Climate Solutions segment for acquired order backlog intangible assets, which the Company will adjust for to calculate adjusted earnings per share, estimates of these expenses and gains for the remainder of fiscal 2025 are not available due to the low visibility and unpredictability of these items.