RegalRexnord™

Creating a better tomorrow™…

First Quarter 2025 Earnings

May 6, 2025

Louis Pinkham, Chief Executive Officer

Rob Rehard, Executive Vice President, Chief Financial Officer

FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

All statements in this communication, other than those relating to historical facts, are "forward-looking statements." Forward-looking statements can generally be identified by their use of terms such as “anticipate,” “believe,” “confident,” “estimate,” “expect,” “intend,” “plan,” “may,” “will,” “project,” “forecast,” “would,” “could,” “should,” and similar expressions, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such statements. Forward-looking statements include, but are not limited to, statements about expected market or macroeconomic trends, future strategic plans and future financial and operating results. Important factors that could cause actual results to differ materially from those presented or implied in the forward-looking statements in this communication include, without limitation: the possibility that the Company may be unable to achieve expected benefits, synergies and operating efficiencies in connection with the sale of the Industrial Motors and Generators businesses, the acquisition of Altra Industrial Motion Corp. ("Altra Transaction"), and the merger with the Rexnord Process & Motion Control business (the “Rexnord PMC business”) within the expected time-frames or at all and to successfully integrate Altra Industrial Motion Corp. ("Altra") and the Rexnord PMC business; the Company's substantial indebtedness as a result of the Altra Transaction and the effects of such indebtedness on the Company's financial flexibility; the Company's ability to achieve its objectives on reducing its indebtedness on the desired timeline; dependence on key suppliers and the potential effects of supply disruptions; fluctuations in commodity prices and raw material costs; any unforeseen changes to or the effects on liabilities, future capital expenditures, revenue, expenses, synergies, indebtedness, financial condition, losses and future prospects; unanticipated operating costs, customer loss and business disruption or the Company's inability to forecast customer needs; the Company's ability to retain key executives and employees; uncertainties regarding our ability to execute restructuring plans within expected costs and timing; challenges to the tax treatment that was elected with respect to the merger with the Rexnord PMC business and related transactions; actions taken by competitors and their ability to effectively compete in the increasingly competitive global industries and markets; our ability to develop new products based on technological innovation, such as the Internet of Things and artificial intelligence, and marketplace acceptance of new and existing products; dependence on significant customers and distributors; risks associated with climate change, including unexpected weather events in markets in which we do business, and uncertainty regarding our ability to deliver on our sustainability commitments and/or to meet related investor, customer and other third party expectations relating to our sustainability efforts; changes to and uncertainty in trade policy, including tariffs on imports into the US from Canada, Mexico, China, and other countries, and retaliatory tariffs and import/export restrictions, including Chinese export restrictions on certain rare earth minerals, or other trade restrictions imposed by the US or other governments; risks associated with global manufacturing, including risks associated with public health crises and political, societal or economic instability, including instability caused by ongoing geopolitical conflicts; issues and costs arising from the integration of acquired companies and businesses; prolonged declines in one or more markets, including disruptions caused by labor disputes or other labor activities, natural disasters, terrorism, acts of war, international conflicts, pandemics and political and government actions; risks associated with excess or obsolete inventory charges including related write-offs or write-downs; economic changes in global markets, such as reduced demand for products, currency exchange rates, inflation rates, interest rates, recession, government policies, including policy changes affecting taxation, trade, tariffs, import/export regulations, immigration, customs, border actions and the like, and other external factors that the Company cannot control; product liability, asbestos and other litigation, or claims by end users, government agencies or others that products or customers’ applications failed to perform as anticipated; unanticipated liabilities of acquired businesses; unanticipated adverse effects or liabilities from business exits or divestitures; the Company's ability to identify and execute on future M&A opportunities, including significant M&A transactions; the impact of any such M&A transactions on the Company's results, operations and financial condition, including the impact from costs to execute and finance any such transactions; unanticipated costs or expenses that may be incurred related to product warranty issues; infringement of intellectual property by third parties, challenges to intellectual property, and claims of infringement on third party technologies; risks related to foreign currency fluctuations or changes in global commodity prices or interest rates;effects on earnings of any significant impairment of goodwill; losses from failures, breaches, attacks or disclosures involving information technology infrastructure and data; costs and unanticipated liabilities arising from rapidly evolving laws and regulations, including data privacy laws, labor and employment laws, environmental laws and regulations, and tax laws and regulation; and other factors that can be found in our filings with the SEC, including our most recent periodic reports filed on Form 10-K and Form 10-Q, which are available on our Investor Relations website. Forward-looking statements are given only as of the date of this communication and we disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

In this presentation, we disclose the following non-GAAP financial measures, and we reconcile these measures in the tables below to the most directly comparable GAAP financial measures: adjusted diluted earnings per share, adjusted diluted earnings per share excluding Industrial, adjusted income from operations, adjusted operating margin, adjusted net sales, net sales excluding Industrial, adjusted gross margin, adjusted gross margin excluding Industrial, net debt, EBITDA, adjusted EBITDA, adjusted EBITDA excluding Industrial, adjusted EBITDA (including synergies), interest coverage ratio, interest coverage ratio (including synergies), adjusted EBITDA margin, adjusted EBITDA margin excluding Industrial, gross debt/adjusted EBITDA, net debt/adjusted EBITDA, net debt/adjusted EBITDA (including synergies), adjusted cash flows from operations, free cash flow, adjusted income before taxes, adjusted provision for income taxes, and adjusted effective tax rate. We believe that these non-GAAP financial measures are useful measures for providing investors with additional information regarding our results of operations and for helping investors understand and compare our operating results across accounting periods and compared to our peers. Our management primarily uses adjusted income from operations and adjusted operating margin to help us manage and evaluate our business and make operating decisions, while the other non-GAAP measures disclosed are primarily used to help us evaluate our business and forecast our future results. Accordingly, we believe disclosing and reconciling each of these measures helps investors evaluate our business in the same manner as management. This release also includes non-GAAP forward-looking information. The Company believes that a quantitative reconciliation of this forward-looking information to the most comparable financial measure calculated and presented in accordance with GAAP cannot be made available without unreasonable efforts. A reconciliation of this non-GAAP financial measure would require the Company to predict the timing and likelihood of future restructurings and other charges. Neither these forward-looking measures, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, a reconciliation of the most directly comparable forward-looking GAAP measure is not provided. In addition to these non-GAAP measures, we use the term “organic sales growth” to refer to the increase in our sales between periods that is attributable to organic sales. “Organic sales” refers to GAAP sales from existing operations excluding any sales from acquired businesses recorded prior to the first anniversary of the acquisition and excluding any sales from business divested/to be exited recorded prior to the first anniversary of the exit and excluding the impact of foreign currency translation. The impact of foreign currency translation is determined by translating the respective period’s organic sales using the currency exchange rates that were in effect during the prior year periods.

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Opening Comments & Overview
LOUIS PINKHAM, CEO

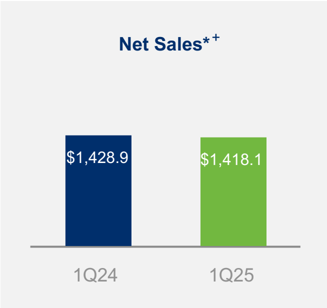
1Q 2025 Results, 2025 Outlook
ROB REHARD, CFO

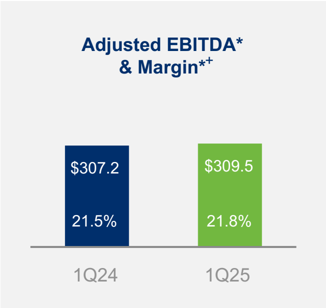
Questions & Answers

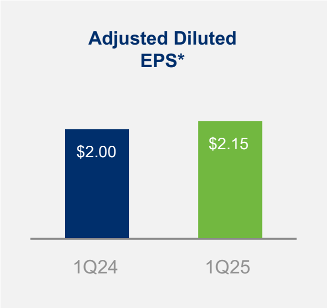
Closing Remarks
LOUIS PINKHAM, CEO

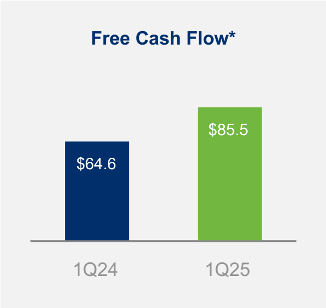
1Q PERFORMANCE

- Sales Up 0.7% On An Organic Basis (Up 2.3% On A Daily Organic Basis)
  - o Strength In Residential HVAC, Aerospace, Energy
  - o Discrete Automation Returns To Growth
- Daily Orders Up 3.3%
  - o Fourth Straight Quarter Of Orders Growth
- Adjusted Gross Margin Of 37.9%, Up 50 BPS Vs. Prior Year+
- Adjusted EBITDA Margin Of 21.8%, Up 30 BPS Vs. Prior Year+
  - o Synergies Of $18 Million In 1Q
- Adjusted EPS Of $2.15, Up 7.5% Vs. Prior Year (Up 10% Adjusted For Industrial Systems Divestiture)
- Free Cash Flow Of $85.5 Million, Up 32% Vs. Prior Year
  - o Paid Down $164 Million Of Gross Debt In 1Q









RegalRexnord
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* $ Millions, Except Per Share Data and Percentages
+ Excluding results of Industrial Systems operating segment

The following metrics in this presentation are Non-GAAP measures: Sales on an Organic Basis, Adjusted Gross Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Effective Tax Rate and Free Cash Flow are Non-GAAP. Non-GAAP measures are reconciled to the corresponding GAAP measures in the Appendix of this presentation.

STRONG POSITION IN RAPIDLY GROWING HUMANOID MARKET

WHY RRX IS WINNING

- Deep domain expertise
- Extension of OEM engineering teams
- Quality leader in precision motion control
- Scalable global manufacturing
- Ability to provide integrated solutions

GROWTH OPPORTUNITY

- Range of market growth forecasts with 10Y CAGRs >50%
- RRX has line of sight (next 3 years) to opportunities on all critical joints on the robot
- Recent wins with leading global humanoid manufacturers worth >$20M annually; production ramping in 2025/2026
    - RRX content addressing 30-50 axes of motion per robot
- Opportunity Funnel Worth ~$100M

Target Applications

Warehouse

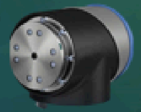
Manufacturing

Other Applications

Agriculture, Education, Medical, Assisted Living, Public Safety

RRX Offering

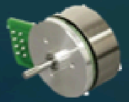
Solutions



Actuator System

Components

Frameless Motors



Micro Motors

Miniature Brakes

Precision Bearings

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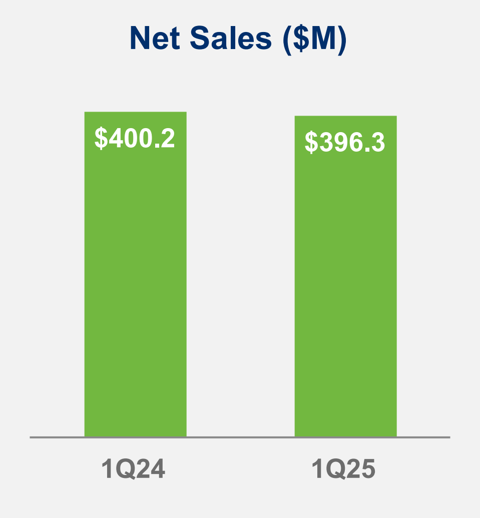
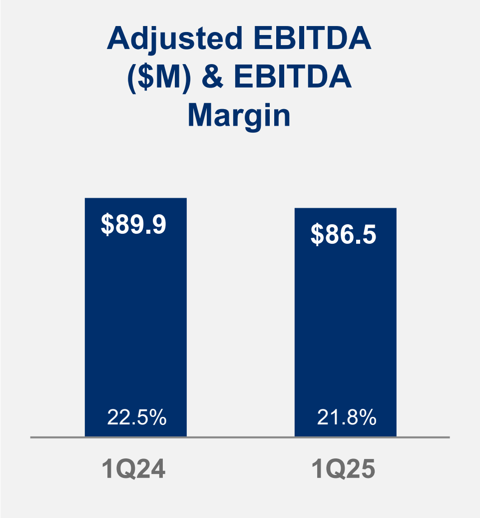
AUTOMATION & MOTION CONTROL

Sales

- **Organic Sales Up 0.4%**
- **Key Drivers**
  - Aerospace & Defense (+)
  - Discrete Automation (+)
  - General Industrial (-)
  - Medical (-)



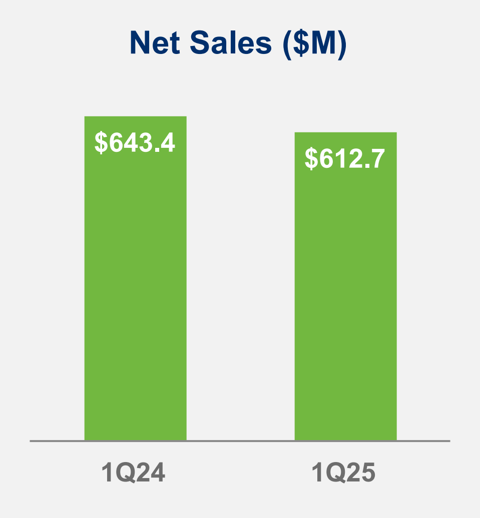


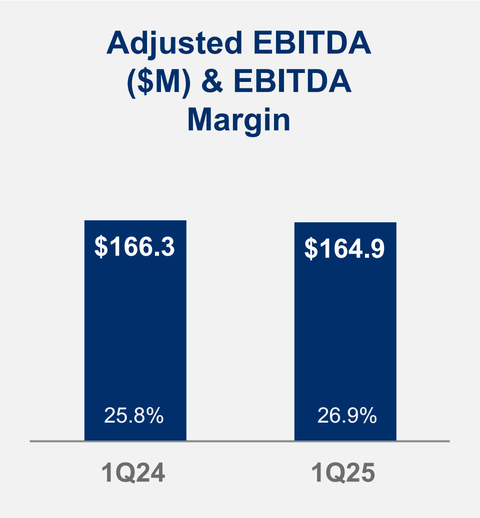
1Q Returns To Growth; Mix-Positive Backlog Growth Benefits 2H Outlook

INDUSTRIAL POWERTRAIN SOLUTIONS

Sales

- **Organic Sales Down 3.4%**
- **Key Drivers**
  - Machinery/Off-Highway (-)
  - Metals & Mining (-)
  - Energy (+)



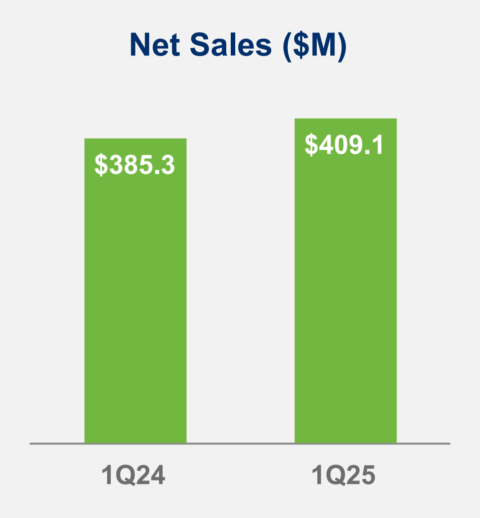


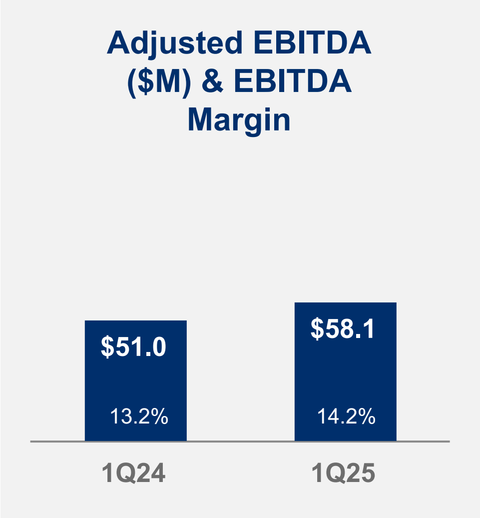
Healthy 1Q Margin Performance; Orders Up 9% Support Stronger 2H

POWER EFFICIENCY SOLUTIONS

Sales

- **Organic Sales Up 8.0%**
- **Key Drivers**
  - R-HVAC (+)
  - General Commercial (-)





A Strong Return To Growth & Improved Profitability

OTHER FINANCIAL UPDATES

Capital Expenditures
- $16.8 Million in 1Q 2025

Effective Tax Rate (ETR)
- 22.5% Adj. ETR in 1Q 2025

Restructuring & Related Costs
- $15.4 Million in 1Q 2025

Balance Sheet at March 31, 2025
- Total Debt of $5,296.9 Million
- Net Debt of $4,991.6 Million
- Net Debt/Adj. EBITDA of 3.62+
- Interest Coverage Ratio of 3.78+

Free Cash Flow
- $85.5 Million in 1Q 2025

+ Including Synergies

2025 OUTLOOK - ENTERPRISE GUIDANCE

2025 Guidance Summary

($M, except as noted)	2025 (Mid-Point)
Sales ($B)	**~$5.86**
Organic Growth (Y/Y)	*~Flat*
Adj. EBITDA Margin	**~23.0%**
Depreciation	~$163
Amortization	~$338
Net Interest	~$328
Stock Based Comp.	~$39
Minority Interest	~$1
Diluted Shares (M)	~66.5
Adj. ETR	~22.5%
Adj. EPS ($)	**~$10.00**
Adj. EPS Range	*$9.60-$10.40*

- **Re-Affirming 2025 Adjusted Guidance**
- Given Company's Mitigation Actions, Tariffs As Currently In Effect Are Expected To Be Neutral To 2025 Adj. EBITDA & EPS

Guidance Reflects ~10% Adjusted EPS Growth

TARIFF IMPACTS

Tariff Impact Summary

($ Million)	March 19 Update	Current Update (As Of May 5)
Gross Annual Impact	**~$60**	**~$130**
Steel/Aluminum	~$30	~$30
Mexico/Canada	~$20	~$20
China	~$10	~$60
RoW	~$0	~$20
Net EBITDA Impact, $	Neutral	Neutral
Timeline	Within 2025	Within 2025
EBITDA Margin Impact	Neutral	Neutral
Timeline	EOY 2025	Mid-2026

Mitigation Actions - Implementation Began In 1Q

- Supply Chain Realignments
- Production Relocations
- Productivity Measures
- Pricing Actions

Other Considerations

- Approximately 95% Of Imports From Mexico & Canada Are USMCA Compliant
- Dual Country Sourced On Most China Imports
- Flexible Global Manufacturing Network Is Enabling Production Moves Out Of China
- Regal's Longstanding In-Region/For-Region Strategy Minimizes RoW Impact

Confident Mitigation Actions Will Achieve Tariff Cost & Margin Neutrality

2025 OUTLOOK - SEGMENT DETAIL

	2Q 2025		FY 2025		
Segment	**Sales ($M)**	**Adj. EBITDA Margin**	**Sales***	**Adj. EBITDA Margin**	**Comments**
AMC	**$400 - $425**	**21.3% - 22.3%**	**~Flat**	**22.5% - 23.5%**	- Expect stronger 2H growth and margins on mix-positive shippable backlog and productivity measures
IPS	**$640 - $670**	**25.5% - 26.5%**	**~Flat**	**26.5% - 27.5%**	- Outgrowth, net of weak ISM markets - Synergies benefit margins
PES	**$410 - $440**	**16.5% - 17.5%**	**~Flat**	**16.5% - 17.5%**	- R-HVAC, N.A. C-HVAC Positive - Europe & China weak

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APPENDIX

ADJUSTED DILUTED EARNINGS PER SHARE

Unaudited

	Three Months Ended	
	Mar 31, 2025	Mar 31, 2024
GAAP Diluted Earnings Per Share	**$ 0.86**	$ 0.30
Intangible Amortization	**0.97**	0.98
Restructuring and Related Costs [(a)]	**0.18**	0.19
Share-Based Compensation Expense	**0.13**	0.11
Transaction and Integration Related Costs [(b)]	**0.08**	0.09
Loss on Sale of Businesses [(c)]	—	0.32
Impairments and Exit Related Costs	—	0.01
Gain on Sale of Assets	**(0.07)**	(0.01)
Discrete Tax Items	—	0.01
Adjusted Diluted Earnings Per Share [(d)]	**2.15**	2.00

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, and rebranding costs associated with the sale of the industrial motors and generators businesses.

(c) Reflects the loss related to the sale of the industrial motors and generators businesses.

(d) Adjusted Diluted EPS excluding Industrial Systems for the three months ended March 2024 is calculated as follows:

	Industrial Systems
	Three Months Ended
	Mar 31, 2024
Adjusted Income from Operations	$ 9.2
Provision for Income Taxes	2.1
Adjusted Net Income	$ 7.1
Adjusted Diluted EPS	$ 0.11
Lower Interest Expense*	$ 6.5
Provision for Income Taxes	1.5
Lower Interest Expense, net of tax	$ 5.0
Adjusted Diluted EPS	$ 0.07

	Total Regal Rexnord
	Three Months Ended
	Mar 31, 2024
Adjusted Diluted EPS	$ 2.00
Less: Adjusted EPS for Industrial	(0.11)
Plus: Lower Interest Expense, net of tax*	0.07
Adjusted Diluted EPS, excluding Industrial Systems	$ 1.96

* Interest expense impact from using proceeds from sale of Industrial Systems to pay down variable rate debt.

2025 ADJUSTED ANNUAL GUIDANCE

Unaudited

	Minimum	Maximum
2025 GAAP Diluted EPS Annual Guidance	$ 4.49	$ 5.29
Intangible Amortization	3.84	3.84
Restructuring and Related Costs [a]	0.56	0.56
Share-Based Compensation Expense	0.50	0.50
Transaction and Integration Related Costs [b]	0.28	0.28
Gain on Sale of Assets	(0.07)	(0.07)
2025 Adjusted Diluted EPS Annual Guidance	$ 9.60	$ 10.40

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) Primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses.

APPENDIX

2025 NET INCOME TO ADJUSTED EBITDA ANNUAL GUIDANCE

Unaudited

(Dollars in Millions)

	Minimum	Maximum
Net Income	$ 294.8	$ 347.5
Plus: Income Taxes	85.6	100.9
Plus: Interest Expense	342.5	342.5
Less: Interest Income	(14.8)	(14.8)
Plus: Depreciation	162.7	162.7
Plus: Amortization	338.2	338.2
EBITDA	$ 1,209.0	$ 1,277.0
Plus: Restructuring and Related Costs [a]	48.7	48.7
Plus: Share-Based Compensation Expense	39.2	39.2
Plus: Transaction and Integration Related Costs [b]	24.1	24.1
Less: Gain on Sale of Assets	(6.0)	(6.0)
Adjusted EBITDA	$ 1,315.0	$ 1,383.0

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) Primarily relates to integration costs associated with the Altra Transaction and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

ORGANIC SALES GROWTH

Unaudited

(Dollars in Millions)

	Three Months Ended				
	Automation & Motion Control	**Industrial Powertrain Solutions**	**Power and Efficiency Solutions**	**Industrial Systems**	**Total Regal Rexnord**
Net Sales Three Months Ended Mar 31, 2025	$ 396.3	$ 612.7	$ 409.1	$ —	$ 1,418.1
Impact from Foreign Currency Exchange Rates	5.5	8.9	3.4	—	17.8
Organic Sales Three Months Ended Mar 31, 2025	$ 401.8	$ 621.6	$ 412.5	$ —	$ 1,435.9
Net Sales Three Months Ended Mar 31, 2024	$ 400.2	$ 643.4	$ 385.3	$ 118.8	$ 1,547.7
Net Sales from Businesses Divested	—	—	(3.5)	(118.8)	(122.3)
Adjusted Net Sales Three Months Ended Mar 31, 2024	$ 400.2	$ 643.4	$ 381.8	$ —	$ 1,425.4
Three Months Ended Mar 31, 2025 Net Sales Growth %	(1.0)%	(4.8)%	6.2 %	(100.0)%	(8.4)%
Three Months Ended Mar 31, 2025 Foreign Currency Impact %	(1.4)%	(1.4)%	(0.9)%	— %	(1.2)%
Three Months Ended Mar 31, 2025 Divestitures %	— %	— %	(0.9)%	(100.0)%	(7.9)%
Three Months Ended Mar 31, 2025 Organic Sales Growth %	0.4 %	(3.4)%	8.0 %	— %	0.7 %

APPENDIX

ADJUSTED EBITDA

Unaudited

(Dollars in Millions)

	Three Months Ended									
	Automation & Motion Control		**Industrial Powertrain Solutions**		**Power Efficiency Solutions**		**Industrial Systems**		**Total Regal Rexnord**	
	Mar 31, 2025	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024
GAAP Income from Operations	**$ 35.1**	$ 40.2	**$ 81.7**	$ 82.1	**$ 42.9**	$ 28.5	**$ —**	$ (16.9)	**$ 159.7**	$ 133.9
Restructuring and Related Costs [a]	**1.2**	2.0	**12.9**	4.9	**1.3**	8.3	**—**	2.0	**15.4**	17.2
Transaction and Integration Related Costs [b]	**1.4**	0.3	**4.1**	4.4	**1.4**	0.5	**—**	2.6	**6.9**	7.8
Operating Lease Asset Step Up	**—**	—	**0.2**	0.3	**—**	—	**—**	—	**0.2**	0.3
Loss on Sale of Businesses [c]	**—**	—	**—**	—	**—**	—	**—**	21.5	**—**	21.5
Impairments and Exit Related Costs	**—**	0.1	**—**	0.2	**—**	0.2	**—**	—	**—**	0.5
Gain on Sale of Assets	**—**	(0.8)	**(6.0)**	—	**—**	—	**—**	—	**(6.0)**	(0.8)
Adjusted Income from Operations	**$ 37.7**	$ 41.8	**$ 92.9**	$ 91.9	**$ 45.6**	$ 37.5	**$ —**	$ 9.2	**$ 176.2**	$ 180.4
Amortization	**$ 33.9**	$ 34.4	**$ 49.9**	$ 50.0	**$ 1.6**	$ 2.1	**$ —**	$ 0.2	**$ 85.4**	$ 86.7
Depreciation	**11.6**	11.5	**18.6**	20.2	**8.9**	9.5	**—**	0.3	**39.1**	41.5
Share-Based Compensation Expense	**3.4**	2.3	**3.8**	4.3	**2.3**	2.0	**—**	0.5	**9.5**	9.1
Other Expense, Net	**(0.1)**	(0.1)	**(0.3)**	(0.1)	**(0.3)**	(0.1)	**—**	—	**(0.7)**	(0.3)
Adjusted EBITDA [d]	**$ 86.5**	$ 89.9	**$ 164.9**	$ 166.3	**$ 58.1**	$ 51.0	**$ —**	$ 10.2	**$ 309.5**	$ 317.4
GAAP Operating Margin %	**8.9 %**	10.0 %	**13.3 %**	12.8 %	**10.5 %**	7.4 %	**— %**	(14.2)%	**11.3 %**	8.7 %
Adjusted Operating Margin %	**9.5 %**	10.4 %	**15.2 %**	14.3 %	**11.1 %**	9.7 %	**— %**	7.7 %	**12.4 %**	11.7 %
Adjusted EBITDA Margin %	**21.8 %**	22.5 %	**26.9 %**	25.8 %	**14.2 %**	13.2 %	**— %**	8.6 %	**21.8 %**	20.5 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, and rebranding costs associated with the sale of the industrial motors and generators businesses.

(c) Reflects the loss related to the sale of the industrial motors and generators businesses.

(d) Adjusted EBITDA and Adjusted EBITDA Margin % Excluding Industrial for the three months ended March 2024 is calculated as follows:

	Mar 31, 2024
Total Regal Rexnord Adjusted EBITDA	317.4
Less: Industrial Systems Adjusted EBITDA	10.2
Adjusted EBITDA excluding Industrial Systems	307.2
Total Regal Rexnord Net Sales	1,547.7
Less: Industrial Systems Net Sales	118.8
Net Sales excluding Industrial Systems	1,428.9
Adjusted EBITDA Margin % excluding Industrial Systems	21.5 %

APPENDIX

ADJUSTED GROSS MARGIN

Unaudited

(Dollars in Millions)

	Three Months Ended									
	Automation & Motion Control		Industrial Powertrain Solutions		Power Efficiency Solutions		Industrial Systems		Total Regal Rexnord	
	Mar 31, 2025	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024	**Mar 31, 2025**	Mar 31, 2024
Gross Margin	**$ 158.1**	$ 159.9	**$ 257.5**	$ 264.8	**$ 112.0**	$ 99.3	**$ —**	$ 29.1	**$ 527.6**	$ 553.1
Restructuring and Related Costs [(a)]	**0.6**	0.6	**8.8**	2.2	**0.6**	7.3	**—**	1.6	**10.0**	11.7
Operating Lease Asset Step Up	**—**	—	**0.2**	0.3	**—**	—	**—**	—	**0.2**	0.3
Adjusted Gross Margin	**$ 158.7**	$ 160.5	**$ 266.5**	$ 267.3	**$ 112.6**	$ 106.6	**$ —**	$ 30.7	**$ 537.8**	$ 565.1
Gross Margin %	**39.9 %**	40.0 %	**42.0 %**	41.2 %	**27.4 %**	25.8 %	**— %**	24.5 %	**37.2 %**	35.7 %
Adjusted Gross Margin % [(b)]	**40.0 %**	40.1 %	**43.5 %**	41.5 %	**27.5 %**	27.7 %	**— %**	25.8 %	**37.9 %**	36.5 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) The following table reflects Adjusted Gross Margin of the Company for the three months ended March 31, 2024 Excluding Industrial:

	Mar 31, 2024
Total Regal Rexnord Adjusted Gross Margin	565.1
Less: Industrial Systems Adjusted Gross Margin	30.7
Adjusted Gross Margin excluding Industrial Systems	534.4
Total Regal Rexnord Net Sales	1,547.7
Less: Industrial Systems Net Sales	118.8
Net Sales excluding Industrial Systems	1,428.9
Adjusted Gross Margin % excluding Industrial Systems	37.4 %

NET INCOME TO ADJUSTED EBITDA

Unaudited

(Dollars in Millions)

	Three Months Ended	
	Mar 31, 2025	Mar 31, 2024
Net Income	**$ 57.5**	$ 20.4
Plus: Income Taxes	**15.5**	10.9
Plus: Interest Expense	**90.2**	105.4
Less: Interest Income	**(4.2)**	(3.1)
Plus: Depreciation	**39.1**	41.5
Plus: Amortization	**85.4**	86.7
EBITDA	**$ 283.5**	$ 261.8
Plus: Restructuring and Related Costs [a]	**15.4**	17.2
Plus: Share-Based Compensation Expense	**9.5**	9.1
Plus: Transaction and Integration Related Costs [b]	**6.9**	7.8
Plus: Operating Lease Asset Step Up	**0.2**	0.3
Plus: Loss on Sale of Businesses [c]	**—**	21.5
Plus: Impairments and Exit Related Costs	**—**	0.5
Less: Gain on Sale of Assets	**(6.0)**	(0.8)
Adjusted EBITDA	**$ 309.5**	$ 317.4

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, and rebranding costs associated with the sale of the industrial motors and generators businesses.

(c) Reflects the loss related to the sale of the industrial motors and generators businesses.

APPENDIX

ADJUSTED EFFECTIVE TAX RATE

Unaudited

(Dollars in Millions)

	Three Months Ended	
	March 31, 2025	March 31, 2024
Income before Taxes	**$ 73.0**	$ 31.3
Provision for Income Taxes	**15.5**	10.9
Effective Tax Rate	**21.2 %**	34.8 %
Income before Taxes	**$ 73.0**	$ 31.3
Intangible Amortization	**85.4**	86.7
Restructuring and Related Costs [a]	**15.4**	17.2
Share-Based Compensation Expense	**9.5**	9.1
Transaction and Integration Related Costs [b]	**6.9**	7.8
Operating Lease Asset Step Up	**0.2**	0.3
Loss on Sale of Businesses [c]	**—**	21.5
Impairments and Exit Related Costs	**—**	0.5
Gain on Sale of Assets	**(6.0)**	(0.8)
Adjusted Income before Taxes*	**$ 184.4**	$ 173.6
Provision for Income Taxes	**$ 15.5**	$ 10.9
Tax Effect of Intangible Amortization	**20.9**	21.0
Tax Effect of Restructuring and Related Costs	**3.6**	4.1
Tax Effect of Share-Based Compensation Expense	**1.1**	2.1
Tax Effect of Transaction and Integration Related Costs	**1.6**	1.9
Tax Effect of Operating Lease Asset Step Up	**—**	0.1
Tax Effect of Impairments and Exit Related Costs	**—**	0.1
Tax Effect of Gain on Sale of Assets	**(1.4)**	(0.1)
Discrete Tax Items	**0.1**	(0.6)
Adjusted Provision for Income Taxes*	**$ 41.4**	$ 39.5
Adjusted Effective Tax Rate*	**22.5 %**	22.8 %

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) For 2025, primarily relates to (1) integration costs associated with the Altra Transaction and (2) IT carve-out costs associated with the sale of the industrial motors and generators businesses. For 2024, primarily relates to (1) legal, professional service and integration costs associated with the Altra Transaction and (2) legal, professional service, and rebranding costs associated with the sale of the industrial motors and generators businesses.

(c) Reflects the loss related to the sale of the industrial motors and generators businesses.

APPENDIX

FREE CASH FLOW

Unaudited

(Dollars in Millions)

	Three Months Ended	
	Mar 31, 2025	Mar 31, 2024
Net Cash Provided by Operating Activities	**$ 102.3**	$ 83.1
Additions to Property Plant and Equipment	**(16.8)**	(18.5)
Free Cash Flow	**$ 85.5**	$ 64.6

APPENDIX

DEBT TO EBITDA

Unaudited
(Dollars in Millions)

		Last Twelve Months Mar 31, 2025
Net Income	$	235.5
Plus: Income Taxes		54.2
Plus: Interest Expense		384.5
Less: Interest Income		(19.9)
Plus: Depreciation		162.0
Plus: Amortization		345.2
EBITDA	$	1,161.5
Plus: Restructuring and Related Costs [a]		89.8
Plus: Share-Based Compensation Expense		35.2
Plus: Transaction and Integration Related Costs [b]		32.8
Plus: Impairments and Exit Related Costs		3.5
Plus: Operating Lease Asset Step Up		0.8
Less: Gain on Sale of Businesses [c]		(13.0)
Less: Gain on Sale of Assets		(8.3)
Adjusted EBITDA [d]	$	1,302.3
Current Maturities of Long-Term Debt	$	5.1
Long-Term Debt		5,291.8
Total Gross Debt	$	5,296.9
Cash and Cash Equivalents		(305.3)
Net Debt	$	4,991.6
Gross Debt/Adjusted EBITDA		4.07
Net Debt/Adjusted EBITDA [d]		3.83
Interest Coverage Ratio [d][e]		3.57

(a) Relates to costs associated with actions taken for employee reductions, facility consolidations and site closures, product line exits and other asset charges.

(b) Primarily relates to (1) legal, professional service, and integration costs associated with the Altra Transaction and (2) legal, professional service, rebranding and IT carve-out costs associated with the sale of the industrial motors and generators businesses.

(c) Reflects the gain recorded related to the sale of the industrial motors and generators businesses over the last twelve months.

(d) Synergies expected to be realized in the future are included in the calculation of EBITDA that serves as the basis for financial covenant compliance for certain of the Company's debt. The impact of the synergies the Company expects to realize within 18 months is as follows:

Adjusted EBITDA	$	1,302.3
Synergies to be Realized Within 18 months		75.0
Adjusted EBITDA (including synergies)	$	1,377.3
Net Debt/Adjusted EBITDA (including synergies)		3.62
Interest Expense	$	384.5
Interest Income		(19.9)
Net Interest Expense	$	364.6
Interest Coverage Ratio (including synergies)[1]		3.78

(1) Computed as Adjusted EBITDA (including synergies)/Net Interest Expense

(e) Computed as Adjusted EBITDA/Net Interest Expense